

## A Study on Rural Consumer Buying Behaviour towards Select Fast-Moving Consumer Goods in Coimbatore District

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**Abstract:** *The study aims at evaluation of the criteria of rural consumer buying behaviour with special reference to select FMCG (Fast Moving Consumer Goods) products. This study concentrates on Indian and multinational consumer durable and Fast Moving Consumer Goods (FMCG) companies identified the vast potential of the rural markets and have attempted to target these markets. The increasing penetration of electronic media and advertising into rural areas has also facilitated this. The study reveals that, the manufacturers and the marketers should concentrate on brand value that is the quality, utility and reliability of their products. It is identifying that, the family influence on buying behaviour of rural consumers and identify the choice of various consumer items and there used Simple percentage and Rank Analysis.*

### Keywords

Rural Marketing, FMCG, Consumers, Buying Behaviour, and Products.

### Introduction

With the far-reaching changes in rural India by means of the agricultural revolution, spread of education, improved infrastructure, better banking facilities etc., significant changes have been noticed in the buying and consumption patterns of the rural consumers. All these factors initiated a consumption drive among the rural population. As a result, a dominant theme emerging over the last few years in Indian marketing is rural marketing. The increasing penetration of electronic media and advertising into rural areas has also facilitated this. In addition to this, the rural

population is also aspiring for better lifestyles, especially with the increasing disposable incomes accruing to a significant section of them. The Indian and multinational consumer durable and Fast Moving Consumer Goods (FMCG) companies identified the vast potential of the rural markets and have attempted to target these markets.

### Statement of the problem

There was a time when rural consumers purchased most of their requirements from nearby towns and only a few select households consumed branded goods. Today, a customer in rural area is quite aware of countless products that are on offer in the market place. To reach the rural mass market the marketers are continuously inventing various marketing strategies. In India, approximately three fourths of the population are rural and nearly one third of the national income is generated by rural areas. As such, it becomes increasingly necessary to understand the rural marketing environment, needs and buying practices of rural consumers. The importance of the rural market for some FMCG and durable marketers is underlined by the fact that the rural market accounts for close to the 70 per cent of toilet soap users and 38 per cent of all two-wheelers purchased. It reveals that the rural market for FMCG product is growing much faster than the urban counterpart. Hence, the present study is an attempt to analyze the buying practices of rural consumers for selected Fast Moving consumer goods, namely tooth paste and health drinks in Coimbatore District. Rural Marketing plays an important role in India's development strategy, particularly in the

areas of structure diversification, modernization, globalization and self-reliance. India lies in villages. The progress of Indian markets in general and rural markets in particular over the last forty years in manifold and contributing to economic and social terms formations. Rural India and rural marketing activities have witnessed an era change in the post-Independence period. Due to liberalization, companies are increasingly targeting villages, because more than 70 per cent of the rural populations are concentrated in such villages. This neglects the great potential that rural India has to drive the much needed volumes and help Fast Moving Consumer Goods (FMCG) companies to bank upon the volume driven growth. Marketing has changed the nature of business in recent years. This is due to opening up of economy and large number of products vying with each other for market share. Gone are the days when producers with substandard products and no competition used to enjoy the benefits of a sellers' market. Today, the entire dynamics of production has changed.

### **Objectives of the study**

- To analyse the socio-economic profile of rural consumers and their general buying decisions.
- To identify the family influence on buying behaviour of rural consumers.
- To identify the choice of various consumer items.

### **Limitations**

The geographical area was limited, time was a limiting factor for the study, the researcher could concentrate on only a few FMCG like toothpaste and health drinks. apart from it respondents bias. The time period gives a snapshot of activities undertaken over the year. This is another limitation. The

schemes compiled also do not represent an exhaustive calendar of categories in practice. Hence generalizations drawn have to be viewed keeping in mind these limitations. If such a study is conducted over a few years, trends can be analyzed.

### **Methodology of the study**

This is an empirical study based upon field survey. This is also a descriptive study. Therefore, the researcher has adapted a suitable model of research methodology. The study aims at evaluation of the criteria of rural consumer buying behaviour with special reference to select FMCG (Fast Moving Consumer Goods) products. The present study is an analysis the determinants of buyer behaviour in rural area. Thus this is a historical, empirical, analytic and descriptive study of consumer buying behaviour in rural area with special reference to Coimbatore district. The researcher has adopted a suitable model.

### **Primary Data**

The study is based upon primary data. Primary data is collected with the help of structured questionnaire specially prepared for this study. The researcher has adopted the method of personal visit and noting the responses in the questionnaire because the respondent is from the rural area.

### **Secondary Data**

The researcher has also used secondary data from various sources available in the published form. This includes:

1. News Papers & Periodicals
2. Research Journals.

### **Statistical Method**

Statistical methods are one of the significant tools of analysis. The primary data collected has been analyzed and tabulated in suitable form. The researcher has used the method of percentage analysis and Rank Analysis for interpretation. Similarly, averages also have been used wherever necessary.

### Selection of sample

Present study is a microscopic analysis of the consumer buying behaviour in the rural area with special reference to FMCG products. The study is related with selected rural areas of Coimbatore District.

Gender	No. of Respondents	%
Male	35	23.3
Female	115	76.7
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Place of birth</b>		
Rural	72	48
Urban	70	46.7
Semi Urban	8	5.3
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Occupation</b>		
Business	31	21
Private services	32	21
Government Services	42	28
Agricultures	45	30
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Size of family</b>		
1Members	16	11
2Members	27	18
3Members	36	24
4 Members	42	28
5 Members	15	10
Above 5	14	9
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Sources of family</b>		
Shop Displays	42	28
Advertisement	18	12
Door to Door Canvassing	11	7.3
Advertisement through Television	46	30.7
Friends and Relatives	24	16
Awareness through Traders	09	6
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Age</b>	<b>No. of Respondents</b>	<b>%</b>
Below 25	26	17.3

35 to 45 years	60	40
45-55 years	15	10
Above 55	7	4.7
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Marital Status</b>	<b>No. of Respondents</b>	<b>%</b>
Unmarried	35	23.3
Married	69	46
Widow	25	16.6
Separated	21	14
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Educational Qualification</b>	<b>No. of Respondents</b>	<b>%</b>
Illiterate	35	24
Literate	29	20
Under graduate	44	29
Sec/HSC	32	21
Others	10	6
<b>Ownership of House</b>	<b>No. of Respondents</b>	<b>%</b>
Owned	55	37
Rented	68	45
Government Quarters	20	13
Property of Relatives/ friends	7	5
<b>Total</b>	<b>150</b>	<b>100</b>
<b>Reason for Buying</b>	<b>No. of Respondents</b>	<b>%</b>
Nearer to Home	20	13
Extension of credit	14	9
Availability of quality goods	31	21
Availability of Products	34	23
Reasonable Price	22	15
Good behaviour and Courtesy of retailers	12	8
Offers and discount	17	11%
<b>Total</b>	<b>150</b>	<b>100%</b>

### Interpretation

Above table shows that 23.3 per cent of the total respondents are Male and the remaining 76.7 per cent of the respondents are female. The age group of respondents for below 25 is 17.3 per cent, 35 to 45 years 40 per cent, 45-55 years 10 per cent and Above 55 years 4.7 per cent. The consumers place of birth indicates that 48% of them belongs to rural back ground, 46.7% belongs to Urban and the remaining 8% belongs to semi urban. Marital status of the respondents indicates that 23.3% are Un married ,46% are married, 16.6% are widow and 14% are separated. Occupation of the respondents specifies that 21% are doing business, 21% are private services, 28% are government service and remaining 30% are agriculturists. While considering Educational qualification of the respondents 24% are Illiterates, 20% are Literate, 29% are Under graduate, 21% are Sec/HSC and remaining 6% are Others. Size of Family of the respondents designates 11% are one member, 18% are two members, 24% are three members, 28% are four members, 10% are five members and remaining 9% are above 5 members. Regarding Ownership of house 37% are have own house, 45% are rental house, 13% are have government quarters and remaining 5% property of relatives or friends. Source of awareness indicates 28% are shop displays, 12% are advertisement, 7.3% are door to door canvassing, 30.7% advertisement, 16% are friends and relatives and remaining 6% are awareness through traders. Reason for buying by the respondents agree that 13% nearer home, 9% extension of credit, 21% availability of quality goods, 23% availability of products, 15% reasonable price, 8% good behaviour and courtesy of retailers and remaining 11% due to offers and discount.

PRODUCT	BRAND	RESPONDENTS	RANK	PRODUCT	BRAND	RESPONDENTS	RANK
Toothpaste	Colgate	39	1	Health Drink	Boost	49	2
	Close UP	27	3		Horlicks	51	1
	Vicco	3	7		Complan	32	3
	Patanjali	20	5		Viva	6	5
	Anchor	6	6		Bournvita	9	4
	Pepsodent	32	2		Others	3	6
	Sensodent	21	4				
	Others	2	8				

From the Rank Analysis it is found that majority of the consumers gave their first preference for purchasing Colgate followed by Pepsodent, Close Up, etc. Whereas for Health drinks buying preference was given to Horlicks followed by Boost, Complan etc.

### Findings

- Majority 76.7 per cent of the respondents are Female
- Majority 40 per cent of the respondents are 35 to 45 years
- Majority 48 per cent of the respondents are rural back round
- Majority 46 per cent of the respondents are married
- Majority 30 per cent of the respondents are doing agriculture
- Majority 29 per cent of the respondents are completed under graduate
- Majority 28 per cent of the respondents are family members is four
- Majority 45 per cent of the respondents are rental house
- Majority 30.7 per cent of the respondents are source of awareness through advertisement
- Majority 23 per cent of the respondents are reason for purchase is availability of product

- From the Rank Analysis it is found that majority of the consumers gave their first preference for purchasing Colgate followed by Pepsodent, Close Up, etc. Whereas for Health drinks buying preference was given to Horlicks followed by Boost, Complan etc.

### **Suggestions**

- Rural markets are developing fast and the marketers (that is local, national and international) are concentrating on this huge market by way of effective advertising, pouring a verity of branded and attractive packaged goods. As a result, the consumption pattern of rural people has changed drastically.
- Rural market is a huge market and to tap it fully it is needed to improve the efficiency of distribution channel so that rural consumers receive required commodities at right time, at right place and affordable prices
- It was observed that a few respondents had brand loyalty, Majority of the respondents (Male and Female) stated that brand does not matter to them what they want is to fulfil their needs. However, some respondents had been using only specific branded goods and ignored shift to other brands. In this regard, I would like to suggest that the manufacturers and the marketers should concentrate on brand value that is the quality, utility and reliability of their products.

### **Conclusion**

The research concludes that the buying behaviour of rural consumers. They are realizing the product awareness of the product and reason for purchase. Consumer buying behaviour influenced price, availability of product, advertisement and consumer preferred first preference for purchasing Colgate, Pepsodent, Close Up and Health drinks buying preference was given to Horlicks, Boost, Complan.

### **References**

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