

Rural Consumer Behaviour Factors Analysis : A Case Study on Bundelkhand Region

Dr. Pradeep Kumar Mishra

Assistant Professor, Faculty of Management Studies, Madhav University, Abu Road, Rajasthan, India

ABSTRACT

In present Globalized era of business, we observe in Indian economy are such as multifarious changes from country wide to worldwide on can observe drastic changes in Rural India. Due to emergence of media, education and changes in per-capita income of individuals in rural areas. The consumption enormously shifted to new trends in behaviour patterns of consumers.

Keywords : Rural Consumer, FMCG, Marketing Sector, Rural Consumers

I. INTRODUCTION

There is a gulf difference between the behaviour patterns involved in rural consumers and urban consumers. The real India lies in rural areas. The huge scope in marketing in rural areas is matter of great significance in marketing zone. So this we have realized at the time of improving consumer base. The behaviour patterns of rural consumers is a question of Psychological and analytical factors.

In this regards a research oriented study of rural consumer is inevitable for the improvement of marketing improvement. Consumer attitude makes a gulf difference in the field of marketing. So in this regard one should adhere to you attitude and study the consumer behaviour and their attitude, character, purchasing capacity etc. will have to analyse systematically and minutely in interest of business development.

1.2 UNDERSTANDING THE FACTORS FROM RURAL CONSUMER POINT OF VIEW

The leading FMCG Companies have created huge channels of distribution to ensure the Availability of the products at consumer door step.

The role of various media is playing very significant role in creating awareness and demand of products and services. In this process communication is also playing a vital role in the specialization and all other relevant details pertaining to the particular products and services cannot ignored at any cost.

The population of rural India in undoubtability bigger than the population of urban areas. It is their fore clear that success in rural marketing is really is success in marketing sector.

CULTURE

Culture is one of the important factors of a person's behavior in rural area. As a child grows up in the rural atmosphere, he gains a set of values, perception, preferences and behaviors through the family and other key association involved at each stage of his life.

Indian culture is wide and varied. Indian culture is dominating factor which enjoying the people as a whole. Culture influences behavior through its manifestations: values, heroes, rituals, and symbols. Culture is different from person to person country to country and urban to rural. The marketer supposes

to know the particular culture with a vision to improve marketing business development.

PRODUCT PACKAGING

Education is a main factor for self-realization. Here in rural areas education is not up-to the mark hence inhabitants appreciate the good packaging system and, symbols, logo & Trade Mark etc.

The FMCG particularly in packaging are the most exponents and masters in packaging system. This trends always yield good results especially in the case of rural areas. Packaging plays a major role in the product offering for rural markets as it is related with affordability, the ability to identify, ease to users and the appeal of the product.

PRICE

The per-capita income of individuals varies from urban to rural areas. The rural purchasing capacity also varying as per the per-capita income.

The per-capita income of urban-consumers much higher than the per capita-income of rural consumers. The marketer has to consider that and strategy should manipulate according to the purpose.

The rural consumers are very much in practical to get the FMCG product lesser price and always expect higher quality products.

FAMILY SIZE

Rural consumer behavior is also influenced by family size and structure. When we compare to the strength of the family we generally see more members are joint family system which prevails in rural areas. The more members in a joint family mean more consumption. In rural areas consumption is for higher than the consumption in urban areas.

AGE

The purchase of products and their forms are influenced by age. The need is always varied from age to age that is younger to older age. Age is the prime source of demands.

ADVERTISING

Advertising is major factors or main pillars of creating demand among rural consumers. The marketer success in advertisement the marketer flourishing. Advertisement is really an art which makes the people (rural consumers) interested in purchasing the FMCG products. It is factor of analysis the psychology of the rural consumers. If the advertisement is in accordance with the rural consumers it creates marvellous effect on marketing.

II. REVIEW OF LITERATURE

Sudarshan Ashokrao Pawar & Sunil Naranje (2016) conducted a research on "A Study on Factors Influencing on Buying Behaviour of Customers". The objective of the research was to understand thoroughly of the concept of consumer behaviour along with identification of the factors influencing consumer buying behaviour. This research paper aims to classify different streams of belief that could monitor future consumer research.

Natrajan M & Manimaran S. (2016) in his paper "Impact of Advertisement on Buying Behaviour of Rural women Consumers" recommended that for rural buyers the consumption pattern is all that much affected by household mass and arrangement. Subsequent to new at the select the assessment phase of the buyer choice procedure, entirely the chosen varieties are sufficient to the rural buyer.

Muneeswaran K (2015) revealed in his study that the achievement of every business is mainly lies on the behaviour of consumers. Today, more and more rivalry with many structured and unstructured retail shops to retailing the consumers.

OBJECTIVES OF RESEARCH

The following research objectives were formulated for this study:

1. To understand the consumer buying behaviour in Rural area.
2. To study various aspects of consumer behaviour in Rural India for FMCG products.
3. To study about the role of various Socio-economic, Cultural and Psychological factors that influence the purchasing pattern of rural consumer.

HYPOTHESES OF THE STUDY

1. There is Significant and positive relation between brand name and Decision for purchase.

III. RESEARCH METHODOLOGY

3.1 SAMPLING AND SAMPLE SIZE

The research would be incomplete without having the proper sample size. A recommended sample size of 200 to 500 would be satisfactory for data analysis. For this research, due to some constraints and practicability of the sample frame a total of 500 questionnaires were distributed.

Therefore this process could be omitted from this study. But in the survey, the researcher collected the data self and during collection of data, if respondents had any problem the researcher clarified it immediately. Out of 473 collected questionnaires, 428 provided complete information and rest were not filled completely; the hit ratio shows that the administration of questionnaire is done properly for this study.

3.2 TOOLS AND TECHNIQUES USED

The researcher had used various statistical tools for analyzing the result of studying rural consumer buying behaviour. In order to identify the frequency of purchases and the influencing variables related to media and research on various products, Averages are calculated. The researcher had employed cross tabulation between the demographic variables and various product brand that were considered for the research. For testing of the hypotheses, chi-square test

with contingency coefficient was used. ANOVA is used to test the hypothesis related to impact of brand attributes in purchasing decisions. In order to identify and extract the factors that have an impact on rural consumer buying behaviour for FMCG products, Factor analysis was used.

IV. FINDINGS AND INTERPRETATION

It terms of rural consumers the noteworthy point to be noted is that the marketer should always stick to truth and reasoning. He should have the principle of reasoning and the truthfulness that is to say I whatever he commits to the consumers to be fulfilled up to their expectations because the rural consumers always expect something beneficial to them and marketer should satisfies their needs without any hesitation.

The marketer should aware of the society and its customers of rural consumers because without society no business can be flourished. The marketer should behave in such a ways that which nurture to good relation and right understanding among the rural consumers.

Right understanding and relation are the most ever-remembering factors which enjoys the people psychologically, sociologically and culturally.

4.1 DEMOGRAPHIC CHARACTERISTICS OF SELECTED RESPONDENTS

The purpose of quantifiable data analysis is to reduce (i.e. - Categorized, Order, manipulate & summarize) data to an interpretable from, so that relations of Research problems can be studied, tested and conclusions can be drawn. For the purpose of analysis of data for the study, descriptive and inferential Statistics were used.

Table 4.1 Demographic Characteristics of the Sample Respondents

Demographic Characteristics	Category	frequency	Percentage (%)
Gender	Male	284	66.4
	Female	144	33.6
Age (in years)	Below 25	93	21.7
	26-35	119	27.8
	36-45	93	21.7
	Above 45	123	28.7
Qualifications	No Schooling	42	9.8
	Primary	40	9.3
	Secondary	32	7.5
	Higher Secondary	66	15.4
	Graduation	114	26.6
	Post Graduation	117	27.3
	Others	17	4.0
Occupation	Self-employment	104	24.3
	Business	109	25.5
	Private Employee	84	19.6
	Govt. Servant	63	14.7
	Unemployed	68	15.9
Type of Family	Joint	362	84.6
	Nuclear	66	15.4
Total Monthly Income	Below Rs 5,000	41	9.6
	5,001-10,000	103	24.1
	10,001-15,000	74	17.3
	15,001-20,000	74	17.3
	20,001 and above	136	31.8
Number of Family members	1-4	136	31.8
	5-7	121	28.3
	8-11	122	28.5
	12 and above	49	11.4
Number of Children in your family	0	104	24.3
	1-2	159	37.1
	3-4	96	22.4
	5 and above	69	16.1
Nature of Accommodation	Hut	48	11.2
	Kutcha House	108	25.2
	Pacca House	272	63.6

(Source: Sample data collected by the researcher)

4.2 MEASUREMENT OF PURCHASING PATTERN OF VARIOUS PROUDUCTS ON DEMOGRAPHIC VARIABLES

In this section, an attempt is made to analyze the purchasing pattern of several products in the rural market of the nominated sample respondents. The variables are categorized into two important strata viz. dependent variable and independent variable. The various products under the investigation are taken as dependent variable. The independent variables used in the study are gender, age, education qualification of the respondent, occupation of the respondent, type of family and total monthly income.

FACTOR ANALYSIS

1. There is Significant and positive relation between brand name and Decision for purchase.

On the basis of literature review and previous studies we developed aoutline which is showing association of brand name and consumer buying behavior.

In purchasing a brand name is very important factor among rural consumers. This is prime duty of marketer to say about brand and product attributes of FMCG products. The Brand is always signifies something is quality of the products. In rural areas also consumers are aware and more conscious about brand name of the products, because name and fame do not wash away within a minutes.

Brand name or brand image is the dependent variable of study and Consumer buying behavior is independent variable which is sub divided into four variables as shown above in figure 1.

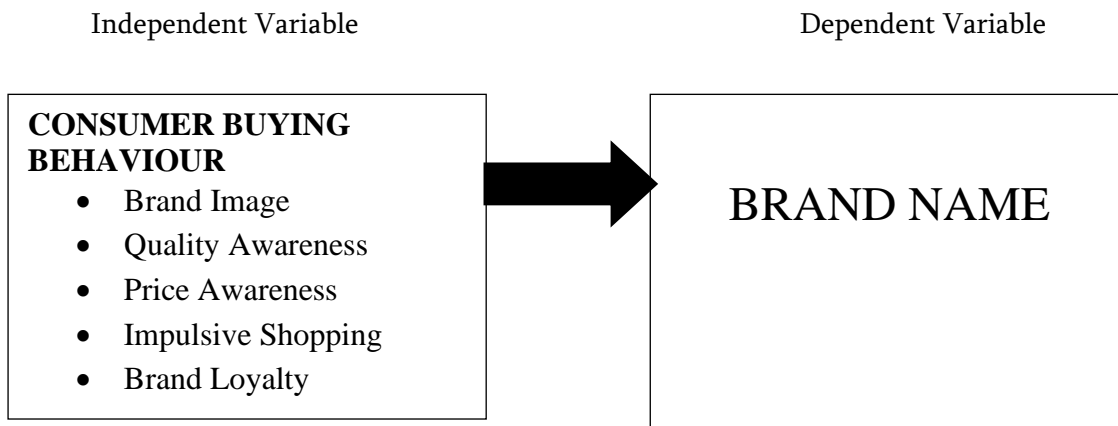


Fig. 4.1 Relationships between Brand Name and Consumer Behaviour Parameters)

The purpose of our study is to measure the Consumer preference regarding brand Image or brand name and we are supporting that brand image plays a vital role for consumers while doing purchasing goods. This Research Study is conducted in Twenty five villages of ChitrakootDham&MahowaDistrict. Correlation results are shown as follows in table.4.1.

Table 4.2 Correlation Table

Variables	Brand Image	Quality Awareness	Price Awareness	Impulsive Shopping	Brand Loyalty
Brand Image	1				
Quality Awareness	0.589	1			
Price Awareness	0.51	0.47	1		
Impulsive Shopping	0.45	0.42	0.486	1	
Brand Loyalty	0.50	0.49	0.612	0.524	1

From the above table it is clear that there is a high correlation (0.612) between Brand Loyalty and Price Awareness and there is a low correlation (0.42) between Impulsive shopping and Quality Awareness. The Model Summary is given in Table 4.2 which shows the Model, Value of R, R-Square, Adjusted R Square, Standard Error of estimate along with Durbin Watson Score. Table 4.3 describes that brand name is positively related with consumer buying behavior as shown above.

Table 4.3 Model Summary

Model	R	R square	Adjusted R Square	Std. Error of the estimate	Durbin-Watson
1	0.594	0.353	0.350	0.5910	1.549

- a. Analyst is Consumer Buying Behaviour (four independent variables)
- b. Dependent variable is brand name

Table 4.10 clarifies the immediate of results, R Square shows the variation in consumer buying behavior due to brand image or brand name, R Square is 0.353 it means that independent variable has 35.3% impact on dependent variable.

Null Hypothesis : There is significant and positive relation between brand name and decision for purchase.

Table 4.4 ANOVA Table

Model	Sum of Squares	D.f	Mean Square	F	Sig.
1 Regression	43.435	1	46.175	133.129	0.000
Residual	84.457	427	0.329		
Total	127.892	428			

Table 4.4 proves the level of significance that it is acceptable or not. But the results in table shows that implication level is 0.000 which is less than 0.05 and it is acceptable and shows strong impact of brand image/brand name on decision for purchase.

Hence From above outcomes it is determined that all results are supportive our null hypothesis and there is significant and strong positive relationship between brand name and purchase decision.

Table 4.5 Extracted Factors affecting buying decisions

Factor	Factors Name	Variables	Eigen Values	Total Variance	Factor Loading
Factor-1	Convenience	In case of non-availability of regular products at near by shop, I always look for another shop.	6.083	22.531	0.775
		I like to buy the products from Haat.			0.753
		In case of non-availability of regular products at near by shop, I always wait for product to come.			0.751
		I purchased the product because its easily available			0.653
		I buy the products from the nearest shop.			0.556
Factor-2	Price	I give more preference price than brand name and quality in buying desicions.	1.757	9.508	0.733
		In my opinion , in rural market price charged by the shopkeepers are always high.			0.627
		In my opinion, discounted products are not always out-dated products.			0.588
		In my opinion, low price products are not always inferior qualityproduct.			0.530
Factor-3	Promotion	Free gifts always attarcts me the most to buy the products.	1.592	8.897	0.681
		Advertiments always create intrrest for the products which I purchase.			0.658
		I belive that, diffrent sales promotion schemes increase the sales of products			0.565

		Advertisement always enhance my product knowledge.			0.523
		I believe that, company offers free products scheme, because to give tough competitions to competitors.			0.508
Factor-4	Brand	In my opinion, presence of superiors (duplicate) products are always high in rural market	1.175	5.353	0.629
		I believe that, it is always difficult to differentiate between superiors (duplicate) and branded products			0.565
Factor-5	Conviction	I would like to purchase that product that is maximum using by my friends or relatives.	1.126	4.170	0.589
		Brand Ambassador influences my buying decisions			0.523
		Approval of my environment or friend is the most important things for me to purchase FMCG products.			0.504
Total variance explained 68.655 %					

FACTOR 1: CONVINIENCE

Total percentage variance of this factor was highest notably 22.531 and its Eigen value is 6.083. Five variables were loaded on this factor. The loading value of statement "In case of non-availability of regular products at near by shop, I always look for another shop" contributed highest to this factor i.e. 0.775 and lowest loading rate contributed to this factor is 0.556 for statement "I buy the products from the nearest shop. The other variables contributed to this factor are "I like to buy the products from Haat" (loading value is 0.753), "In case of non-availability of regular products at near by shop, I always wait for product to come" (loading value is 0.751) and "I purchased the product because it is easily available" (loading value is 0.556).

This clearly reveals that the customer somehow manage to purchase the product in order to consumer it on immediate basis. In case of non-availability of the products, the customers who are brand conscious can wait for its availability in the nearest future.

But, the customers who are in need and they are not brand conscious, can go to nearest shop in order to purchase the products. So, it should be recommended to the retailers to prepare a chart of daily consumed products (fast moving consumer goods) and make a note of availability of the product. In case the product is not available, they must take proper care to make available of the product so that customers will not face any trouble in purchasing.

Table 4.6. Factor One: Convenience

Factor	Factors Name	Variables	Eigen Values	Total Variance	Factor Loading
Factor-1	Convenience	In case of non-availability of regular products at near by shop, I always look for another shop.	6.083	22.531	0.775
		I like to buy the products from Haat.			0.753
		In case of non-availability of regular products at near by shop, I always wait for product to come.			0.751
		I purchased the product because its easily available			0.653
		I buy the products from the nearest shop.			0.556
		Brand Ambassdor influences my buying decisions			0.523
		Approval of my environment or friend is the most important things for me to purchases FMCG products.			0.504

As the variables are related to each other and reveals an idea regarding convience approach of customers towards purchase of goods, so the researcher has named this factor as “Convience”.

FACTOR 2 : PRICE

Total percentage of variance of this factor is 9.508 and Eigen value is 1.757. Four variables were loaded on this factor. The highest loading rate is 0.733 for this factor contributed by statement “I give more preference price than brand name and quality in buying desicions.The lowest loading rate for this factor is 0.530 by statement “In my opinion, low price products are not always inferior quality product”.

Table 4.6 Factor Two: Price

Factor	Factors Name	Variables	Eigen Values	Total Variance	Factor Loading
Factor-2	Price	I give more preference price than brand name and quality in buying desicions.	1.757	9.508	0.733
		In my opinion, in rural market price charged by the shopkeepers are always high.			0.627
		In my opinion, discounted products are not always out-dated products.			0.588
		In my opinion, low price products are not always inferior quality product.			0.530

Rural consumers are mainly concern with their value of money. Rural Consumers always insisted on qualitative products rather than quantity aspects one they paid their face value of the some quality will persists.

When there is any drawback in its quality availability the customer feel bad and it create negative impression. In marketing good faith is quite relevant in its development perspective. Rural Consumers are more price conscious in purchase and they make the payment of FMCG products only after comparing the envisaged price with the brands.

FACTOR 3: PROMOTION

Total percentage of variance associated with this factor is 8.897 with Eigen value 1.592. This factor is consisting of five variables. The highest and lowest loading rate corresponding to this factor is 0.681 and 0.508 respectively. These values are contributed by statement “Free gifts always attracts me the most to buy the products and statement “I believe that compny offers free products scheme, becaue to give tough competition to competitors” respectively.

The researcher has named this factor as “Promotion” as all the attributes are related to promotion of products.

Table 4.7 Factor Three: Promotion

Factor	Factors Name	Variables	Eigen Values	Total Variance	Factor Loading
Factor-3	Promotion	Free gifts always attracts me the most to buy the products.	1.592	8.897	0.681
		Advertiments always create intrrest for the products which I purchase.			0.658
		I belive that, diffrent sales promotion schemes increase the sales of products			0.565
		Advertisement always enhance my product knowledge.			0.523
		I belive that, comapny offers free products scheme, because to give tough competitions to cometitors.			0.508

Shopkeepers in the most important pillar in the propagating about qualities, Price, durability, quality etc. to rural consumers directly and the same will yield commendable progress in promotion of FMCG products.

FACTOR 4: BRAND

Total percentage of variance associated with this factor is 5.353 with Eigen value 1.175. This factor is consisting of two variables namely. The highest loading rate corresponding to this factor is 0.629. This value is contributed by statement “In my opinion, presence of superiors (duplicate) products are always high in rural market.

The researcher has named this factor as “Brand” as all the attributes are related to brand attributes associated with products.

Table 4.8 Factor Four Brand

Factor	Factors Name	Variables	Eigen Values	Total Variance	Factor Loading
Factor-4	Brand	In my opinion, presence of superiors (duplicate) products are always high in rural market	1.175	5.353	0.629
		I believe that , it is always difficult to differentiate between superiors(duplicate) and branded products			0.565

FACTOR 5 : CONVICTION

Total percentage of variance associated with this factor is 4.170 with Eigen value 1.126. This factor is consisting of three variables. The highest loading rate corresponding to this factor is 0.589. This value is contributed by statement “I would like to purchase tht product that is maximum using by my friends or relatives”.

The researcher has named this factor as “Conviction” as the attributes are related to the factors upon which both the customers as well as sellers depend on each other.

Table 4.9 Factor Five: Conviction

Factor	Factors Name	Variables	Eigen Values	Total Variance	Factor Loading
Factor-5	Conviction	I would like to purchase that product that is maximum using by my friends or relatives.	1.126	4.170	0.589
		Brand Ambassdor influences my buying decisions			0.523
		Approval of my environment or friend is the most important things for me to purchases FMCG products.			0.504

Reference groups are groups (social groups, work groups, family and close relatives).Refrence group is very important in rural consumer buying behvaviour .In the process of verifying the refer passing over his recommendation and advise to Rural Consumer for its purchase of FMCG products.

They are recommending why because they are personally related or intimated with the use of the FMCG Products. They are recommending why because they are personally related or intimated with the use of the FMCG products and concluded its worthiness and utility.

Research Model for Determinants of Factors Affecting Rural Consumer Buying Behaviour for FMCG

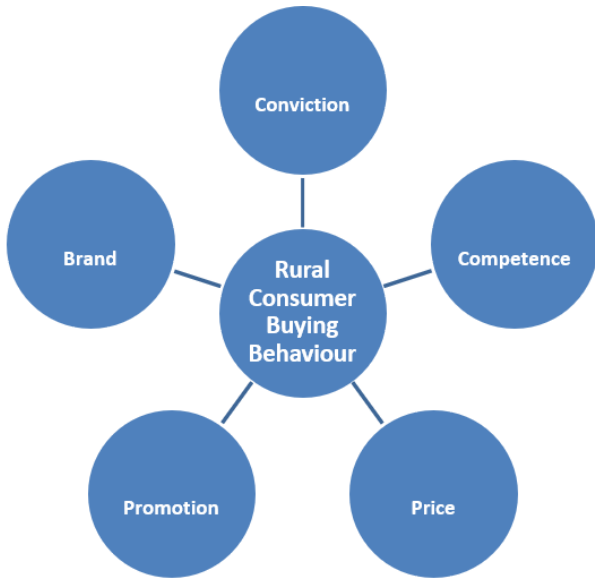


Fig. 4.2 Designed by the Researcher on the basis of extracted factors

This model has been derivative on the basis of statistical evidence; hence, it is authenticated. It can be further used and developed for similar another research.

Satisfaction is the ulterior motto of any purchase whether this is by urban consumer or Rural Consumer. Its satisfaction is there it is automatically propagate and advertise about.

V. CONCLUSION

In this section efforts are made to match the inferences of the study with the objectives that had been taken up. In effect, it is the integration of observation and findings. The major findings which have emanated as a consequence of personal observations, discussions and outcome of various analytical tools employed in the study are summarized.

The study endeavors to understand the rural consumer behavior & product attribute preference in the FMCG sector. This study is both descriptive and analytical in nature. The descriptive part of the study has been

collected through the secondary data collected. The analytical part of the study has been on the primary data collected from the sample respondents of the select rural markets in ChitrakootDham and Mahoba district.

Rural India has been the back bone of India's economy. Even today when the manufacturing and the services sector has grown so tremendously the contribution from agriculture to the nation's GDP is substantial. Even the recent recession which shook the entire world did not have the same impact on India because of the strong contribution to the nation's economy from the rural sector.

With the advent of globalization, privatization and liberalization the country as a whole has seen tremendous changes. The consumer lifestyle, attitudes, purchasing power, has changed to a great extent. Multinational corporations in the FMCG sector flood the market with numerous brand every day. Increasing the product life has become a big challenge for the marketers. Each day market witnesses the arrival of a new brand from a new company. In this scenario when there is clutter of brand and when the market is saturated there is a compulsive need for the marketers to look at different growth strategies. It could be market penetration, product development, market development or diversification. Some companies opt for market development as it is convenient. When companies opt for market development in a country like India, then rural market is hard to neglect as it has a huge potential. But, whether market development is the right strategy to approach the rural market is a million dollar question. Rural market is full of opportunities and challenges. It has a great deal of business potential and has its own set of problems which, a marketer may not necessarily face in an urban market. Rural consumers are different in their demographic characteristics. Their lifestyle, consumption pattern, is different than the urban consumers.

III. REFERENCES

Articles :

- [1] Muneeswaran K (2015), "Ingredient branding: A differentiation strategy for FMCG companies," *Asian Journal of Management Research*, ISSN 2229 – 3795, Volume 2 Issue 2, 2012.
- [2] Natrajan M & Manimaran S. (2016), "Impact of Advertisement on Buying Behaviour of Rural Woman consumers", *International Journal of u- and e-service, Science and Technology*, Vol. 9, No. 6, pp. 11-22
- [3] Sudarshan Ashokrao Pawar & Sunil Naranje (2016), "A Study on factors influencing on Buying Behaviour of Customers", *Research journal 2015- Institute of Science, Poona College of Computer Sciences ISSN2394-1774 Issue II*.

Books :

- [4] Agarwal P.K. and Kumar Manoj, (2011) *Consumer Behaviour-An Indian Perspective* PragatiPrakashan, Meerut, David L.Loudon and Albert J.DellaBitta - *CONSUMER BEHAVIOR (FOURTH EDITION)*
- [5] Day, G. (1980) "STRATEGIC MARKET ANALYSIS: TOP-DOWN AND BOTTOM-UP APPROACHES", working paper #80-105, Marketing Science Institute, Cambridge, Mass. 1980.
- [6] Gopaldaswamy T.P. (1997), *Rural Marketing*, Wheeler Publishing House, New Delhi, India, pp.159-84.
- [7] Henry Assal - *CONSUMER BEHAVIOR AND MARKETING ACTION (6THEDITION)*
- [8] Krishna,Rajneesh. (2014), *Consumer Behaviour*, Oxford Higher education, New Delhi, pp.13-27.
- [9] Kothari, C.R. (2004), *Research Methodology Methods and Techniques*, 2e, New Age International (P) Ltd., New Delhi, pp.152-232.
- [10] Leon Sciffman, Leslie Lazar Kanuk - *CONSUMER BEHAVIOR (8THEDITION)*

- [11] McKenna, R. (1988) "MARKETING IN THE AGE OF DIVERSITY", *Harvard Business Review*, vol 66, September- October, 1988.
- [12] PHI – Leon G Shiffman& Leslie Lazar Kanuk, *CONSUMER BEHAVIOR*, 7TH EDITION,
- [13] Nair Suja, R. (2004) "CONSUMER BEHAVIOR AND MARKETING RESEARCH", Himalaya Publishing House, Mumbai, India.

Cite this article as :

Dr. Pradeep Kumar Mishra, " Rural Consumer Behaviour Factors Analysis : A Case Study on Bundelkhand Region, *International Journal of Scientific Research in Science, Engineering and Technology(IJSRSET)*, Print ISSN : 2395-1990, Online ISSN : 2394-4099, Volume 6, Issue 2, pp.726-738, March-April-2019. Available at doi : <https://doi.org/10.32628/IJSRSET218376>
Journal URL : <https://ijsrset.com/IJSRSET218376>