

Understanding Rural – Suburban Buying Behaviour: A Study with Special Reference to FMCG Products in Mysore

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Abstract - Fast moving consumer goods are the goods which are now become an essential part of our daily life. We all require these products to fulfil our daily need requirements. The rural consumers are known to earn low income, have low level of literacy, low level of brand awareness, asymmetric information, inadequate communication and transportation facilities. The rural consumers purchase only when it is extremely needed and they generally do not buy because of persuasive promotional offer. The rural markets and sub-urban markets are now expanding with ever greater penetration index, as the growth seems stunted in urban markets FMCG products have emerged as major product category. The paper is base on secondary data with simple statistical tools and technique. Various researchers have found that rural and suburban Indian consumers have different needs and wants. These differences have revealed a huge marketing potential for MNCs and other foreign investors, who try to explore rural regions for marketing opportunities. This paper focused on the important factors affected the rural-suburban behaviour of FMCG products. The findings of this study indicate that price, brand name, quality, availability, packaging and so forth were the important factors influencing rural-suburban consumer's purchase decisions. The study also focused on the important aspects such as the effective modes of communication, reasons for switching brands, filling patterns and satisfaction level among the rural consumers. The rural-suburban consumers gave more importance to the 'quality' of the FMCG personal care brands they bought rather than the normative influence or social appeal vide celebrity endorsements in the mass media.

Index Terms - consumer buying behaviour, FMCG, consumer awareness, consumer satisfaction.

INTRODUCTION

The Fast-Moving Consumer Goods (FMCG) sector is one of the booming sectors of the Indian economy

which has experienced outstanding growth in the past decade. This sector comprises of three main segments, which include personal care, household care, food and beverages. Personal care comprises of oral care, hair care, toiletries, soaps and cosmetics; household care comprises of fabric wash and household cleaners; and food and beverages include health beverages, soft drinks, cereals, dairy products, bakery products, chocolate etc., FMCG sector is an important contributor to India's Gross Domestic Product (GDP) and is also the fourth largest sector in the Indian economy, responsible for providing employment. This sector also creates employment for around three million people in downstream activities, which are generally carried out in smaller towns and rural India. As per the market potential of rural market is concerned two-third of all middle-income household are living in rural areas and approximately half of India's buying potential lies in rural areas. Consumer behaviour is one of the most important disciplines of marketing which help the marketers in understanding the psychology of the consumers with respect to particular brand. Creating a brand loyalty is now become one of biggest challenges in front of companies selling FMCG products, due to huge competition both from organised and unorganised market. This study is basically emphasis on factors influencing the buying behaviour of consumers while they particular brand of detergent powder and bathing soaps in rural and suburban area.

LITERATURE REVIEW

Singh Amrita (2014) in her finding found that rural consumer's mindset for soap and detergent powder category are becoming brand continue with their existing brand. Ying Zhao (1994) in his study stated

that the retailer play very important role in influencing the buying behaviour of consumers living in rural area while they decide to buy the particular brand of FMCG products. Saini Neeraj (2001) in his study revealed that now a day's rural consumers are becoming brand conscious and they want to purchase a branded FMCG products. Kumar NA and Joseph J(2014) in his study emphasised that rural consumers gave more importance to the quality of FMCG personal care brands they brought rather than the normative influence.

OBJECTIVE OF THE STUDY

The main objective of current study is to find

1. The consumer behaviour towards purchase decision towards FMCG products in Mysore region.
2. To examine consumer behaviour at the time of purchase towards FMCG products in Mysore region.
3. To analyse the factors that influence towards consumer behaviour regarding FMCG products in Mysore region.

SCOPE OF THE STUDY

The study aims at finding the involvement of rural and suburban customers in buying FMCG products like soaps and detergents in Mysore region. The study is confined to soaps and detergents only and to Mysore region.

RESEARCH METHODOLOGY

Sources of data: The study was with reference to Mysore city in Karnataka state. It is both primary & secondary data which were collected from the questionnaires publications of various articles and different books.

Tools of analysis of data: The collected data was analysed by using basic statistical tools and tables.

DATA ANALYSIS AND INTERPRETATION

The consumer behaviour blends elements from psychology, sociology, social anthropology, marketing and economics. The rural marketing is made up of four A's structure.

1. Acceptability
2. Affordability

3. Awareness
4. Availability

Objective of this research was to identify the factors influencing the purchase decisions of rural consumers with reference to purchase of Fast Moving Consumer Goods. The following are the variables influencing the rural purchase of Fast Moving Consumer Goods like soaps and detergents

1. Shopkeeper's recommendations
2. Friend's recommendations
3. Low price
4. Affordability
5. Long lasting
6. More features offering benefits
7. Free offers or sales promotion
8. Availability
9. Packaging
10. Need based
11. Brand awareness
12. Promotion
13. Quality
14. Government promotions
15. Size
16. Long lasting

The promotion factor like promotions and advertisement emerged as key influence variables in promotion factor. Hence, it is suggested that highest preference has to be given to promotional activities. Relationship marketing by companies does influence the purchase decision by rural consumers. It can be interpreted that the relationship activities serve as promotional strategies in rural marketing. Sales promotions can play an important role (Dhunna, Mukesh,1984) as the rural customers can get attracted by various sales promotion technique like free offers. The current research also observed that rural markets can use celebrity endorsements as a part of their product promotion.

The current research also observed that the rural consumers link purchase and consumption of FMCG to the improvement in their lifestyle. The brand awareness is the key factor. Packing influence rural purchasing decision (Sehrawet and Kundu, 2007). It can be interpreted that rural and suburban consumers attach lifestyle or standard of living to better or attractively packed goods.

The friends recommendation emerged as a key variables. Thus, it is proven that rural customers

respect and follow the recommendation of their friends and relatives to try or buy an FMCG. As the relationship between shopkeepers and their customers are strong in rural areas (Khatri, 2002), rural people believe shopkeepers.

It is found that rural consumers seek value in purchase of FMCG products like soaps and detergents. The product factor influencing the rural purchase is loaded with four important variables, more features, size of soaps and detergents, better quality and long lasting.

Table No:1 Ranking of attributes in purchase of leading bathing soap brands

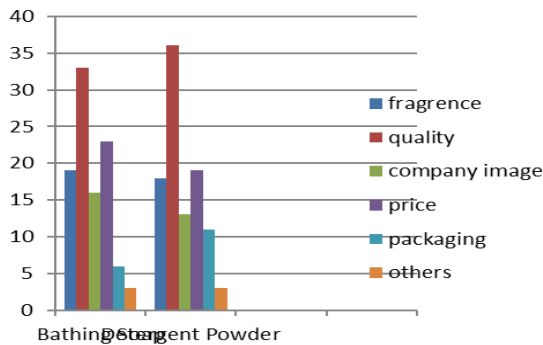
Soap attributes ranking	Pears Rank-1	Lux Rank-2	Cinthol Rank-3	Rexona Rank-4	Hamam Rank-5
Fragrance	24	33	22	10	8
Quality	23	7	3	1	0
Brand image	18	34	24	11	4
Price affordability	28	24	16	6	9
Packaging	5	2	27	38	24
Other aspects	2	0	8	34	55

Table No:2 Ranking of attributes in purchase of leading detergents brands

Detergents attributes ranking	Surf Rank-1	Arial Rank-2	Henko Rank-3	Rin Rank-4	Wheel Rank-5
Fragrance	11	17	41	7	3
Quality	43	34	16	1	8
Brand image	13	16	27	11	7
Price affordability	27	28	14	6	16
Packaging	6	5	2	43	11
Other aspects	0	0	0	32	63

Table No:3 Attributes influencing purchase behaviour

	Fragrance	Quality	Company image	Price	Packaging	Others
Bathing Soap	19	33	16	23	6	3
Detergent Powder	18	36	13	19	11	3



FigureNo:1

Table No 1 and 2 shows the ranking of attributes in purchase of leading bathing soap and detergent powder. Table No 3 and Figure No 1 is related attributes influencing purchase behaviour. From the above tables and figure it is interpreted that consumers are ready to switch over to another brand if they find better promotional schemes which suits their budget means more quality, less cost and high quality. Retailer stocks all types of soaps and detergent because of competition. Fast Moving Consumer Goods are such a market where the level of loyalty

remains low and this is because of many reasons. Quality is most influencing factor in purchase while price is also an important for purchase decision. Finally the current research interprets that consumers in rural and suburban region of Mysore is more concerned about quality and price oriented.

FINDINGS

The current research work carried out revealed the following:

1. The study revealed that consumers are more quality and price oriented. Also they are conscious about the brand image. Fragrance and packaging are least influencing attribute on respondents.
2. Fragrance and packaging also play important role for purchasing detergent powder.
3. On the salient attributes for soaps and detergents, quality is most influencing attribute in purchase, while price is also an important attribute driving purchase behaviour.

Apart from the above findings it is also found that consumers are more influenced by promotional factors, relationship marketing, brand awareness, lifestyle, friends recommendations and so on.

SUGGESTION OF STUDY

Indian domestic companies enhance their product standard and more effort to increase sales through sales promotion methods. These companies have to create awareness to purchase the domestic products. Price off, discount, extra quality with same price, mobile recharge and premium are more important tools in the sales promotion. Stores or shops are to encourage the regular buyers by way of promotional offers. Information relating to promotion methods needed to communicate to all customers to increase more awareness regarding the sales promotional methods. Brand loyalty is an important factors in FMCGs. It is very difficult to induce the consumers for brand switching. Any firm should study these things very critically. The quality aspects coupled with competitive price may lead to change of brands.

CONCLUSION

This study helped to understand the mindset of consumers regarding the awareness and consumption of product. It is concluded from that FMCG sector is growing and will continues to grow very fast. The futures for the FMCG towards FMCG products sector look extremely encouraging. The sector having under gone a structural change is all set to emerge stronger in future. The FMCG market remains highly fragmented with almost half of the market representing brand up package homemade product. This presents a tremendous opportunity for the markets of branded product. The study on the consumer behaviour towards the products of FMCG has received a pivotal position in the market for paste, soap, shampoo, detergents although there are many competitors in the market. FMCG was able to maintain hold its top rank providing quality product at reasonable price to consumers. Quality is the main motivating factor for the consumer to buy the product of FMCG. Introduction of new products in the market to satisfy the consumer is also an importance reason for FMCGs to hold the top in the consumer market. It clears from the study that FMCG acquire a major share

in the consumer goods market the manufacture as to provide quality goods at reasonable price.

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