



ISSN: 2230-9926

Available online at <http://www.journalijdr.com>

# IJDR

**International Journal of  
DEVELOPMENT RESEARCH**

*International Journal of Development Research*  
Vol. 3, Issue, 10, pp.073-075, October, 2013

## **Full Length Research Article**

### **RURAL CONSUMER BEHAVIOUR ON FAST MOVING CONSUMER GOODS**

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#### **ARTICLE INFO**

##### **Article History:**

Received 22<sup>nd</sup> July, 2013  
Received in revised form  
30<sup>th</sup> August, 2013  
Accepted 03<sup>rd</sup> September, 2013  
Published online 04<sup>th</sup> October, 2013

##### **Key words:**

Expectations,  
Subsequent experiences,  
FMCG Sector and  
Creates employment.

#### **ABSTRACT**

Customer satisfaction is essentially the culmination of a series of customer experiences or, the net result of the good ones minus the bad ones. It occurs when the gap between customers' expectations and their subsequent experiences has been closed. The FMCG Sector is one of the most important sectors of any Economy. It plays a vital role in the economy as FMCGs are a necessity and are inelastic products which touch every life in one or the other aspect. India's FMCG sector is the 4<sup>th</sup> largest sector in the economy and creates employment for more than three million people in downstream activities.

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#### **INTRODUCTION**

In the past, rural consumers purchased most of their requirements from nearby towns. However, in recent times, a shift has been seen towards purchasing locally. This change in consumer purchase behavior has important implications for the rural marketer. There is a need to access retailers in towns and larger villages and promote products there, so that the products that are purchased locally can reach smaller retail outlets in villages. Studies suggested that promotion by the retailer supplements the efforts at creating brand knowledge in rural markets. A promotion announcing the benefits of a product or brand along with distribution efforts is observed in rural markets in the FMCG category. Customer satisfaction is essentially the culmination of a series of customer experiences or, the net result of the good ones minus the bad ones. It occurs when the gap between customers' expectations and their subsequent experiences has been closed. The FMCG Sector is one of the most important sectors of any Economy. It plays a vital role in the economy as FMCGs are a necessity and are inelastic products which touch every life in one or the other aspect. India's FMCG sector is the 4<sup>th</sup> largest sector in the economy and creates employment for more than three million people in downstream activities.

There is a huge growth potential for all the FMCG companies, as the per capita consumption of almost all products in the country is amongst the lowest in the world. According to CRISIL anticipation, the FMCG sector could be over INR 140,000 crores by 2015. As the market for FMCG products is forecasted to have vibrant growth, expansion and acquisitions are bound to happen. Capital would be sourced for financing these ventures. Debt servicing definitely has an impact on the profitability of the company. The process of branding was developed to protect products from failure. This is easy to see if we trace this process back to its 19th-century origins. In the 1880s, companies such as Campbell's, Heinz and Quaker Oats were growing ever more concerned about the consumer's reaction to mass-produced products. Brand identities were designed not only to help these products stand out, but also to reassure a public anxious about the whole concept of factory-produced goods. By adding a 'human' element to the product, branding put the 19<sup>th</sup> century shoppers' minds at rest. They may have once placed their trust in their friendly shopkeeper, but now, they could place it in the brands themselves. Fast-forward to the 21<sup>st</sup> century and a different picture emerges. Now, it is the brands themselves that are in trouble. They have become a victim of their own success. If a product fails, it's the brand that's at fault. They may have helped companies such as McDonald's, Nike, Coca-Cola and Microsoft build global empires, but brands have also transformed the process of marketing into one of perception-building. That is to stay,

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image is now everything. Consumers make buying decisions based around the perception of the brand, rather than the reality of the product. While this means brands can become more valuable than their physical assets, it also means they can lose this value overnight. After all, perception is a fragile thing.

### Objectives of the Study

To study the rural consumer brand awareness of FMCG and opportunity of producers to persuade the consumers to buy the branded products.

### METHODOLOGY

The validity of any research is based on the systematic method of data collection and analysis. The present study uses both primary and secondary data. The primary data have been collected from the consumer respondents. 300 consumer respondents were selected from ten Panchayat Unions (each 30) of Krishnagiri District by using stratified random sampling method. The secondary data is collected from some of the books, journals, magazines and some websites.

### Select International Consumable FMCG Brands

The Indian market is obsessed with international brands and especially, when it comes to the FMCG sector, India is quiet lucky that it has got all the major International Global Brands to its market. However, though India is lucky to have such brands, but the Indian consumer is very choosy in selecting the brands and especially in the consumable sector, where many brands are present, but their future is very uncertain. Indians have upgraded their standards in terms of adopting the global brands, but the consumer mostly evaluate the brands from the perspective of value-for- money criteria. It is to notice that the Indian consumer is not price sensitive; rather, he/she buys the brand based on the value that it can offer to him/her in lieu of the price he/she pays. Thus, Table 1 presents 8- pairs of brands that have been selected based on the market share, wherein, one among the pair is a successful brand and the other is a less-successful brand in terms of the consumable FMCG category in terms of the market share it derives. It is to clarify here that the less-successful brand has not been taken as a failed brand by the author.

**Table 1: Select International Consumable FMCG Brands Market Share Matrix 2010**

Sr. No	Successful Brand	International Company	Market Share	Less Successful Brand	International Company	Market Share
1	Colgate	Palmolive	38.20%	Pepsodent	P & G	18%
2	Pepsi	PepsiCo	40.40%	RC Cola	Cott Beverages	2%
3	Lays	PepsiCo	57%	Pringles	P & G	19.20%
4	Maggie Noodles	Nestle	45%	Top Ramen	Nissin Foods	20%
5	Maggie Ketchup	Nestle	53%	Heinz	H.J. Heinz Company	2.20%
6	Orbit	Wrigley	25%	Happydent	Perfetti Van Melle	17%
7	Halls	Cadbury	25%	Chlormint	Perfetti Van Melle	20%
8	Dairy Milk	Cadbury	70%	Bar One	Nestle	10%

It is seen from the above that among the Customers, the percentage of Toilet soap users ranged between 2 % to 30.7 % and it is higher for the brand Pears and it is least for Savlon. Thus the study revealed that most of the Customers use Toilet soap of the brand Pears. It is seen from the above that among the Customers, the percentage of Shampoo users ranged between 2.7 % to 39.7 % and it is higher for the brand Head & Shoulder and it is least for Nizoral. Thus the study revealed that most of the Customers use Shampoo of the brand Head & Shoulder. It is seen from the above that among the Customers,

the percentage of Tooth paste users ranged between 2.7 % to 52.7 % and it is higher for the brand Colgate and it is least for Promise. Thus the study revealed that most of the Customers use Tooth paste of the brand Colgate. It is seen from the above that among the Customers, the percentage of Talcum powder users ranged between 6.7 % to 57 % and it is higher for the brand Ponds and it is least for Liril. Thus the study revealed that most of the Customers use Ponds brand Talcum powder.

**Table 2. Brand using - Toilet Soap**

Sl. No	Brand/Product	Respondents	Percentage
1	Mysore Sandal	55	29.0
2	Dettol	55	18.3
3	Camay		18.3
4	Liril	12	0.0
5	Dove	92	4.0
6	Pears	44	30.7
7	Harmory	6	14.7
8	Savlon	6	2.0
9	Hamam	97	2.0
10	Lux	81	32.3
11	Alohaa	8	27.0
12	Lifebooy	77	2.7
13	Chandirika	14	25.7
14	Cinthol	35	4.7
15	Vivel	41	11.7
16	La	28	13.7
17	Medimix	35	9.3
18	Margo	29	11.7
19	Rexona	18	9.7
20	Breeze	8	6.0

**Table 3. Brand using – Shampoo**

S. No	Brand/Product	Respondents	Percentage
1	Chik	67	22.3
2	Clinic Plus	96	32.0
3	La	14	4.7
4	Sunsilk	45	15.0
5	Garnier Frucities	20	6.7
6	Fiama	19	6.3
7	Head & Shoulder	119	39.7
8	All Clear	69	23.0
9	Vivel	22	7.3
10	Pantene	58	19.3
11	Nizoral	8	2.7
12	Dove	43	14.3
13	Superia	18	6.0

**Table 4. Brand using - Tooth Paste**

S. No	Brand/Product	Respondents	Percentage
1	Colgate	158	52.7
2	Closeup	93	31.0
	Pepsodent	75	25.0
3	Sensodyne	38	12.7
4	Dabur Red	14	4.7
5	Neem	38	12.7
6	Namboothiri	21	7.0
7	Promise	8	2.7
8	Neem	14	4.7

**Table 5. Brand using - Talcum Powder**

S. No	Brand/Product	Respondents	Percentage
1	Ponds	171	57.0
2	Cinthal	50	16.7
3	Mysore Sandal	93	31.0
4	Liril	20	6.7
5	Spinz	78	26.0

### Conclusion

Companies don't blame the product to blame the brand. It isn't the physical item sitting in the shop shelf at fault, but rather what that item represents. What it conjures upon the biers mind? This shift in thinking from product blame to brand -blame, is therefore related to the way buyer behaviour has changed. Today most products are brought, not sold. Thus there is always a hindsight reason for the failure, but research work of advanced level is not executed due to stagnancy of the industry , so far, it is concluded that expanding a brand into a new marker isn't just translating the tagline the nest way is to study the local tasters carefully

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