CHAPTER 6

CONCLUSIONS AND MARKETING IMPLICATIONS

6.1 Conclusions

The cultural and sociological ethos in the Indian rural set up are undergoing a gradual change with increased literacy, a shift from agriculture to non-agriculture activities, emergence of ‘individualized joint families’, and increased media exposure, which have triggered changes in the purchase process and consumption patterns of rural consumers. One can observe a gradual shift from unilateral decision making to joint decision making process marked by increased participation of wife and children.

The involvement of family members in purchase decision process depends to a great extent on the nature of the product, stages of the purchase decision process, and the sub-decisions related to purchase.

FFM, particularly, wife and grandmother, play a dominant role and are actively involved in the purchase decisions involving household items. Traditional sex role norms still exist in the Indian rural set up where house hold chores are still considered the sole domain of wife/grandmother and they dominate the scene as far as the purchase of products related to the above are concerned. The husband-grandfather dyad was found to be significantly involved in the purchase of two-wheeler, insurance and television etc. MFM, particularly, husband and grandfather, play a dominant role as far as the resource allocation and vendor selection is concerned.

One of the most interesting and important feature of the rural set up is the prevalence of ‘individualized joint families’ where individuals branch off to form nuclear families (with separate cooking arrangements), living separately on a daily basis and
make purchase decisions for FMCGs and consumer durables. But unlike their urban counterparts, they bond with the ‘parent’ family for social occasions and seek the advice of family elders in important decisions involving heavy investments as is seen in the present study where grandfather is seen playing a dominant role especially in case of resource allocation in the purchase of nearly all the durables under study.

Children are increasingly playing an active role not only in the purchase decision of FMCGs but also in the purchase of higher end items like television, VCD etc. and they display significant level of brand awareness.

Rural youth exercise important influence in the decision making process showing considerable involvement in different stages as well as sub decisions concerning colour, brand, type and model of consumer durables.

The education, occupation and income of the members have a significant bearing on their involvement in the purchase decision process.

6.2 Marketing Implications

As earlier stated, rural markets offer huge untapped potential to the marketers and academicians alike and the buying behaviour demonstrated by the inhabitants of rural India differs significantly from their urban counterparts. But, surprisingly, not much research has been done in the area of rural buying behaviour more so in the area of family purchase behaviour and the marketers usually try to extend urban marketing programmes to these rural areas, which generally do not produce the desired results. An in-depth knowledge of the rural psyche and buying patterns is one of the prerequisites for making a dent into the rural market. The insights thus gained may also facilitate practitioners to re-engineer their offerings keeping in mind the peculiar needs and preferences of the rural consumers.

During the last three decades or so, many researchers — academics and practitioners worldwide — have acknowledged the role of family and its influence in purchase decision process. It is an established fact that marketers have tried to understand the
role of different family members in the purchase process from time to time and on
the basis of this a number of marketing strategies have been developed.

The present research work is also an extension of the twin objectives of pure and
applied purposes. Though, the present study is limited in its generalisability to other
products and situations yet the results do suggest issues that marketing practitioners
should consider when developing marketing programmes, especially if the product
or service indicates the involvement of various family members.

Thus, the present study expects to broaden the existing knowledge base in the area
of rural family decision making as far as the purchase of various products and
services is concerned; provide guidelines and directions for future research as also
provide concrete suggestions to the marketing practitioners that may help them in
developing relevant marketing strategies which may prove to be useful in solving
specific marketing problems. Though, the present study is primarily academic in
nature, yet it may trigger a series of further studies by the practitioners themselves,
which may be helpful in developing marketing strategies in their respective product
categories.

The areas of marketing in which the findings of this study may help the practitioners
are identified in the following:

i) **Development of promotional campaigns** — this may include the
decision regarding the use of basic advertising theme/appeal for
specific advertisement, decision regarding the execution style of the
advertisement, the selection of media and media vehicles, decision
regarding media scheduling etc.

ii) **Segmenting the market** — another area in which the findings of this
study may prove to be of help to marketers is in segmenting the
product market, particularly when the role of family members is
found to vary in the sub-decisions of purchase. Segmentation may not
be based entirely on the involvement of family members but it may
be used in conjunction with demographic and psychographic studies
of the consumers in the product area.
iii) **Product design and development** — in case the research findings vis-à-vis family decision making point towards the dominant role of a particular family member during the stages of the decision process, then, further studies focusing on this/these family member/s should be undertaken to find out their preferences which may be taken as a basis for product re-design and improvement. Thus, family decision making studies, as the current one, can be used as a prelude for undertaking consumer preference studies.

In the light of the findings of the present study it is suggested that in order to increase the effectiveness of promotional campaigns, marketers must examine the relative involvement of family members at each stage of the decision making process, for each of the product category under consideration.

For example, in case of two-wheeler, which is thought to be in the domain of husband, it was observed that though he exhibited significant involvement vis-à-vis idea initiation and final decision, he was being actively aided by children (particularly, son) during the information gathering stage as well as the colour and decision regarding type. While during the sub-decision pertaining to the financial allocation and vendor selection, grand father was found to be playing a dominant role.

More interestingly, in the case of television and VCD where husbands are expected to play a dominant role, more so in the rural setting, children along with wife were found to be holding sway as far as the idea initiation and timing of purchase was considered. Further, husband was again aided by son in all the stages as well as the brand, type and dealer decision.

These observations pertaining to two-wheeler, television and VCD have important implications for the marketers because while designing their promotional messages and other elements of the marketing mix, they need to perform a delicate balancing act. Product information needs to be placed in not only male oriented media sources but also the ones of interest to the wife and children too. Thus, there is a need to tackle the issue by developing two campaigns — one stressing husband oriented appeals where the emphasis should be on the store dealers’ name, location,
reputation and the price comparisons; and the other family oriented one — which 
caters to the subtle concerns of the wife and children such as type, colour, brand and 
to some extent cost too.

Although television comes to mind as one of the most obvious media choice where 
products could be advertised during programmes which are enjoyed by the whole 
family, but owing to its limited reach in the rural area, use of more innovative and 
creative media vehicles is required.

Table 6 is a summarized version of the suggested marketing strategies for the 
products under study. These strategies directly flow from the findings of present 
research.
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| 1    | Two Wheeler | 1. Both husband and children, as they were found to be playing active role in *information collection*, *colour* and *type* related decisions, need to be targeted in the promotional campaigns.  
2. Children’s’ preferences should be taken into account and be reflected appropriately in the promotional campaigns. For e.g. a macho image could be portrayed to appeal to the youth. But care should be taken that the promotional message should in no way undermine the importance of the elders.  
3. In case of television advertising, ads should be placed on national channels like DD1 and DD2 (both channels owned by the Indian government) as they have the highest reach due to lack of cable television penetration in villages. Cinema is another good option because of its wide popularity.  
4. Keeping in view the fact that the rural consumer is price sensitive and utility conscious, product should be designed accordingly. It should provide the basic features ‘minus frills’. Perhaps this may be the reason why Rajdut and Hero Honda brand of motorcycles, that are both sturdy and moderately priced (approximately Rs. 39,102 or $ 860) are popular among the rural masses.  
5. The ‘value for money’ proposition should be highlighted in the promotional campaigns.  
6. *Haats* and *Melas* can also be used for product promotion.  
7. As husbands and grandfathers were found to be playing dominant role vis-à-vis financial allocation and vendor selection, there is a need to address the same in the promotional campaigns targeted at the males. |

*Melas (fairs) are important feature of Indian rural life, held periodically or annually to commemorate important events and serves as markets for selling products. They are classified on the basis of their nature—commodity fairs, exhibitions and religious fairs and on the basis of their periodicity—one day, short (2-7 days) or long (over a week). About 25,000 melas are held annually in India.
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| 2    | Television | 1. As children and wives were found to be playing a dominant role as far as the idea initiation and timing of purchase is concerned, suitable promotional themes and media vehicles should be utilized.  
2. The use of creative avenues like rural sports tournaments (hugely popular and attended by villagers) and appointments of brand ambassadors like famous film personalities (e.g. Aamir Khan, Bachchan) & sports personalities (like Sachin Tendulkar) can also be an effective communication medium.  
3. As husbands/and grandfathers were found to be playing dominant role vis-a-vis financial allocation and vendor selection, there is a need to prominently highlight the same in the promotional campaigns targeted at the males.  
4. As radio is found to be quite popular among the older generation as against other sources of entertainment like television, cinema and sports tournaments, it could be used as an effective medium for information dissemination in that segment.  
5. Keeping in view the fact that the rural consumer is price sensitive and utility conscious, product should be designed accordingly. It should provide the basic features 'minus frills'. As done by LG which came up with a television, Sampoorna especially designed for the rural market. |
| 3    | Radio     | 1. As it was found that the older male members of the family, such as grand father as also he husband showed interest in the product and in the purchase decision process, the promotional themes should revolve around them.  
2. Local newspapers and dailies could be used as the media vehicle.  
3. Melas and fairs which are quite popular and frequently visited can also be used for product promotion.  
4. Product should be customized according to the need and requirement of the rural consumer, like for instance Philips came out with a smaller version of its radios for the rural markets. |
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| 4    | VCD      | 1. The media vehicles and the advertising themes should not neglect the preferences of children as they were found to be the early adopters and highly involved throughout the purchase decisions.  
2. As the product is still new to the rural markets, mobile vans providing ‘touch and feel’ demonstration as well product placement in the _haats and melas_ is also needed.  
3. As husbands were found to be playing dominant role vis-à-vis financial allocation and vendor selection, there is a need to prominently highlight the same in the promotional campaigns targeted at the males. Campaigns should also provide all the relevant information.  
4. The message meant for the rural consumer should be simple and in the local tongue.  
5. Apart for having celebrity endorsers in the promotional campaigns. local opinion leaders like military personnel and influencers and information sources like local repair shop owners should also be taken into consideration while designing the promotional activities. |
| 5    | Insurance | 1. As the elder male members of family (husband and grandfather) play a dominant role throughout the purchase process they need to be targeted through appropriate promotional messages.  
2. Insurance companies need to try traditional media forms like folk dances, puppet shows, etc. with which the rural consumers are familiar and comfortable, along with local language newspapers to create product awareness and familiarity.  
3. Appointment of local brand ambassadors can increase communication effectiveness. |
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| 6    | Edible oil and Washing powder  | 1. As FFM dominate the scene as far as the purchase decision is concerned, the marketer should employ media vehicles, which are predominantly women oriented, such as national TV channels, wall paintings, radio should be increasingly used.  
2. As the share of women buyers at the *haats* and *melas* is generally more than men, they are ideal places for product promotion.  
3. Direct distribution programs through self help groups consisting of rural women can be used to reach households even in the smallest village. The same strategy has successfully been employed in case of *Project Shakti* by Hindutan Lever Ltd. |
| 7    | Tooth paste                    | 1. The media vehicles and the advertising themes should not neglect the preferences of children as they were found to be highly involved at various levels during the purchase decision of nearly all the product.  
2. Keeping this target audience (i.e. children) in mind, promotional messages should employ visuals, symbols and music which lead to higher brand recall among them.  
3. Marketers can carry out promotional campaigns targeting village schools and also distribute samples and sachets among students to induce trial.  
4. As other members are found playing an active role in different sub decision like husband in amount and vendor decision and wife in amount and time decision, their role too needs to be addressed in a subtle and convincing manner.  
5. The marketers needs to rope in village level health workers including Registered Medical Practitioners (RMPs) who can play a crucial role as opinion leaders as also information disseminators. |

* Project Shakti is a rural initiative by Hindustan Lever Limited which seeks to empower underprivileged rural women by providing income-generating opportunities by organizing them in Self Help Groups (SHGs) carrying out direct distribution programmes (Prahalad, 2005).