A COMPARATIVE STUDY OF CONSUMER BEHAVIOUR WITH REGARD TO FMCG PRODUCTS IN RURAL AND URBAN MARKET

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JUSTIFICATION OF THE STUDY

There is nobody in the world who is left out of the class of consumers. The consumer hood continues till one’s last breath in the world.

The consumer purchases a variety of goods and services to satisfy his wants and he is always influenced in his purchasing activities by some considerations which lead him to select a particular commodity or a particular retail store in preference to others. So, consumer buying is more complex. Consumer purchases are likely to be influenced by physiological, psychological and sociological, factors. The commodities and services are brought by the consumer to satisfy his basic needs, for comfort, pleasure, recreation and happiness. Every individual has physiological need such as hunger, shelter, thirst, etc., which have to be satisfied for survival. The psychological factors like status prestige and social factors like friends, neighbours, job and relatives influence, their purchasing activities. That’s why, buyer behaviour is assuring great significance in the marketing process, whether it is consumer goods or organizational commodity. It has assumed immense importance when it is discussed in relation to India, because Indian consumers are having different characteristics such as various religious, customers, and speaking different languages. The study of consumer behaviour is really important in the present scenario because production has become sophisticated with the advancement of science and new technology. In such situation selection of a particular brand has become complicated because large variety of products made available by different manufacturers, are coming to the market which directly or indirectly affect the buyer behaviour (Muthu, 1993). Buying behaviour is very much influenced by experience of their own and of neighbour consumers and his family. Above all, the quality of the product and its easy availability were the primary and the vital determinants of buying behaviour (Nagaraja, 2004). Thus the pattern of consumer behaviour is researchable. It will be greater importance when it is related to the comparison of buying behaviour between rural and urban consumers. It also has been observed that plenty of reading material is available on buying behaviour but unfortunately very little work has been done in the area of comparative study of consumer behaviour with referred to fast moving consumer goods in rural and urban markets. This is the reason and logic that this topic has been selected to
understand the consumption pattern, the influence of factors and the behaviour towards branded and unbranded FMCG products. The study has included the following goods in FMCG which is divided into different products and categories and these are:

(A) **Personal Care**
   i) Oral Care
   ii) Hair Care
   iii) Skin Care
   iv) Personal Wash Soaps

(B) **Cosmetic and Toiletry Care**
   i) Talcum Powders
   ii) Deodorants
   iii) Colour Cosmetics
   iv) Perfumes

(C) **Household Care**
   i) Toilet Cleaners
   ii) Dish/Utensil Cleaners
   iii) Floor Cleaners
   iv) Mosquito Repellent
   v) Fabric Wash

(D) **Food, Health and Beverages**
   i) Bakery Products
   ii) Dairy Products
   iii) Beverages
   iv) Chocolates
REVIEW OF LITERATURE

Aggarwal (2014) suggested that Consumer behaviour research is the scientific study of the processes consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can satisfy those needs only to the extent they understand their customers. The main objective of this paper is to study the demographic differences in consumers’ buying behaviour of persons living in Madhya Pradesh and when they buy FMCG products. To attain this objective a survey was developed and administered across some part of Madhya Pradesh. The findings confirm the factors influencing consumer buying behaviour for tooth paste brands available in the market.

Srivastava and Kumar (2013) analysed that FMCG sector is a vital contributor to India’s Gross Domestic Product. It has been contributing to the demand of lower and middle-income groups in India. Over 73% of FMCG products are sold to middle class households in which over 52% is in rural India. Rural marketing has become the hottest marketing arena for most of the FMCG companies. The rural India market is huge and the opportunities are unlimited. After saturation and cutthroat competition in urban areas, now many FMCG companies are moving towards the rural market and are making new strategies for targeting the rural consumer. The Indian FMCG companies are now busy in formulating new competitive strategies for this untapped potential market. Therefore, a comparative study is made on growth, opportunity, and challenges of FMCG companies in rural market. One of the most attractive reasons for companies to tap rural consumers is that an individual’s income is rising in rural areas and purchasing power of lower and middle income groups is also rising and they are eager to spend money to improve their lifestyle. This research paper provides detailed analysis about the contribution of FMCG industry in growth of Indian rural market and aims to discuss about customer attitude towards better purchasing decision for FMCG products in rural market with growing awareness and brand consciousness among people across various socio-economic classes in rural market.

Sulekha and Kiran (2013) concluded that in India more than 72% population lives in villages and FMCG companies are famous for selling their products to the middleclass households; it implies that rural India is a profitable and potential market for FMCG producers. Rural consumers’ incomes are rising and now they are more willing to buy products which improve their lifestyle. Producers of FMCG have to craft
unique marketing strategies exclusively for rural consumers. In this process they need to understand the rural consumer buying behaviour which may differ geographically. The present study focuses on understanding the rural consumer buying behaviour for FMCG in Haryana. The study emphasizes on the factors which influence the purchasing pattern of rural consumers. The study was conducted in four districts of Haryana namely Panipat, Jind, Kuruksetra and Gurgaon.

Yuvarani (2013) analysed that liberalization of the Indian economy had far reaching consequences, which led to the free entry of global brands in Indian markets. Earlier companies focused their marketing efforts towards the urban markets targeting the educated consumer. However with the saturation of markets in the urban sector, many companies focused their attention towards the fast growing rural sector. Since the buying behaviour of rural consumers has become the hot topic for discussion because rural India, in recent days, is enthusiastically consuming everything from shampoo to motor cycles and this “rural predilection” is being considered as one of the significant topics for market analysis. The study focuses mainly on the rural consumer behaviour towards selected FMCG products, but with the prevailing trend it is necessary to focus on the essence and emergence of vibrant rural marketing efforts of FMCG companies. Thus, with more number of companies entering into the rural market, with a variety of products, it is must for companies to study the rural consumer behaviour over FMCG products. This study will highlight the rural consumer behaviour before purchase, at the time of purchase and post-purchase. The commodities chosen for the research are shampoo, bathing soap, toothpaste, biscuits and mosquito coil/liquid. The commodities selected for the research has been done on the basis of products available for respective industries: hair care; skin care; oral care; food and beverages; and mosquito repellants.

Deliya, 2012 studied the importance of packaging design as a vehicle for communication for packaged FMCG products. This research utilized a focus group methodology to understand consumer behaviour towards such products. The challenge for researchers is to integrate packaging into an effective purchasing decision model, by understanding Consumer’s behaviour towards the packaging of FMCG products. When consumers search for the process information in-store, the product's package can contain relevant and useful information for the consumer. Product packaging forms the end of the 'promotion-chain' and is close in time to the actual purchase and may therefore play an important role in predicting consumer outcomes. Packages also deliver brand identification
and label information like usage instructions, contents, and list of ingredients or raw materials, warnings for use and directives for care of product.

**RESEARCH PROBLEM**

There is much literature in buying behaviour of rural and urban consumers towards durable and non-durable goods. But there is a paucity of literature regarding the factors influencing the consumer buying behaviour and a comparison between buying behaviour of rural and urban consumers. This study is mainly focused upon comparison between buying behaviour of rural and urban consumers with regard to Fast Moving Consumer Goods (FMCG). The primary objective of the study is to know the differences between buying behaviour of rural and urban consumers towards Fast Moving Consumer Goods (FMCG) i.e. branded products or non-branded products and then afterwards to know which factor influence more for buying the product.

**RESEARCH OBJECTIVES**

1. To study the similarities and dissimilarities of rural and urban consumers towards the purchase of FMCG products.

2. To study the types of media that affect buying behaviour of rural and urban consumers.

3. To study the role of influencer and final decision maker for purchasing FMCG products in rural and urban markets.

4. To know the factors influencing the preferences of rural and urban consumers over branded and unbranded FMCG products.

5. To know the reasons of shifting from a particular branded or unbranded FMCG product among rural and urban consumers.

6. To examine the factors influencing the buying behaviour of consumers towards the purchase of FMCG products.

7. To observe the behaviour of rural and urban consumers regarding the preference towards from where to buy FMCG products.
8. To study the behaviour of rural and urban consumers over the factors influencing the final selection of a particular shop for buying FMCG products.

9. To examine the factors influencing the purchase behaviour of rural and urban consumers in a store.

10. To know the longevity in using FMCG products among rural and urban consumers.

11. To observe the consumption pattern or frequency of purchase of rural and urban consumers regarding FMCG products.

12. To study the factors those influence the purchase decisions of rural and urban consumers while buying branded/unbranded FMCG products.

13. To study rural and urban consumers to determine the effect of income on consumption level.

14. To observe rural and urban consumers regarding their preference over buying a new product with additional benefits or sticking to the (already used) branded/unbranded product/s.

15. To study rural and urban consumers regarding their considerations for the most attractive benefits.

16. To observe rural and urban consumers regarding their considerations over alternative purchasing plans.

17. To study rural and urban consumers regarding their preference for packaging.

18. To examine rural and urban consumers regarding their priorities over different types of packaging.

19. To explore the potentialities and future prospects in rural and urban markets.

20. To identify problems and suggest suitable measures for the improvement of rural and urban markets.
HYPOTHESES OF THE STUDY

1. **Ho:** There is no significant difference between similarities and dissimilarities of rural and urban consumers towards the purchase of FMCG products.

2. **Ho:** There is no significant difference regarding the types of media that affects buying behaviour of rural and urban consumers.

3. **Ho:** There is no significant difference in the role of influencer and final decision maker for purchasing FMCG products in rural and urban markets.

4. **Ho:** There is no significant difference between the factors influencing the preferences of rural and urban consumers over branded and unbranded FMCG products.

5. **Ho:** There is no significant difference between the reasons of shifting from a particular branded or unbranded FMCG product among rural and urban consumers.

6. **Ho:** There is no significant difference regarding the factors influencing the buying behaviour of consumers towards the purchase of FMCG products.

7. **Ho:** There is no significant difference in the behaviour of rural and urban consumers regarding the preference towards from where to buy the FMCG products.

8. **Ho:** There is no significant difference in the behaviour of rural and urban consumers over the factors influencing the final selection of a particular shop for buying FMCG products.

9. **Ho:** There is no significant difference in the factors influencing the purchase behaviour of rural and urban consumers in a store.

10. **Ho:** There is no significant difference between the longevity in using the FMCG products among rural and urban consumers.
11. **Ho:** There is no significant difference in the consumption pattern or frequency of purchase of rural and urban consumers regarding the FMCG products.

12. **Ho:** There is no significant difference in the factors those influence the purchase of rural and urban consumers while buying branded/unbranded FMCG products.

13. **Ho:** There is no significant difference between rural and urban consumers to determine the effect of income on consumption level.

14. **Ho:** There is no significant difference between rural and urban consumers regarding their preference over buying a new product with additional benefits or sticking to the (already used) branded/unbranded product/s.

15. **Ho:** There is no significant difference between rural and urban consumers regarding their considerations for the most attractive benefits.

16. **Ho:** There is no significant difference between rural and urban consumers regarding their considerations over alternative purchasing plans.

17. **Ho:** There is no significant difference between rural and urban consumers regarding their preference for packaging.

18. **Ho:** There is no significant difference between rural and urban consumers regarding their priorities over different types of packaging.

**DATA SOURCE**

The present study is largely based on the primary data collected from rural and urban consumers through field survey. Field survey was conducted by intensively interviewing individuals of different families considering them as the representative of the household. For this purpose, a structured questionnaire was administrated. To identify the mistakes and to check the correctness of questions included in the questionnaire, a pilot survey had been conducted by getting the questionnaires filled by fifty persons from different socio-economic backgrounds. This revealed the shortcomings in it and provided ideas to include several other important questions which were essentially required to make the study comparative. And, this pilot experiment was also to conduct a small scale
preliminary study in order to evaluate feasibility, time, cost, adverse events and statistical availability in an attempt to predict an appropriate sample size and improve upon the study design prior to the execution of a full scale study.

A pilot study is usually carried out on respondents from target population, but not on those who constitute the final sample because it may influence the latter’s behaviour over research subjects.

The pilot study introduced some changes in the hypotheses which were set previously; some were changed, some were dropped and some were developed newly. The response set of 50 respondents had brought in new ideas and clues that increased the chances of getting clearer findings in the main study. With no more ambiguities, the study became more defined and paved the way to make much required alterations in the data collecting methods in order to assist in analysing the data more efficiently.

RESEARCH APPROACH

The survey approach has been chosen for the study to gather descriptive information; structured survey with formal lists of direct questions was conducted among the respondents. Generally, this approach is used to collect data for different kinds of studies. Moreover, this approach is quick and carries low cost as compared to observation and experimental methods.

RESEARCH METHODOLOGY

Descriptive study has been used which is carried out to describe accurately the characteristics of an individual, or group, or a particular situation. A descriptive study is one in which information is collected without changing the environment. In human research, a descriptive study provides information about the naturally occurring health status, behaviour, attitude and other characteristics of a particular group. Accuracy is the best benefit of this type of study as most of the social researches are done under this category. Therefore, descriptive study eliminates biasness and maximizes reliability.

RESEARCH INSTRUMENT

The questionnaire is not specifically divided into different parts, but it can be observed that questionnaire has two sections i.e., general background of respondents and
buying behaviour of rural and urban consumers towards fast moving consumer goods - branded and unbranded products. Finally, the questionnaire is comprised of total twenty two questions other than general background questions for respondents to answer, under which personal care; cosmetic care and toiletry; household care; and food, health and beverages products are included for covering all categories of fast moving consumer goods. Except two open ended questions, the remaining are multiple choice questions.

The schedule for respondents was structured in a way to collect maximum data regarding their demographic and socio-economic background, buying motives, preferences, awareness of consumers and consumption patterns. The questionnaire in English and Hindi are shown in the Appendix I and Appendix II. After designing the proper schedule for data collection, the questionnaires were got filled at personal level. This methodensured that respondents were personally reached; and it was observed that the purpose and the objectives of the research study were explained to the respondents personally in order to get their proper answer/response. Individuals, who agreed to participate in the survey, were asked for detailed replies and comments to the different questions listed in the questionnaire. During the course of interview, cross questions were raised which provided additional useful information and rare human insights through cross checking answers/replies of respondents. This helped in achieving desired degree of accuracy and reliability in the collected data.

In this research study, best of communication and observation skills are used at various stages of data collection process. Specially in case of rural and illiterate respondents, keen observation not only proved as the key factor for data collection, but also as an excellent tool to cross check the correctness and accuracy of information sought through questionnaire in personal interview.

POPULATION DEFINITION

Consumers of rural and urban markets of Haryana State have been taken as sample units.

According to the Census of India 2011, the definition of urban area is as follows:-

1. All places with a municipality corporation, cantonment board or notified town area committee, etc.
2. All other places which satisfy the following criteria:
   i) A minimum population of 5,000;
   ii) At least 75 percent of the male main working population engaged in non-agricultural pursuits; and
   iii) A density of population of at least 400 persons per sq. km.

And those places which do not satisfy the above criteria come under the rural area.

SAMPLE METHOD

Multiple-stage sampling has been used for selecting the sample. In the research study, probability systematic random sampling has been used for collecting the data; it is also called an Nth name selection technique. This method is used because under this procedure each element in the population has a known and equal probability of selection. Further, probability random sampling has been used for giving equal probability to every unit.

SAMPLING FRAME

A decision has to be taken concerning a sampling unit before selecting a sample; sampling frame may be geographical one such state, district, village etc. It is the list of sampling units or elements from which the sample or some proportion of the sample is actually selected or drawn. So, in this research study sampling frame is the state i.e. Haryana.

SOURCE LIST

Source list is made from sampling frame from which sample has to be drawn. In this study, Haryana is the sampling frame which is divided into 21 districts and these are:

- Ambala
- Bhiwani
- Faridabad
- Fatehabad
- Gurgaon
- Hissar
- Jhajjar
SAMPLING SIZE

This refers to the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large nor too small, it should be optimum. A sample of 250 from rural markets and 250 from urban markets (total 500 consumers) is taken for the given research study.

SAMPLING PROCEDURE

Out of 21 districts of Haryana, 5 representative districts are selected on the basis of per capita income of each district (Source: Statistical Abstract of Haryana, 2009). Income is selected as base because income has a direct positive effect on buying behaviour of consumers. If income rises or falls, consumer consume more or less accordingly. All districts are arranged as per high to low per capita income (descending order); Gurgaon has the highest rank and is the first selected district. After that, every 5th district is chosen as per probability systematic random sampling. The procedure integrated 5 districts in the sample and these are:

- Gurgaon
- Ambala
- Kurukshetra
Initially, the sample size was 550, which was divided into 5 districts between rural and urban markets as follows:

<table>
<thead>
<tr>
<th>District</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>GURGAON</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>AMBALA</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>KURUKSHETRA</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>HISSAR</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>JIND</td>
<td>55</td>
<td>55</td>
</tr>
</tbody>
</table>

But the representation of actual data collected is as follows:

<table>
<thead>
<tr>
<th>District</th>
<th>Rural</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>GURGAON</td>
<td>51</td>
<td>50</td>
</tr>
<tr>
<td>AMBALA</td>
<td>54</td>
<td>52</td>
</tr>
<tr>
<td>KURUKSHETRA</td>
<td>54</td>
<td>50</td>
</tr>
<tr>
<td>HISSAR</td>
<td>50</td>
<td>51</td>
</tr>
<tr>
<td>JIND</td>
<td>50</td>
<td>54</td>
</tr>
</tbody>
</table>

To justify the overall sample size, an average sample of 500 respondents were selected from each district; selected 50 each from rural and urban markets. Each district is divided into blocks (Source: Haryana Abstract, 2009) and out of each block, number of households was chosen according to voter list of each district (Source: Chief Electoral Officer, Haryana) and it was arranged in ascending order. Thereafter with the help of probability random sampling, number of households was chosen as per following manner:

<table>
<thead>
<tr>
<th>GURGAON</th>
<th>Farrukh Nagar</th>
<th>Gurgaon</th>
<th>Pataudi</th>
<th>Sohna</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>12</td>
<td>12</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Urban</td>
<td>12</td>
<td>13</td>
<td>12</td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AMBALA</th>
<th>Ambala-1</th>
<th>Ambala-11</th>
<th>Barara</th>
<th>Shehzadpur</th>
<th>Nariangarh</th>
<th>Saha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Urban</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KURUKSHETRA</th>
<th>Ladwa</th>
<th>Pehowa</th>
<th>Shahbad</th>
<th>Thanesar</th>
<th>Babain</th>
<th>Ismailabad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>9</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Urban</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HISSAR</th>
<th>Adampur</th>
<th>Barwala</th>
<th>Hansi-1</th>
<th>Hansi-11</th>
<th>Hissar-1</th>
</tr>
</thead>
</table>
To have greater accuracy in results, all households using all types of fast moving consumer goods were studied even if it was not feasible. This is because,

1) Rarely any household uses all types of fast moving consumer goods, which is the subject of present study.

2) Household using all types of fast moving consumer goods are too much scattered and dispersed geographically; their number is too small for conducting a research.

3) To maintain a balance between urban and rural consumers is difficult.

4) It is also difficult to collect information from rural consumers because most of the rural consumers are illiterate.

5) To access unbranded products has been proved to be a hurdle in the study.

In addition to these, there are various limiting factors on the part of researcher i.e. limited period of time and meager resources at the disposal of researcher. In consideration of the above limited factors and in-depth study of the problem justifies the need of relaxing the condition of using.

Large size of sample provides greater representation of the whole universe, but the target sample of the present study consists of 500 households from the state of Haryana. It was quite difficult task to select 500 households. To ease this problem, 5 districts were selected out of 21 districts. These 5 districts of Haryana State have been further subdivided into subdivisions, tehsils, sub- tehsils and blocks. This classification has been done on the basis of data published (Source: Census Department of Haryana). Further, to select the places for collecting data - firstly total numbers of blocks were identified in each district, and in the second step it was decided as to which village and town in a block
had to be selected for data collection. On the basis of above mentioned steps, 500 respondents were selected from the total household population of urban and rural areas in Haryana. In order to make the study representative, sample was obtained from different strata based on residential status, gender, marital status, age, education, occupation and income. To make the study reliable and comparable, a balance between rural and urban respondents was maintained because it has been observed that the rural Haryana shares average Indian rural characteristics in terms of size of rural population, agrarian economy, small size of villages, low literacy rate and consequently lower standard of living of people.

DATA PROCESSING

After collection of data from 500 household respondents, with the help of pre-tested structured questionnaire, the data was processed in accordance with the outline laid down for the purpose of study at the time of developing the research plan. Processing implies (i) editing, (ii) coding, (iii) classification, and (iv) tabulation.

Editing

Editing is a process of examining the collected raw data (especially in surveys) to detect and correct the error and omission, where possible editing is done to assure that the data is accurate, consistent and as complete as possible.

Coding

Coding is a process of assigning numerals or other symbols to the answer of each question. This is largely helpful in the tabulation of data because with the help of coding responses can be put into a limited number of categories or classes.

Classification

Arrangement of collected data in groups or classes on the basis of similar characteristics is called classification.

Tabulation

The process of summarizing the data and displaying the same in compact form (in the form of statistical table) is called tabulation. Coding of collected data makes the tabulation process quite easier.
ANALYSIS AND INTERPRETATION OF DATA

Analysis is the computation of certain measures so that the relationship among various variables can be established. On the basis of these relationships, conclusions of the research are made. Analysis of data can be done by employing certain statistical tools according to the requirement of the objectives of the study. After completing the analysis, it is necessary to interpret the results drawn through the application of statistical tools. Interpretation refers to the task of drawing inferences from the results of analysis. In fact, it is a search for broader meaning of research findings. So, this is an extremely important step of research process.

Reliability Analysis

Reliability analysis includes calculation of Cronbach’s Alpha that measures the internal consistency and reliability of the instrument. In the current research, the Cronbach’s Alpha for all variables (i.e. 0.26) for both (questions; number 3 and number 4) is 0.921 and 0.939 respectively. Similarly, for each of the factors the Cronbach’s Alpha is higher than 0.7 which indicates the significance of the model.

Statistical Package for the Social Sciences (SPSS)

Statistical Package for the Social Sciences (SPSS), version- 16.0 has been used for analyzing the data.

STATISTICAL TECHNIQUES

Chi-Square

In examining the relationship between two or more variables, chi-square is used to find whether or not two or more attributes are associated. The Test is conducted at 95% confidence (or 5 percent level of significance). The calculated value (chi-square) is compared with the table value (observed) at a given degree of freedom. If the calculated chi-square value works out to be less than the table value at a particular level of significance, the deviation of observed frequency from the expected frequency is considered to be insignificant. Consequently, Ho (null hypothesis) is accepted. If the table value is less than the computed value of chi-square, then Ho is rejected.
Factor Analysis

To examine all variables simultaneously, factor analysis is used. Factors are extracted using Principal Component Analysis. It simplifies data by reducing large number of variables to a set of small number of variables. It analyses the interdependence of interrelationships among a total set of variables. Hence, it is extremely useful when a large mass of data has to be simplified and condensed.

T-Test and Percentage

T-Test is applied to check the significance level and Percentage method is applied to analyse the data.

3.18 CHAPTER SCHEME

The study is divided into six chapters:

- Chapter one is an introductory chapter giving details about the fundamental concepts relating to consumer, various factors affecting consumer behaviour, meaning of fast moving consumer goods, branded and unbranded products.

- Second chapter includes review of existing literature in an organized pattern.

- In the third chapter, research methodology used to carry out the present study is explained, which includes rationale of study, research problem, objectives of the study, hypotheses of the study, data source, research approach, research methodology, research instrument, population definition, sampling method, sampling frame, source list, sampling size, sampling procedure, data processing, analysis and interpretation of data, statistical techniques, chapter scheme and limitations of the study.

- Fourth chapter details the profile of sample respondents.

- Fifth chapter deals with analysis and interpretation - part I (Preferences of rural and urban consumers towards FMCG products) using combination of statistical techniques.
• Sixth chapter deals with analysis and interpretation - part II (Factors influencing rural and urban consumers towards buying branded/unbranded FMCG products) using combination of statistical techniques.

• Seventh chapter deals with introduction, findings, suggestions and recommendations for further study.

FINDINGS

The study shows that every consumer in the market has his/her own preferences for Branded/Unbranded goods. Consumers will be looking for certain attributes before purchasing the products. The analysis and interpretation shows the collected information from sample respondents, which provide the clear understanding of the respondents’ attitudes regarding various aspect of consumer behaviour about Fast Moving Consumer Goods (FMCGs) or non-durable goods - purchase and their consumption. Analysis of data has done through continuation of the statistical tools which test the hypotheses. A brief account of the findings is given below:

1. The study depicted that Lux is the most preferred brand of bathing soap not only among urban respondents but also among rural respondents and on the second place Godrej No. 1 is popular in both urban and rural areas but its usage percentage is more in rural areas as compared to urban areas. Likewise, Lifebuoy and Hamam are more popular in rural areas and Dove soap is more popular in urban areas. Preference for Desi soap is shown only by rural respondents and Santoor is the least preferred bathing soap in both rural and urban areas.

2. It has been revealed that Local brand of washing soap has the highest usage percentage in total as compared to other categories but it is relatively more popular in rural areas. The reason can be its reasonable price of the Local branded soap which is that makes it easily affordable among rural consumers for washing their clothes. On the other hand, Rin has high preference among urban consumers for washing their clothes as compared to Tide, Wheel, Surf Excel and 555 are preferred by consumers but not as much as Rin either due to their high price or low quality of product. Nirma washing soap shares almost equal preference among rural and urban consumers. Among Fena and Ghari Detergent Cake, Fena is more
preferred among urban consumers and Ghari Detergent Cake among rural consumers.

3. It has been depicted that total 22.0% consumers do not prefer detergent for washing their clothes and among them percentage of rural consumers is more than urban consumers. Having low income can be one of the reasons for respondents for such usage pattern. Surf Excel, Tide, Fena and Rin respectively are popular brands for washing clothes. As a detergent, Surf Excel and Tide are more preferred brands in comparison to washing soap. The reason can be the quality of product is more liked as a detergent than as a washing soap. 12.0% of rural respondents are preferred Nirma detergent powder over other brands. The reason can be its affordable price. Only 1.2% of urban consumers use Vanish powder for clothes because its purpose is only to remove stains from the clothes.

4. It has been seen that Colgate is the most popular brand of toothpaste and it has the highest usage percentage in both areas, in rural areas its usage percentage is 40.0% and in urban areas its usage percentage is 52.0%. Closeup and Datun respectively are next preferred brands. Closeup is more preferred in urban areas where as Datun is more preferred in rural areas. Pepsodent and Babool are next preferred brands. Meswak, DantKranti, Sensodent and Vicco are the least preferred brands. The reason might be fewer promotions of these brands.

5. It is observed that Oral-B, Colgate and Ajanta are popular and preferred brands of toothbrush. Among these, percentage consumption of Oral-B and Colgate is high i.e. 45.6% and 30.3% respectively in urban areas where as Ajanta is more popular in rural areas. On the other hand, only 9% Local brand and 7.2% Pepsodent toothbrushes are preferred by total respondents. Binaca, Ankur and Cibaca respectively are the least preferred brands of tooth-brush.

6. It has been observed that 53.6% people do not consume or use toothpowder and rest 46.4% use toothpowder for oral hygiene. Out of them, 25.6% people use DaburLalDantmanjan, among them rural usage percentage is 18.8% and urban usage percentage is 32.4%. Colgate, Meswak, DivyaDant and Vicco respectively are next popular brands ofmanjan and Home-made manjan is the least popular or preferred in rural and urban areas as compared to other brands.
7. The study revealed that 24.0% respondents do not use shampoo in their daily life and out of them percentage of rural respondents is high i.e. 44.4% as compared to urban respondents i.e. 3.6%. This shows that value of this product is low for rural respondents, might be the reason is either they are not aware about the utility of this product or their daily consumption expenditure can be increased while using it. Sunsilk is the popular or most preferred brand among all other brands as its usage percentage is high. Moreover, the popularity of this brand can be depended upon its longevity because it is the oldest brand. Clinic Plus, Dove and Head & Shoulder are next preferable brands. Clinic plus and Head & Shoulder, these two brands of shampoo are preferred in rural and urban areas but Dove is maximum preferred by urban respondents. The reason might be urban respondents liked quality of Dove shampoo but it is believed expensive product according to rural respondents. Pantene, Garnier, L’oreal, Shikakai and Keshnikhar, respectively are next preferred brands of shampoo. Pantene, Garnier and L’oreal are more preferred by urban respondents as compared to Shikakai and Keshnikhar, as these products are more popular in rural areas because these are available at a reasonable price in the market, Matrix is the least popular brand in shampoo as its usage percentage is low as compared to other brands.

8. It has been observed that Sarson oil enjoys more preference among respondents as its overall usage percentage is high i.e. 29.8% in comparison to other categories. It is used more by rural respondents i.e. 48.4% in comparison to urban respondents i.e. 11.2%. The reasons behind using Sarson oil might be its easily availability in the market and multipurpose utility. Dabur Amla oil, Bajaj Almond oil, Parachute Coconut oil and Clinic Plus oil, respectively are next preferred brands of hair oil and their usage percentage among urban respondents is more in comparison to rural respondents. Vedic Herbs Brahmi Amla, Canthradine, Matrix, Livon, Koe-Karpin, and Kesh King are the least preferred hair oils in rural and urban areas.

9. The study revealed that 69.8% of total respondents do not use hair gel as its only utility is to style hair. Setwet, Garnier and Gatsby, respectively are preferred brands, as their usage percentage is more in urban respondents in comparison to rural respondents and Livon is the least preferred brand among hair gels.
10. It has been revealed that 59.6% of rural respondents and 17.2% of urban respondents neither use nor buy face-cream in their daily life; the reason might be it is not one of the basic necessities. That’s why people avoid buying face cream in order to control their daily consumption expenditure. Garnier face cream is the most popular brand as their urban usage percentage is high i.e. 25.6%; Ayur, Fair & Lovely, Boroplus, Ponds and Lotus, respectively are next popular brands. Among them, Fair & Lovely and Boroplus are preferred brands in rural areas; this might be due to their reasonable market price. Borosoft and Revlon are the least liked brands in both rural and urban areas; the reason might be less awareness among customers or high price.

11. It has been depicted that 50.8% of rural respondents and 9.2% of urban respondents do not use talcum powder in their daily life because purchasing talcum powder depends upon various factors like nature of job, price of the product, awareness about product, etc. As most of the rural respondents are involved in farming, that’s why the need of talcum powder might be less for them. Ponds, Dermicool and Nycil, respectively are preferred brands in the category of prickly heat talcum powder. Cinthol, Eva and Boroplus are next preferred brands which are popular in market due to their fragrance. Breeze, Dove, Fa, Nivea, Sofia, Jijjola and Temptation are the least preferred brands as their total usage percentage is 0.2% only.

12. It has been revealed that there is a wide variety of deodorants is available in the market. Although 50.4% respondents do not use deodorant as either they find those expensive or they don’t require those. However, some brands are popular (Axe, Eva, Set Wet and Gatsby) in the market and their sale is high in comparison to other brands. It is also observed that urban respondents are more inclined towards deodorants. The reason might be that they have high standard of living, stylish life style etc. Fogg, Lomani and Temptation are next preferred brands as their total usage percentage is high. The result shows that these brands purchased by young generation. Addiction, Cigar, Denim, Elle-18, Fizz, Killer, Kustody, Nike, Wild Stone and Z-Deo are less preferred brands.

13. It has been observed that 46.8% of total respondents, out of which 76.4% belong to rural areas and 17.2% belong to urban areas, do not prefer to use lipsticks. The
reason might be that rural females are not much inclined for cosmetic products. Only 9.2% of female rural respondents prefer Elle-18 brand of lipstick, might be due to its reasonable price. Lakme and Avon are also preferred by them but the percentage is very less. On the other hand, females living in urban areas are more inclined for cosmetic products. They prefer Lakme, Elle-18, Revlon and Avon respectively. And, very less number of urban respondents prefers May-belline, Oriflame, Personi, and L’oreal brands of lipsticks; might be their expensive price is the stopping factor.

14. It has been depicted that just like lipsticks, nail paints are also not preferred by many respondents and their total percentage comes out to be 50.4% comprised of 78.8% of rural respondents and 22.9% of urban respondents. In rural areas, mainly Elle- 18, Avon and Lakme, respectively are preferred brands; while in urban areas, Avon, Lakme and Elle-18, respectively are popular brands. Other brands hardly preferred by population which might be because of high price and low quality.

15. It has been observed that 60.8% of total respondents do not prefer to use perfume, as it is to be believed an expensive product. Temptation, Park Avenue, Yardley and Lady Dyna, respectively are preferred brands of perfume among urban respondents. Out of 250 rural respondents, 215 respondents do not buy perfume as they might not have the need of perfume; and among the rest who use perfume- Cobra and Yardley are preferred brands.

16. It has been revealed that 57.6% of rural respondents and 16.8% of urban respondents do not prefer to buy any toilet cleaner. On the other hand, Harpic and Lizol are the most preferred brands for both rural and urban respondents. Acid is only used by rural respondents for cleaning toilets due to its low price and easy availability.

17. It has been seen that 40.4% of rural respondents do not prefer to buy any dish cleaner in comparison to 5.2% of urban respondents. There can be many reasons behind it for not buying any dish cleaner. But those who buy dish cleaner, they are more inclined towards Vim Bar as its usage percentage in rural areas is 22.0% and in urban areas is 52.4%. Fena is the second preference in both rural and urban areas; the reason might be the cost difference between two brands. Local or Loose
Surf, Vim Drop and Wheel respectively are next choices of brands for cleaning the utensils. Total, Ghari Detergent, Amway and Expert- all these brands are less preferred among respondents.

18. It has been depicted that 69.2% of rural respondents and 18.4% of urban respondents do not prefer to buy any kind of coil/mat/liquidator. Those who prefer to buy a mosquito repellent, they prefer Good Knight and All-Out. It is clear that urban usage percentage is more in comparison to rural usage percentage. Mortein, Maxo are next preferred brands and Attack is the least preferred brand. These preferences of respondents show that marketers should do more promotional activities to improve their sale.

19. The study has been depicted that 49.2% of rural respondents and 12.4% of urban respondents do not buy or consume bread in their day to day life. Britannia and Bonn are the popular brands of bread as their usage percentage in urban areas is more i.e. 35.6% and 17.6% respectively; in comparison to respondents who live in rural areas representing 12.4% and 5.6% respectively. Kitty brand of bread have equal usage percentage in both rural and urban areas i.e. 9.2%. Arnold and Perfect brands of bread have more consumption in urban areas where as Local Bakeries, Modern and Cremica brands of bread have more consumption in rural areas, might be due to flavour, taste, quality, price etc.

20. It has been observed that there is a wide variety of brands are available in the market in each company of biscuits. 36.6% of total respondents do not buy biscuits for day-to-day consumption. Those who eat biscuits, they prefer to buy Britannia and Sunfeast biscuits in both rural and urban areas; but these are more consumed by urban respondents. Because, these companies promote different brands of biscuits assertively as well as provide healthy biscuits at reasonable prices to consumers. Cremica and Bonn are next preferred companies of biscuits. Parle, Horlicks and Priyagold are the least preferred companies among consumers.

21. It has been depicted that loose milk is more popular in total (61.8%) in comparison to packed milk, which one can get from the dairies. But in rural areas, percentage of buying loose milk from dairies is more i.e. 80.4% in comparison to 43.2% by urban respondents because loose milk in dairies is available at a reasonable price in comparison to packed milk price. Vita and Amul are the most
popular brands of packed milk in rural and urban areas. Reliance, Mother Dairy and Milk Time, respectively are next preferred brands of packed milk and the consumption of packed milk is more in urban areas. Verka is the least preferred brand of packed milk in both rural and urban areas.

22. It has been revealed that 31.2% of rural respondents and 4.0% of urban respondents do not buy or consume butter in their day to day life. Those who prefer to buy, among them Amul butter is more preferred by urban respondents as its usage percentage is 62.4% in comparison to rural respondents i.e. 14.8% and rural respondents like to eat Home-made (white) butter for their daily consumption as their usage percentage is 43.2% in comparison to urban respondents i.e. 17.6%. Verka is popular or preferred brand in urban areas in comparison to Nestle and Nutrafite, as these are popular in rural area.

23. It has been depicted that among various brands Tata Premium is the most preferred brand of tea as its total usage percentage is 37.2%. This brand is more consumed by urban respondents i.e. 47.2% in comparison to 27.2% by rural respondents where as Loose tea is more consumed by rural respondents (31.6%) as compared to 4.8% by urban respondents. The reason behind this might be it is easily available at a reasonable price than any other brand. Broke Bond and TajMahal are next preferred brands in rural and urban areas. Agni (Bio-Ayurveda), 502 Pataka Chai, Gold Label, Malani, Tata Agni and Today, respectively are the least preferred brands might be either due to low quality or less promotions.

24. It has been depicted that 40.6% of total respondents do not prefer to buy coffee. Out of which percentage of rural respondents is high i.e. 71.2% in comparison to 10.0% by urban respondents. 58.0% of urban respondents prefer to consume Nescafe in comparison to 32.0% prefer to buy Bru.

25. It has been observed that total respondents 39.8% do not like or do not consume chocolate and which is comprised of 69.2% rural respondents and 10.4% urban respondents; as they might feel that it is not good for health or teeth. Those respondents who like to eat, they prefer Dairy Milk in comparison to other brands as 20.8% of respondents prefer Dairy Milk. Munch, 5-star, Bournville and Kitkat are next preferred chocolate brands. Out of these, 5-star, Munch and Kitkat are
more preferred brands among rural respondents in comparison to Bournville chocolate because Bournville is more expensive chocolate than others. Crunchie chocolate is the least preferred chocolate among all brands.

26. It has been depicted that 50.8% of rural respondents and 11.2% of urban respondents do not prefer to buy juice or squash as it may increase their monthly expenditure. Those who prefer to consume, they prefer to buy Real juice as their urban usage percentage is 50.0% and rural usage percentage is 6.4%. On the second place, rural respondents prefer Fresh juice and Mazza in comparison to other branded juices. But, in urban areas, Tropicana is more preferred juice than Fresh juice, Frooti and Mazza. Roof Afza and Rasna are less preferred among urban respondents and on the other hand, Kissan juice and Rasna are less preferred among rural respondents.

27. It has been revealed that 75.6% of rural respondents do not prefer to buy jam and rest others prefer to buy Kissan jam instead of Tops Mix Fruit jam and Dabur Honey jam. On the other hand, 22.4% of urban respondents do not prefer to buy jam and rest 63.2% prefer to buy Kissan jam instead of Tops Mix Fruit jam and Dabur Honey jam.

28. The study has been observed that 66.0% of rural respondents do not prefer to buy sauce as against only 19.2% of urban respondents. In urban areas, Kissan and Tops are popular brands and in rural areas, Kissan and Maggi are popular brands. It is also observed that rural respondents prefer to make sauce at home instead of purchasing it from market.

29. It has been cleared that many people like cold drink, but even then 50.0% of rural respondents and 8.4% of urban respondents do not buy cold drink as they might be think that it would increase their monthly expenditure. Among urban people, who are willing to drink Pepsi is first, Coca-Cola is second and Slice is third choice for them. And, among rural people, Slice is first, Pepsi is second and Coca-Cola is third choice. Nimbooz Soda, Diet Coke and Diet Pepsi are the least preferred cold drinks in both areas of respondents.
30. It has been observed that there is a significant difference between buying behaviour of rural and urban markets for buying above mentioned Fast Moving Consumer Goods, except toothpaste.

31. The study revealed that large majority of urban respondents used television as a medium of advertisement; newspaper, magazine, internet and outdoor media stood at second, third, fourth, and fifth position. It is important to note that the sample respondents of rural area were indifferent to urban sample respondents. Radio was the important media for rural sample respondents as a source of advertisement or media. Analysis of the data also confirmed that residential status of respondents has effect on the use of different media of advertisement. The level of education and occupation of respondents significantly affected the use of media.

32. It is seen that there is a significant difference in the role of persons influencing the decisions for buying Personal Care; Cosmetic and Toiletry Care; Household Care products except Food, Health and Beverages.

33. It is revealed that there is a significant difference in the role of final maker/s for buying Personal Care; Cosmetic and Toiletry Care; except Household Care products; and Food, Health and Beverages.

34. About the finalization of purchase decisions, it was observed that for buying Personal Care; Cosmetic Care and Toiletry Care; and Household Care products most of the people make final decision due to their inner instinct. They were not influenced by anyone. They themselves are decision makers’. Role of children or spouse and father or mother is almost same for taking final decisions for buying products in rural and urban areas. And very less number of decisions is taken by family members jointly. But for buying Food, Health and Beverages, rural and urban consumers took maximum decisions by themselves. Father or mother, children or spouse have contributed equally in rural and urban areas. But father or mother plays a major role in rural areas where as children or spouse play/s a major role in urban areas for buying the above mentioned goods. On the other hand, family members together play a less role in buying products. It is concluded that residential status of respondent has effect on the finalization of purchase decisions by different members of family, as well as level of education,
occupation, and level of income of respondents significantly affect the finalization of purchase decisions.

35. Regarding consideration while selecting the shop, preference for nearby shops stood at first position in both rural and urban areas followed by ration depots, wholesalers cum retailers, canteens and organized retail outlets in rural areas; but in urban areas, wholesalers cum retailers, shopping malls, canteens and ration depots. This may be because rural people have to move very far away for buying product/s from other sources but in urban area, there are number of choices are available at a very short distance and rural consumers also prefer to buy from other sources due to save their money because product/s is/are available there, at a comparatively less price. Moreover, few consumers prefer to buy from the government retail outlets because of less awareness about these outlets and such type of outlets are also very less in numbers. It is also confirmed that residential status, level of education, and occupation of the respondents significantly affected the consideration of the respondents while selecting the particular shop.

36. The study revealed that rural and urban areas, are influenced by himself or herself, children or spouse and father or mother were also influenced to respondents in purchase followed by influence of friends/neighbours and relatives, whereas the shopkeeper was considered the least significant factor. It is also concluded that residential status has no bearing on the consideration of the respondents as an influencing factor but the level of education, occupation and level of income significantly affected the consideration of the respondents.

37. Factors motivating to total sample respondents towards the purchase of Personal Care; Cosmetic and Toiletry Care; and Household Care products viz. quality, size, more features, long lasting and company brand image stood first, second, third, fourth and fifth position among the other factors. However, reasonable price and free offers were also considered important factors in comparison to others.

38. Factors motivating to total sample respondents towards the purchase of Food, Health and Beverages, viz. flavor, taste, freshness, protein content/nutrition value/quality, size and company/brand image stood at first, second, third, fourth and fifth position among the other factors. However, reasonable price and free offers were also considered important factors in comparison to others.
39. It is revealed that rural consumers buy same product again and again due to its reasonable price for buying unbranded product/s as their mean value is high i.e. 4.24 in comparison to other factors of influencing. Secondly, they are influenced by popularity of product and hygienic packaging. Good quality is the least influencing factor for them for buying unbranded product/s because they are inclined towards buying products at a reasonable price. On the other hand, popularity plays an important role for influencing the urban consumers because mean value is high i.e. 4.73. The reason can be they have better market knowledge which might be gained by the advice of family members and relatives. Hygienic packaging, reasonable price are next influencing factors for urban consumers. The urban respondents are so much quality conscious but their mean value is low over here i.e. only 2.52 as compare to other factors. This showed that they are less inclined towards the quality of unbranded products. It is concluded that, there is a significant difference between the preference of rural and urban consumers for buying unbranded product/s because mean values of factors influencing them are different.

40. It is observed that rural consumers buy the same product again and again due to popularity of branded product/s as their mean value is high i.e. 3.99 in comparison to other factors of influencing. Secondly, they are influenced by hygienic packaging and easy availability. Reasonable price and continuous use in the past are the least influencing factors for them for buying branded product/s. On the other hand, good quality and popularity play an important role for influencing urban consumers to buy branded product/s because means value is high i.e. 4.60 and 4.00 respectively. Hygienic packaging and easy availability are almost next important factors for influencing the urban consumers. Continuous use in the past is least important factor for them. It is concluded that, there is a significant difference between the preference of rural and urban consumers for buying branded product/s because mean values of factors influencing them are different.

41. It is depicted that poor quality of product was considered the main reason of switching over to another product by rural and urban consumers because consumers’ are now become more health conscious. That’s why, for maintaining good health they do not want to compromise with the quality of product. Another reason of switching over to another product is non availability of
branded/unbranded products i.e. 27.2% by urban consumers but here rural percentage is low i.e. 15.6% as compared to other reasons. It showed that urban consumers are more inclined towards brand loyalty. Just like above, availability of free gift/discount with new branded/unbranded products, loosing popularity, just for a change and friends experience with new branded/unbranded products are also considered effective reasons of shifting for urban respondents as compared to rural respondents. Higher price of branded/unbranded products, lack of extra quantity and impressed by the advertisements of new branded/unbranded products are considered effective reasons for rural consumers as compared to urban consumers. The reason behind this might be rural consumers are more price conscious. That’s why; they want to require some extra quantity at a same price or even at a less price. Sometimes, they are more impressed after seeing the advertisement of new branded/unbranded products which can satisfy their above requirements. Manufacturing defects are the least important reason of shifting from the particular product for both rural and urban areas. It is concluded that there is a significant difference between rural and urban consumers in shifting from the particular branded and unbranded FMCG products.

It was depicted that lighting (29.7%) and behaviour of salesman/men (22.4%) are the two important factors that influenced total respondents to visit in a particular shop for many times. As it is believed that proper lighting effect make the display of product more attractive and cooperative behaviour of salesman are influenced consumers to come again and again. Secondly, display/locating products through signs, graphics etc. (18.0%) and good ambience (15.0%) in total are next two important factors in comparison to other factors, because this will help to a person for buying product/s in a particular store. If the product/s is/are not displayed properly, both shopkeeper and buyer will face the problems as it becomes a time consuming process. But good lighting provision and good ambience are preferred by urban respondents as compared to display of product/s and co-operative behaviour of salesman/men is/are more preferred by rural respondents. Music, fragrance and colours are the least important factors that influence consumer’s purchase behaviour in a store. These results proved that there is a significant difference between in the factors influencing rural and urban consumers for their purchase behaviour in a store.
43. It was revealed that out of 500 respondents, 401 respondents in total feel that convenient location of the shop is the important factor while only 99 respondents in total consider it least important for the final selection of the shop. Saving of time, money and energy could be played an important role behind this factor. This showed that there is no significant difference between rural and urban consumers for the consideration of this factor in selecting the shop.

44. It was depicted that 139 numbers of rural consumers admit that familiar /relation with dealer and salesman is an important and very important factor for the selection of shop as compared to 101 numbers of urban consumers. On the other hand, 149 numbers of urban consumers feel that familiar relation with the dealer and salesman is somewhat important, not so important and least important factor in comparison to 111 numbers of rural consumers. This showed that there is a significant difference between rural and urban consumers for the consideration of this factor in selecting the shop.

45. It was stated that maximum respondents i.e. 235 of urban respondents and 214 of rural respondents admit that assurance of product quality by the shopkeeper is a very important, important and somewhat important factor for the final selection of the shop. And only 15 respondents of urban areas and 36 respondents of rural areas feel that it is least important and not so important factor. It is clear that urban respondents are more inclined towards this factor as compared to rural respondents. It showed that there is a significant difference between rural and urban consumers for the consideration of this factor in selecting the shop.

46. It was revealed that 221 of urban respondents as compared to 194 of rural respondents feel that reasonable price is very important, important and somewhat important factor for the consideration of the final selection of shop. And only 29 rural respondents as compared to 56 of urban respondents feel that reasonable price is least important and not so important factor. It showed that there is a significant difference between rural and urban consumers for the consideration of this factor in selecting the shop.

47. It was showed that maximum number of rural respondents i.e. 172 and 148 of urban respondents admit that availability of credit facility is very important, important and somewhat important factor for selecting the shop. But 78 of rural
respondents as compared to 102 of urban respondents admit that it is least important and not so important factor. It concluded that there is a significant difference between urban and rural consumers for the consideration of this factor in selecting the shop.

48. It was depicted that 191 of rural respondents as compared to 180 of urban respondents feel that availability of home delivery is very important, important and somewhat important factor. But 70 of urban respondents as compared to 59 of rural respondents consider it least and not so important factor. It showed that there is a significant difference between rural and urban consumers for the consideration of this factor in selecting the shop.

49. It was showed that rural consumers whose family monthly income is below Rs. 5,000 have increased their consumption for Personal Care products. It was 15.4% since 8 to 10 years and has increased to 66.7% in last three years. The reason behind may be that consumers are now influenced by the marketing strategies which is adopted by marketers for improving their sales volume. Due to various programmes have been introduced by the government of India for improving the standard of living and reducing the illiteracy rates, this type of change has been observed. Those consumers who are earning between Rs. 20,000 to Rs. 50,000, they are buying these products since long. The reason behind this may be they have the capacity to spend the money. Consumers’ whose monthly income is above Rs. 50,000 are less in numbers but they have been using products from last 3 to 7 years. Out of 250 consumers only 180 consumers have given their responses. This might be due they are low family monthly income earners or they are having less awareness regarding such type of products. In urban areas, almost all respondents have given their responses i.e. 248. Consumers’ whose family monthly income is less than Rs. 5,000 are very less in number for consuming these products and consumers whose family monthly income is above Rs. 5,000 have increased their consumption since 8 to 10 years. This showed that urban consumers are more aware about Personal Care products as compared to rural consumers. It meant that there is a significant difference between rural and urban consumers towards the longevity in using the Personal Care products.
50. It was revealed that respondents of rural areas have increased their consumption since less than 3 years for Cosmetic and Toiletry Care products. It is seen that respondents who have different family monthly income are lying maximum in the range of less than 3 years, which again focussed that this could be due to more stressed imposed by marketers towards marketing function. But out of 250 consumers only 114 consumers have shown their interest in buying Cosmetic and Toiletry Care products. This shows that rural consumers are very less fond of using such type of products which include cosmetic, talc, deodorants, perfumes etc. There are various reasons behind it, these are might be nature of work, standard of living, level of income etc. Most of respondents (245 out of 250) belong to urban areas have given their responses in buying the Cosmetic and Toiletry Care products. Respondents whose family monthly income is less than Rs. 5,000 are less in numbers and the time since they are using these products is very less (i.e. less than 3 years). On the other hand, consumers whose family monthly income is above Rs. 5,000 have increased their consumption since 8 to 10 years. About (46.1%) of total respondents have consumed products since 8 to 10 years as compare to only (23.7%) for less than 3 years. It meant that there is a significant difference between rural and urban consumers towards the longevity in using the Cosmetic and Toiletry Care products.

51. It was explained that respondents are become more aware since 3 to 7 years for buying Household Care products which include toilet cleaners, dish/utensil cleaners, floor cleaners, mosquito repellents etc. This is shown by the related figures i.e. 68.1% of total respondents of rural areas have used these products since 3 to 7 years as against to 22.0% since 8 to 10 years and 9.9% since less than 3 years. The reason behind this could be marketers are trying to boast their sales by doing more promotional efforts. But out of 250 only 91 respondents have given their responses for buying these products. This might be due to such kinds of products which are not so much important in comparison to other products for daily consumption. Likewise, urban respondents are more aware since 3 to 7 years but they are involved in buying since 8 to 10 years or even more than 10 years. Out of 250, 246 urban consumers are there who are involved in using these products. This was shown by the related figures i.e. 57.3% of total respondents of urban areas have used these products since 3 to 7 years as against to 32.5% since 8
to 10 years and 10.2% since less than 3 years. It meant that there is a significant difference between rural and urban consumers towards the longevity in using the Household Care products.

52. It was highlighted that in rural areas only 176 respondents gave their responses as against full response of urban respondents (i.e. 250) have been received for buying Food, Health and Beverages. Respondents whose family monthly income is below Rs. 5,000 have increased their consumption. It was 16.2% since 8 to 10 years and has increased to 56.8% in last three years. The reason behind this could be increased marketing efforts by marketers. Here, consumption of these products are more in both areas as compared to other products as these are food items and basic needs of goods. In urban areas, consumption of these products are more between 3 to 10 years in each level of income. It meant that there is a significant difference between rural and urban markets towards the longevity in using the Food, Health and Beverages Products.

53. It was revealed that 143 and 82 numbers of total respondents of urban and rural areas prefer to purchase Personal Care products once in three months and monthly respectively. On the other hand, 55 and 35 numbers of total respondents of urban and rural areas prefer to purchase weekly and biweekly respectively. Frequency of weekly and biweekly is for those products by consumers, who prefer to purchase in small sachets and pouches. And only 18 numbers of total respondents are those who prefer to purchase fortnightly. Out of 500 respondents, 333 respondents prefer to purchase Personal Care products and remaining respondents have their less liking for such kinds of products might be their earning is low or less requirement for such products. It showed that there is no significant difference between rural and urban consumers for frequency of purchase for Personal Care products.

54. It was depicted that 264 numbers of respondents out of 500 respondents prefer to purchase Cosmetic and Toiletry Care products. Out of them 112 numbers of respondents are belong to rural areas and 152 to urban areas. The reason might be people feel that these products are not basic needs of goods. 42.1% of urban respondents prefer to purchase monthly as compare to 30.4% of rural respondents. On the other hand, 53.6% of rural respondents prefer to purchase once in three
months as compared to 34.9% of urban respondents. Biweekly, Weekly and Fortnightly consumptions are more in urban areas. It concluded that there is a significant difference between rural and urban respondents for frequency of purchase for Cosmetic and Toiletry Care products.

55. It was showed that out of 500 respondents, 254 respondents consume Household Care products. Urban respondents purchase 36.7% fortnightly, 30.7% monthly and 26.7% once in three months as compared to rural respondents as their usage consumption is 16.3%, 41.3% and 29.8% respectively. It is confirmed from the above explanation that urban respondents are inclined towards buying a product fortnightly, monthly and once in three months as per the quantity required. This shows that they prefer to purchase in small sachets or pouches as well as in bulk quantity. Total number of 13 rural respondents and 9 urban respondents, prefer to consume weekly and biweekly. This showed that there is a significant difference between rural and urban respondents for the purchase of Household Care products.

56. It was revealed that 155 numbers of urban respondents prefer to purchase mainly dairy products weekly as compared to 125 numbers of rural respondents. 63 numbers of rural respondents prefer to purchase weekly and fortnightly as compared to 69 respondents of urban areas. In urban areas, 26 respondents prefer to purchase monthly and once in three months. But 62 numbers of rural respondents prefer to purchase monthly and once in three months mainly jams, sauces, soft drinks, coffee etc. It meant that there is a significant difference between rural and urban respondents for the purchase of Food, Health and Beverages.

57. It was exhibited that 52 numbers of respondents believe that Cheapest Products are as Good as Expensive. They are strongly agree and agree regarding this factor as compared to 33 number of rural respondents. On the other hand, ratio of strongly disagree, disagree and can’t say is 217 in urban areas and 198 in rural areas. It showed that there is a significant difference between rural and urban respondents on believing the above statement.

58. It was depicted that only 29 numbers of urban respondents feel that Brand is a status symbol as compared to 20 of rural respondents. On the other hand, 230 of
rural respondents and 221 of urban respondents are strongly disagree, agree and having no comments on this statement. It concluded that there is a significant difference between rural and urban respondents on believing the above statement.

59. It was revealed that 44.0% of rural respondents have no comment upon the statement i.e. Brand recognition is the only Guarantee of Quality as compared to 31.2% of urban respondents. 20.4% and 16.0% of rural respondents disagree and strongly disagree respectively this statement as compared to 29.6% and 21.6% of urban respondents respectively. It shows that urban respondents are more in numbers who are not agreed upon this statement. The reason might be they think that there are various other factors existed that can evaluate the quality of the product. It showed that there is a significant difference between rural and urban respondents on believing the above statement.

60. It was depicted that 48.4% and 20.8% of urban respondents are feeling disagree and strongly disagree respectively to try new products as compared to 30.8% and 16.0% of rural respondents. But 13.2% and 33.6% rural respondents are agreed to try new products and they have no comments upon this statement respectively. It showed that they are inclined to try the new products. Therefore, it meant that there is a significant difference between rural and urban respondents on believing the above statement.

61. It was depicted that 122 numbers of urban respondents are agreed on the statement that if income will increase then it definitely will increase the level of consumption for FMCG products. They feel there is a direct relation between income and level of consumption. But only 88 numbers of rural respondents are agreed on this statement. On the other hand, 85 numbers of rural respondents are strongly agreed on this statement as compared to 56 numbers of urban respondents. And very less number of urban respondents is strongly disagreed as compared to rural respondents. It showed that there is a significant difference between rural and urban respondents to determine the effect of income on consumption level.

62. It was depicted that both rural and urban respondents give more preference for buying those product/s with additional benefits to them, representing 51.6% of rural respondents and 61.2% urban respondents as compared to others who are
sticking to (already used) branded/unbranded products representing 48.4% of rural respondents and 38.8% of urban respondents. It meant that there is a significant difference between behaviour of rural and urban consumers for buying a product with additional benefits or sticking to (already used) branded/unbranded products.

63. It was revealed that out of 250 respondents, 129 respondents of rural areas and 153 respondents of urban areas give their considerations for the most attractive benefits to switch over to another product/s. Among all the promotional schemes, mean value for free extra quantity is high in rural areas i.e. 4.19 as compared to urban areas i.e. 3.86. It shows that quantity is the important factor to influence rural consumers. Free gifts along with the product is considered as the most attractive benefits for rural respondents as their mean value is high as compared to urban respondents. Likewise, lucky draws; then scratch cards; then coupons in cash or in kind and then % price off consider better benefits for promoting the product in rural areas. But scratch cards, lucky draw and coupons in cash or in kind are consider the most attractive benefits for promoting the product in urban areas. This shows that they prefer such kind of promotional schemes as compare to free gifts or % price off. In both areas % price off are the least attractive benefits for promoting the product/s. It showed that rural and urban respondents have no significant difference regarding these above mentioned attributes but they have the significant difference in % price off, scratch card and free gifts as their chi-square value is less than the critical value.

64. It was depicted that maximum consumers prefer to go to other shop for fulfilling their requirements for a particular product/s rather than to shift over another branded / unbranded product/s. This was highlighted by 60.0% of rural consumers and 41.6% of urban consumers. Otherwise, total 31.6% of urban people postpone their purchase and may order to get required branded/unbranded products. This showed that 173.2% of urban people are loyal towards product/s. Likewise; total 20.0% of rural people postpone their purchase and may order to get required branded/unbranded product/s which is almost equal to those respondents who will buy other branded/ unbranded products for fulfilling their requirements. It meant that total 80.0% of rural respondents are loyal towards their preferred product/s. Only 1.2% of urban respondents are there who give their responses for any other alternative purchase plan prevails in the market and they will become satisfy after
availing that particular purchase plan. It is concluded that there is a significant difference between rural and urban consumers for the considerations of alternative purchasing plans.

65. It was showed that 66.2% of total respondents give their preference for re-useable packaging as compared to 33.8% for non-re-useable packaging. This showed that consumers feel more comfortable in using such kind of packaging which they can re-use it again and again.

66. It was exhibited that 40.4% of total respondents prefer eco-friendly packaging because it is a well known fact that pollution has increased many times and to check upon it or to control it, this is the best way to overcome such kind of serious problem of our environment. Among them 52.4% belong to urban respondents and 28.4% belong to rural respondents who prefer such kind of packaging. 31.4% of total respondents prefer to have protective, eco-friendly as well as convenient packaging. Percentage of consumers who preferred protective packaging is 20.0% in total, eco-friendly packaging is 40.4% in total and very few persons in rural areas, prefer to have only convenient packaging, might be the reason is all other categories are much more important; like protective packaging is provided by seller then there is a less chances of spoilage, damage, evaporation etc. or even packing is more eco-friendly which is good for everyone rather than to be more convenient packaging.

SUGGESTIONS

In the light of the above findings, the following suggestions are offered:

1. Rural customers trust retailers in their villages. During the field visits, it is observed out that though the retailers are aware of the fact that their customers listen to them, they are not aware of this wonderful principle called, the ‘Trust Factor’. The companies must educate rural retailers about such modern marketing principles for a better performance.

2. As price influences rural purchase of FMCG products, it is recommended to pursue the low-price strategy in rural marketing. Attaining low price not only requires low-cost manufacturing but also performing various marketing activities such as promotion and distribution in a cost effective manner.
3. It is also recommended to promote goods on price plank. For rural customers, value for money results when the purchased FMCG products meet the intended benefits. As the study revealed that the rural customers (along with price) also think about quality, performance, reliability, brand and other critical aspects, it is recommended to promote FMCGs in lines of rationality rather than just making low price appeals.

4. Urban consumers are more inclined towards good quality and popularity to buy branded product/s. It is recommended to the marketers to pursue on the above features for satisfying to them.

5. Rural consumers associate long lasting feature with bigger size and/or hardness of the product. Hence, it is suggested to promote FMCG products in these lines. Quality is important in the context of rural purchase and consumption of FMCG products as rural customers prefer popularity, hygienic packaging and easy availability for buying FMCG products.

6. For the improvement and development of rural marketing, a holistic approach aiming at removing all weak links of the marketing chain is essential. Marketing research programs should be oriented to developing an orderly and efficient marketing system.

7. In village haats, consumer goods should be promoted through product demonstrations and samples. FMCG products sold in rural markets should be focused on pricing rather than brand building and positioning as done in urban markets.

8. Region-wise specific consumer profiles and characteristics of target market are to be studied for the development of the markets.

9. There is a need to explore local markets such as haats, weekly bazaars shandies, stalls and demonstrations, melas, etc., and to improve them slowly, in rural areas.

10. There are two distinct segments in the Indian market, and require different communication approaches. One set of rural consumers is less educated (even illiterate) when compared to their urban counterparts. They cannot read, write and understand with ease. They do not buy branded products. They have their own
method of identification of products and communication with retailers. For instance, they ask for *ErraSabbu* (for Lifebuoy), *PachaSabbu* (for Nirma), *NeeliSabbu* (for Rin), etc. Rarely, they do purchase branded packaged goods and values associated with them. On the contrary, there is different segment of consumers, the younger 18-35 years age group, they are educated, more mobile and have urban exposure. They are brand conscious. They ask for brands of their choice. Their brand usage and recall rate is comparable to their counterparts in urban areas. The implication to marketers is that they have to design a different communication for rural consumers and who have less receptive capabilities. The less educated can understand information slowly. They can process linear, logical, simplistic communication with a beginning, ending and a sequence of events. In case of message rendering, there is a need to use vernacular language, which is dialect-specific. With low literacy rates, print medium becomes ineffective and to an extent irrelevant in rural areas since its reach is poor.

11. Since 75 percent of rural income is generated through agricultural operation, which is seasonal, the demand pattern is also seasonal. The demand for non-durable goods and durable goods will be during the peak crop harvesting and marketing seasons. This is the time at which the rural people have substantial cash inflow. So, marketers should be focused upon more on this time.

12. Price is the criteria for purchasing decision, as it should be in their budget limits. Rural consumers are not guided by brands that have low functionality and high on image. The rural buyer is still unwilling to pay for value additions. So, marketers should try to consider this factor.

13. Companies should take the trouble to understand the needs and peculiarities of rural consumers for capturing the market area. In the coming years, more and more companies are going to take the IT route to make the rural markets more accessible and this should be possible through opening up the new business opportunities for the marketers.

14. Most of the corporate marketers have failed to recognize that a rural consumer may be buying a particular brand or even the product category, itself for the first time. With hardly any key influencer within the village and few sources of information (since both print and the electronic media still have limited reach),
rural consumer feels inhibited and ill-equipped. Hence, there is a strong need to build reassurance and trust about product quality, service support, and company credentials in the minds of rural consumers. This is best done through the face-to-face, below the line, touch, feel, and talk modes.

15. Retailers should take steps to minimize the amount of consumer dissatisfaction. They should solicit customer suggestions for improvements in products and services. Speedy and courteous redressal of customer complaints and grievances will create confidence of consumers in retailing.

16. Proper disclosure of the terms of credit and price information will go a long way in building up confidence by the retailers with the consumers and then ultimately they lead to good customer-retailer relationships.

17. The malpractices of the rural retailers are the greatest constraints in the development of rural markets. Rural retailers should try to improve their fair business practices. They should insist that the products they purchase should be of standard quality and producers offer guarantee to the customers.

18. The entire size, design, image and layout should contribute to attain the retailing goals. Layout of the shop, placement of the goods, the manner of display, the decor, the lighting arrangements, etc., should be made to suit the rural requirements.

19. The products offered by the rural retailers should fit into the living system of rural people. For certain products, Point of Purchase (POP) display that retailers heavily rely on pictorial presentation will prove very effective.

20. Products can no longer be indifferent to the hardships faced either by the rural retailer or by the consumer. They should strengthen the hands of retailers in extending services to the consumers. The producers should take contingency of the various aspects of rural marketing and modify their strategies accordingly.

21. Low price products will be more successful in rural areas because of low per capita income of majority rural consumers. The package of the product should be strong and able to withstand the rough handling. Durability of the product is of special interest to rural consumer.
22. The brand names of the products sold in rural markets should be easy to remember and pronounce.

23. Maintaining centralized depots for stocking the inventory at satellite villages which reduces the retailing costs.

24. There can be a cooperative effort on the part of manufacturers of consumer goods in rural areas in the matter of their distribution in terms of channels of distribution and physical distribution.

25. A low unit price package is desirable in selling in the rural markets in order to bring down the prices of goods.

26. The Government should act more vigorously to lay down standard for producing mass consumption articles and strengthen the enforcement machinery responsible for checking various malpractices like adulteration, short weight, charging arbitrary prices, etc. Their role should also lied in developing the infrastructure of a network of roads in the rural areas, financing and technical assistance in setting up of retail outlets and distribution of consumer goods.

27. Setting up of Consumer Forums at each village level under Consumer Protection Act, 1986 is to be speeded up. It can also provide subsidies on consumer goods transportation as a measure of reducing the rural marketing cost.

28. The Government should encourage rural marketing by giving tax relief and providing storage and warehousing facilities at concessional rates, keeping in view the higher costs of distributions in rural areas.

29. Business people, marketers and economist should pay attention to variables such as age, gender, income as well as social factors, emotional factors and product promotion factors in their effort to increase demand for their products. There is the need to create positive shopping environment to attract rural and urban consumers to purchase their products. Attractive decorations such as lighting, music and aromas enhance mood and emotion, which may trigger affective tendencies leading to impulse buying behaviour.

30. Sellers of products should aim at stimulating buying behaviour by creating promotional activities with a focus on variety, fun and excitement. Promotional
activities such as buy 1 get 1 free and discount tags may help to induce purchase behaviour of rural and urban consumers.

31. Marketing factors such as credit cards, ATM, 24- hour retailing services should also be introduced by the marketers which may affect the buying behaviour of rural and urban consumers.

RECOMMENDATIONS FOR FURTHER RESEARCH

1. The present research study was limited to Gurgaon, Ambala, Hissar, Kurukshetra and Jind districts of Haryana. The study can be extended further by identifying other districts of Haryana or other states of India.

2. An in-depth study can be done by taking all categories of FMCG products because branded sugar, branded rice, ready to eat products, snack goods, liquor, cigarette, tobacco, air fresheners and paper products were not taken in the study.

3. The comparison can be made for top leading companies of FMCG products.
REFERENCES

BOOKS


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