APPLICATION OF STOCHASTIC MODELS
FOR ANALYZING CONSUMER BEHAVIOR IN
SOUTH ASSAM

A THESIS SUBMITTED TO ASSAM UNIVERSITY IN PARTIAL
FULFILMENT OF THE REQUIREMENT FOR THE DEGREE OF
DOCTOR OF PHILOSOPHY IN THE DEPARTMENT OF
BUSINESS ADMINISTRATION

By
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Dated: 17-08-2009

DEPARTMENT OF BUSINESS ADMINISTRATION
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DECLARATION

I, Manash Pratim Kashyap bearing Registration No. Ph. D/1001/2009 dated 17-08-2009, hereby declare that the subject matter of the thesis entitled “Application of Stochastic Models for Analyzing Consumer Behavior in South Assam” is the record of work done by me and that the contents of this thesis did not form the basis for award of any degree to me or to any body else to the best of my knowledge. The thesis has not been submitted in any other University/Institute.

Place: Silchar

Date: 16/08/2013

Manash Pratim Kashyap
CERTIFICATE

Certified that the thesis entitled “Application of Stochastic Models for Analyzing Consumer Behavior in South Assam” for award of the Degree of Doctor of Philosophy in Business Administration is the outcome of a bonafide research work. This work has not been submitted previously for any other degree of this or any other university. It is further certified that the candidate has complied with all the formalities as per the requirements of Assam University. I recommend that the thesis might be placed before the examiners for consideration of award of the degree of this university.

(Dr. Dibyojyoti Bhattacharjee)
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Date: 16/08/2013
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(Manash Pratim Kashyap)

Place: Silchar
The war of marketers is increased day by day. The new brands are always penetrating into the market. This has lead to the development of marketing strategies and policies by the companies to attract their consumers. Products and brand are now displaying shorter lifecycles. These developments give emphasis to the need for more sophisticated marketing decision. But marketing always start with consumer. Consumer decides what to purchase, for whom to purchase, why to purchase, from where to purchase, and how much to purchase. In order to become a successful marketer, he/she must know the liking or disliking of the customers, the time and the quantity of goods and services, a consumer may purchase, so that he/she may store the goods or provide the services according to the likings of the consumers. The days when the concept of market was let the buyer’s beware or when the market was mainly the seller’s market. But now the whole thing has turned into the concept of consumer’s control. The manufacturers produce and the sellers sell whatever the consumer likes. In this sense, “consumer is the supreme in the market”. So companies are increasingly applying the modelling approach to know the choice behaviour of consumers.

The Indian market has gained important in the recent times as the overall economic growth of the country. As per 2011 census, rural India consists of 638596 villages where 742,490639 people stay. This figure represents around 70% of the total population, who stay in villages. So, many commercial have been trying to get grip in the rural market, but the challenges are many. To
overcome the challenges it is necessary to understand how the rural consumers differ from their urban counterpart.

The first chapter of the thesis concentrate on the overview of the different aspects of consumer behaviour and literature review and emphasises on the identification of research gap based on the earlier studies and also spells out the objectives and the chapterisation schemes of the thesis. The second chapter discuss about the definition of consideration set and different models of consideration set formation. The different factors are also executed which are actually impact on the formation of the consideration set of rural and urban consumer. The third chapter emphasize on the brand switching behaviour of rural and urban consumer. The heterogeneity of buying behaviour of rural and urban customers are also evaluated. The fourth chapter deals with the comparison of customer retention between rural and urban grocery stores. The fifth chapter discusses the different factors which influence the store choice behaviour of rural and urban consumer. The different properties of queues which formed in the rural and urban grocery stores are also compared. The sixth chapter of the thesis provides a general discussion of the study along with practical importance of the study and future research of the study. The thesis concludes with bibliography, appendix, glossary along with the list of papers published, presented by the researchers in different national and international conferences.

Manash Pratim Kashyap