

Attitudinal Analysis of Rural Consumers towards FMCG Products in Sivagangai District

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Abstract

Objectives: To find out the attitude of rural consumers towards FMCG products in the district of Sivaganagai in Tamil Nadu, India. **Methods/Statistical Analysis:** This study is descriptive in nature. Structured Questioner is framed to collect the data form the respondents. A total of 384 samples has been taken for data analysis. Multistage Sampling Technique is used to select the sample respondents. Product Category and Products Chosen for study are Toiletries such as: Soaps, Shampoos and Toothpastes. **Findings:** Among the different factors influence rural consumers to make purchasing decision of FMCG products, 'Price and Quality' Factor consisting of the variables such as lasting effect, nearness to selling point, quantity must be reasonably good, price is an important criterion; The quality of the product, for their medicinal value and availability is very important and found to be the most important factor that influences the rural consumers to make purchasing decision of FMCG products. The next important factor influence rural consumers to make purchasing decision of FMCG products is 'Life style Factor' which consists of the variables such as brand endorsement, friends and relatives and life style. **Application/ Improvements:** The proposed factors/variables can be used to study the behavior of the consumers in any sectors and that of in any districts and states.

Keywords: Advertisement, Consumer Behavior, FMCG, Rural Consumer, Toiletries

1. Introduction

Every person is a consumer in the marketing world. We need a variation of products and services right from our birth to death. It is because of marketing we can have what we want. Marketing is a process of both the buyer, and sellers give something (e.g. goods, money and service, etc.) to each other for greatest possible satisfaction. Consumption of the product is the sole purpose of all varieties of production. A consumer is a person who does various physical actions and careful to take decisions about the purchase of the product on to calculate the products and the service area.

Understanding the behavior of the customer is not the easy job, because it is mostly unique and unpredictable. The structure of Indian market is dichotomous and it's having different markets such as rural and urban markets. There are assured unique features of marketing approaches to be clearly established suit to rural and urban market

behaviors. This is because the rural consumers differ in terms of its purchase decisions, consumption pattern, purchase activities, and the opinions towards products.

2. Rural Consumer Behavior

The retailers know about the way that their customers hear them out; they are the persons who can make their enthusiasm for product. It required that organizations must instruct rural retailers about current advertising standards for a superior execution. As value impacts rural buy of FMCG, it is prescribed to seek after the low-value system in rural showcasing. Achieving low cost requires minimal effort producing as well as performing different advertising exercises such as promotion and appropriation in a savvy way. For rural customers, esteem for cash is imperative when they obtained FMCG. The study uncovered that the rural customers are not just cost in contrast

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to simply making low value requests¹. The most favored brands of toothpaste, cleanser and latrine cleanser in rural areas were distinguished on the premise of sexual orientation translation. The study uncovered that quality is the primary element that impacts rural customers took after by value, shading and taste. Between brand inclination Colgate assumes a basic part among female respondents though male respondents, for the most part, utilize Pepsodent. Half of the respondents don't utilize cleanser since they are utilizing moderate items just and among the clients, 60 percent of them use Clinic Plus. No critical relationship among sex and the utilization of cleanser was found. Greater part of the respondents utilizing cleansers favored Hamam as their image of can cleanser².

Consumer conduct except much significance in the present buyer situated showcasing framework with specific reference to 'gender attention.' The FMCG division comprises of four item classifications, for example, Household Care; Personal Care; Food and Beverages; and Tobacco each with its own hosts of items that have generally fast turnover and low expenses. Each purchaser is buying a specific item because of the impact of numerous elements. The critical things contrast starting with one shopper then onto the next and from item to item moreover. So also the brands which up to this point possessed a spot in the psyches of the consumers have begun to vanish because of different deal's advancement systems, and the quality brands from FMCG have gradually begun to draw in the rural consumers. Although there is an alternate way and intends to deplete and to disperse inexhaustibly created Personal-Care FMCGs items in business sectors; however, the consumers in the business sector are impacted liberally by reacting to offering propensities for retailers both in the urban and rural business sector. The consumers as a rule buy what is accessible in business sectors at the retail outlet. Hence the makers of individual consideration FMCGs ought to continuously fortify their conveyance reach in the business sector. In the meantime, there are a few difficulties, for example, poor dissemination framework, divided rural business sector and heterogeneity of a populace which the retailers should address for fulfilling the issues of consumers³.

The shopper conduct assumes an imperative part in promoting. This is affected by different variables. In the changing worldwide situation, we find that customers needed and need to purchase an item, likewise, changes with it. In this, study titled "A Study on Consumer Behavior towards Selected Fast Moving Consumer Goods in

Coimbatore City" the specialist has surveyed the financial profile, shopping example of buyers and discovered the elements affecting the customer to buy the chose FMCG items. The essential information required for the study was gathered through a survey which was circulated to 400 examples looked over Coimbatore city. The apparatuses utilized for analysis are percentage analysis, Garrett's ranking and chi-square. From this study; it was found that the vast majority of the buyers are impacted by brand and quality in buy of FMCG items. There by the scientist has recommended enhancing the quality in FMCG item through item advancement and outside observing⁴. Purchaser conduct towards moment sustenance items in Madurai, the second biggest city in Tamil Nadu and watched that buyers do fabricate conclusion around a brand on the premise of which different item includes assuming a vital part in the basic leadership process. A substantial number of respondents (78.00%) laid accentuation on quality and 76.00 percent on value, which was an imperative component, while 64.00 percent of the respondents' connected significance to the picture of the maker and 50.00 percent considered bundling as a vital element, and an equivalent rate (50.00%) felt longer time span of usability impacted them⁵. The foremost business firms should contribute a separate market division for serving rural and urban consumers. To influence the benefit from urban and rural customers, the sales job roles need to be defined clearly by the corporate. There should be special consumer awareness and education programmes on brands, symbols and logo should be organized for the promotions campaign⁶. The amount of money that an individual receives at a specific age casts a significant impact over the buyer behavior⁷.

3. Objective

- ✓ The objective of the study is to find the attitude of rural consumer towards FMCG in Sivagangai District, Tamil Nadu, India

4. Research Methodology

4.1 Sampling Procedure

Sampling technique used in the study is Multi-stage sampling for selecting the sample. In the first stage the taluks have been find out and one taluk is selected using simple random method. In the second stage from the selected taluk 4 villages have been selected by means of

simple random method and from the villages the samples have been collected from the household according to the convenience of the researcher.

4.2 Sample Size

Sample size for the study is 384, which have been measured by using the formulae

$$SS = p * (1-p) * (z / c)^2$$

Where:

Z = Z value (1.96 for 95% confidence level)

p = percentage harvesting a choice, expressed as decimal

(.5 used for sample size needed)

c = confidence interval, expressed as decimal (0.05)

$$\begin{aligned} SS &= 0.5 * (1-0.5) * (1.96/0.05)^2 \\ &= 0.5 * 0.5 * (39.2)^2 \\ &= 0.25 * 1536.64 \\ &= 384.16 \end{aligned}$$

Therefore 384 have been selected as sample size

Tools used for the study is Factor analysis

5. Analysis and Interpretation

Factor analysis helps to reduce the innumerable variables into limited number of latent factors having inter-correlation within themselves. Hence factor analysis is attempted to reduce the numerous variables into limited number of factors. In order to apply factor analysis, the basic assumption to be fulfilled is the factorability of the correlation matrix. KMO measures of sampling adequacy and the Bartlett's test of sphericity determine the factorability of the correlation matrix. The results of the calculation are presented in Table 1.

High value of Kaiser – Meyer – Olkin (KMO) test of sample adequacy (0.625) indicates the correlation between the pairs of variables explained by other variables and thus factor analysis is considered to be appropriate in this model.

Table 1. KMO and Bartlett's Test

Kaiser-Meyer-Olkin measure of Sampling Adequacy		0.625
Bartlett's Test of Sphericity	Chi-Square	2732.488
	Degrees of freedom	136
	Significance	0.000

Source: *Computed Data*

The Bartlett's test of sphericity chi-square indicates the population correlation matrix. It is an intensity matrix. The test of statistics for sphericity is based on X^2 test, which is significant. The value is 2732.488. Findings of the KMO and Bartlett's test reveals that the factor analysis can be rightly employed in this context as evidenced through a higher KMO Measure (0.625) and a significant Bartlett's test result.

Hence factor analysis is attempted. Analysis of factors influence rural consumers to make purchasing decision of FMCG products is made through rotated factor matrix which reveals that there are four major factors influence rural consumers to make purchasing decision of FMCG products. The findings of the rotated factor analysis on the factors influence rural consumers to make purchasing decision of FMCG products are presented in Table 2.

The table exhibits the rotated factor loading for the sixteen statements (variables) of factors influence rural

Table 2. Rotated Factor Matrix for factors influence rural consumers to make purchasing decision of FMCG products

Factors	F1	F2	F3	F4	h ²
Lasting Effect	.841	.001	.140	.033	.350
Nearness to Selling Point	.752	.060	.240	.080	.382
Quantity must be reasonably good	.689	.031	.094	.028	.485
Price is an important criterion	.607	.048	.078	.066	.361
The quality of the product	.568	.014	.153	.054	.716
For their medicinal value	.552	.018	.497	.018	.552
Availability is very important	.526	.057	.254	.128	.735
Brand Endorsement	.036	.929	.061	-.042	.566
Friends and Relatives	.010	.889	.073	.089	.634
Life Style	.029	.713	.039	.297	.303
Celebrity Endorsement	.030	.008	.856	.015	.804
Attractive packaging is necessary	.007	.061	.844	.004	.870
Effective Advertisement	.393	.016	.641	.001	.598
Retailers recommendation	.006	.014	.024	.903	.566
For extra benefits	.032	.062	.028	.844	.816
Need for the products	.044	.435	.017	.612	.718

Source: *Primary Data*

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

Source : Primary Data

consumers to make purchasing decision of FMCG products. It is clear from table that all the sixteen statements have been extracted into four factors shown in Table 3.

It is observed from table that four factors were extracted out of sixteen variables. These factors accounts for 62.109 percentage variance in the data. Eigen value for the first factor is 3.784 which indicates that the factor contains very high information than other factors.

5.1 Factor I (F1) – Price and Quality Factor

Variables such as, ‘Lasting Effect’ (0.841), ‘Nearness to Selling Point’ (0.752), ‘Quantity must be reasonably good’ (0.689), ‘Price is an important criterion’ (0.607) ‘The quality of the product’ (0.568), ‘For their medicinal value’ (0.552) and ‘Availability is very important’ (0.526) had the highest significant positive loading and hence were included in the first factor. These variables were directly associated with the price and quality. Hence, Factor I, was named as “Price and Quality Factor”.

5.2 Factor II (F2) – Life style Factor

In the second factor (F2) variables such as ‘Brand Endorsement’ (0.929), ‘Friends and Relatives’ (0.889) and ‘Life Style’ (0.713) were found to have the highest significant positive loading and hence they were grouped and included in Factor 2. Variables included in the second factor were closely associated with the life style factor. So, the second factor was named as the ‘Life Style’ factor.

5.3 Factor III (F3) – Attractive Packaging and Advertisement Factor

Variables such as, ‘Celebrity Endorsement’ (0.856), ‘Attractive packaging is necessary’ (0.844), and ‘Effective

Advertisement’ (0.641) were found to have the highest significant positive loading and hence they were grouped and included in Factor 3. Hence, this factor III (F3) is called was named as the ‘Attractive Packaging and Advertisement’ factor.

5.4 Factor IV (F4) – Recommendation and Benefits Factor

‘Retailers recommendation’ (0.903), ‘For extra benefits’ (0.840) and ‘Need for the products’ (0.612) were the variables which were found to possess the highest significant positive loading and they had been included in the Factor IV(F4). These variables were related to recommendation and benefits. Hence, the Factor IV (F4) had been named as the ‘Recommendation and Benefits’ factor.

5.5 Findings of the Study

- Lasting effect of the product plays an important role in the buying behaviour of rural consumer. They are very much pricing sensitive.
- Price is also an important criterion for the rural folks. It plays an important factor for in purchasing of the FMCG product.
- They also buy the FMCG product for its medical value. From this, we can come to know the rural consumers are health conscious.
- Brand name is also an important factor in purchasing the product. Because they are attached to the same brand for more than 10 years. From this study, we came to know the rural consumers are loyal to their brands.
- An advertisement with celebrities makes the consumer to purchase the particular brand. It is also an influencing factor for buying the FMCG products.

Table 3. Factors influence rural consumers to make purchasing decision of FMCG products – Factor Wise Analysis

S. No	Factors	Eigen Value	Percentage of Variance	Cumulative Percentage of Variance
1.	Price and Quality	3.784	19.673	19.673
2.	Life style	2.878	14.960	34.633
3.	Attractive packaging and advertisement	2.665	13.855	48.488
4.	Recommendation and benefits	2.620	13.621	62.109

Source: Computed Data

6. Conclusion

This study, on the one hand, has broken much old thinking regarding rural markets whereas it upheld many others. Opposing to the belief that only well-educated and rich consumers utilize the top national brands but even low level income consumers were found to be captivating such brands. Similarly, the consumers have been establishing well exposed to the different media primarily to the newspapers and television. The teenage rural consumers have been found more variety seeking in contrast to the old aged counterparts. The companies entering in the rural market must do so for deliberate reasons and not

for tactical gain as rural consumers are still a closed book, and it is only through solid commitment that the companies can make an indentation in the market. At last, the winner would be the one with the essential resources like money and time and also with the much-needed ground-breaking ideas to tap the rural.

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