

## Study on Purchasing Pattern with Reference to Brand Awareness at Nagpur District Rural Market

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**Abstract:** The survey looked at the purchasing pattern with reference to brand awareness in the Nagpur district four rural market focused in the study. Objectives of this study purchase pattern with brand awareness in rural market and factor effecting the purchase pattern, choice a brand nature of this study descriptive and exploratory, 400 respondents in survey about the brand awareness each market 100-100 respondents. A number of statistical tools percentage analysis and gap analysis. A structure questionnaire was designed and used as the instrument in data collection, from the target size. Finding from this survey shows that purchasing pattern with reference of brand awareness particular brand in toothpastes Vicco and Detergent powder Rin was more awareness in the entire markets compare the Close up toothpaste and Wheel detergent powder. **Key Words:** Rural Marketing, Purchase, Brand Awareness.

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### I. Introduction

“The real source of market promise is not the wealthy few in the developing world, on even the emerging middle income consumers. It is the billion of aspiring village people who are joining the market economy for the first time” — C. K. Prahalad.

The day after Mr.NarendraModi was elected as the Prime Minister of India, soon after the last Lok Sabha election, the newspapers across the nation carried out excerpts from his press conference with the headlines showing – “Modi promises a new deal for Rural India”.

Surely the new Government seemed to have seen the importance and relevance of the rural India. Two chief ministers from South had lost the election because it was alleged that they did not pay enough attention to the development of rural people. When even the Chief Ministers can fall because they did not nurture their rural masses, can anyone ignore the Rural India anymore.

#### Definition:

Before, we move any further, first let’s check out what is meant by Rural market? There are different definitions for the term rural market.

#### a) Census of India 2011 defines ‘Rural’ as:

“Revenue village with clear surveyed boundaries not having a Municipality Corporation or Board, density of population not more than 400 per square kilometer and where at least 75% of male working population is engaged in agriculture and allied activities”.

#### b) Reserve Bank of India (RBI):

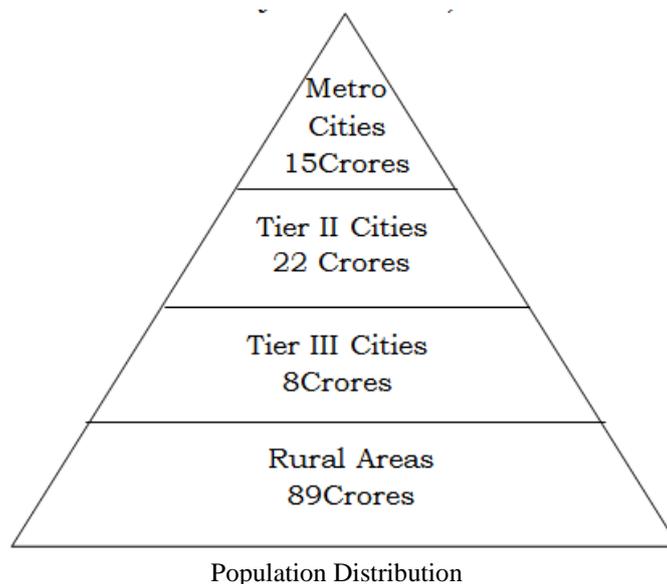
Location with population up to 10,000 will be considered as rural and 10,000 to 1,00,000 as semi urban.

**Table 1**  
**The Market size: Distribution of National Population**

Distribution	Population			Population%
	Persons	Male	Female	Percentage
Total	1358137719	51.80	48.20	100%
Rural	897887866	46510514	43278191	76.8%
Urban	460249853	238409423	221840429	33.2%

Source : worldpopulationreview.com(2018)

If we further analyze the fact, we will find.



In this pyramid we are showing the division of total population of India — the persons residing in Metro cities, Tier II cities, Tier III cities and the persons residing in Rural India.

### **Rural India – A Paradigm**

Now if we analyze further the picture becomes clearer, when one looks at the fact. More than 50% of the consumer goods sales, both consumer durables and consumer non-durables, are generated from rural market, 53% of the total FMCG and 59% of the durables are sold in this sector. There are several reasons for this. It may be due to the capability of multi-skilled marketers or the gut feeling of the rural Indian, having the so called ‘unity of diversity’.

They must have become strong enough to break out from the orthodox ways of living and may have started experiencing alternative solution that is available in the market. This change in the purchasing pattern shows that there is an opportunity for multi-product marketers to come up with their various innovations on their existing products, and their integrated marketing communications to attract these rural inhabitants.

### **Let’s see the vastness of the Indian Rural Market:**

**Table 2**  
**Estimated Annual Size of the Indian Rural Market**

:-	Rs.
Consumer Non Durable	50,000cr
Durables	5,000cr
Agro-Inputs (including tractors)	45,000cr
Two/Four wheelers	8,000cr
Total	1,08,000cr
Source: National council for allied Economic research 2017, data	

These table, shows that the rural market provides, better and lucrative prospects than urban locals for Multi-National Corporations; let’s see other examples that again supports the above statements. In year 2014-15

### **Rural Marketing in India – Unlimited Potential:**

The decision to liberalize Indian Economy at the beginning of 1990’s had far reaching consequences, which continued even in the new millennium. In the competitive marketing scenario, during the initial years the focus was on the easily accessible, well developed urban market. Soon, there was a proliferation of brands and intense competition, resulting in mean saturation, of the urban market. This forced the companies, to look for the greener pastures that are new markets.

All eyes turned to the world’s most promising potential market of 742 million. Indian rural consumers, who had yet to eat the fruits of modernity, a promise that seemed ready to be fulfilled.

Fuelled by the good growth registered in the mid 90’s as a result of 13 consecutive good monsoons (barring those of 2002 & 2003) and a 600% increase in the 5 year plan outlay for rural development programs from the eight to tenth plan, a 230% increase in the flow of institutional credit for agriculture between 1997-98 and 2004-05 and 41 million Kisan Credit Cards (KCC) and cumulative credit amounting to Rs. 97,700 crores

were sanctioned since the inception of the scheme in 1998 has helped the growth of rural economy and contributed to the increasing rural prosperity

- Growth in Agriculture has resulted in the rapid rise of rural incomes. According to Indian Market demographics report 2004 the consuming class household (annual income between Rs. 45,001 to Rs. 2,15,000) in Rural India equals the number in urban India. It is well known fact that for the same level of income, the disposable surplus (purchasing power) in rural areas is much higher because food, shelter, primary education and health are virtually free; where as in urban India, 60% -70% of the income is spent on these necessities.
- Already rural markets are proving to be vital for the growth of most companies; let us take the largest FMCG Company in the country Hindustan Unilever (HUL). More than half of its sales of Rs. 11,700 crores come from the rural market. The situation is similar for the companies manufacturing dry cells, wrist watches, cassette recording, soaps, tea and many other product categories. But despite the high rural share in these categories the rural penetration rates are low because of lack of company push and difficulties in logistics and transportation. The priority to develop the rural markets and sincere efforts to overcome the difficulties would open the flood gates, offering tremendous potential for growth.

#### **Features of Indian Rural Market:**

As discussed earlier about 77% of the Indian population lives in rural areas. This segment of the population contributes in the economic development of the nation through the production of food grains, vegetables, fruits etc. Huge and bulk markets for the agricultural produce result in the generation of capital and earnings of foreign exchange through the export of agricultural commodities. The government is also implementing various policies to uplift the living standard of the rural population.

#### **Buying Behavior Undergoes Major changes**

The buying behavior of rural consumers has been undergoing a change in recent years, just as their lifestyle has been undergoing a change. In fact, the former is an off-shoot of the changes that have been taking place over the years in practically all the factors that have been listed as influences of the buying behavior of the rural consumers.

We cannot make any sweeping generalization beyond this observation about the buying behavior of the rural consumers. All that we can say as a broad statement is that rural consumers differ from their urban counterparts in the buying behavior. This is because the difference in circumstances. In fact we need to exercise care even in contrasting the buying behavior of rural consumers in a general manner from the urban consumer. In recent years some convergence in aspirations seems to be taking place among the younger generation. Corporates like, HUL which is a major force in both urban and rural markets, have been taking a new turn with regards to the role of youth is not in position to follow their aspirations. It may be that the rural youth is not in position to follow their aspirations to the some extent, as urban youth, due to certain reasons. All the same, the convergence tells its story and will serve as a useful clue in tapping the rural youth market.

#### **Scope of the Study:**

We stand the analysis with a simple proposition. First we have to stop thinking rural market as a burden and have to start recognizing them as a value conscious customer and a whole new world of opportunities will open up.

#### **Review of literature**

More than 740 million consumers can be the engine of the next round of prosperity.

The main purpose of my study is to change the familiar image of rural consumers. What is needed is a better approach to rural market. An approach that involves creating win-win situation where the rural people will get the product which they like and at the same time, companies can earn more is more profits out of it.

Till date, the companies have failed to do so. Why it is that with all our technology, managerial know how and investment credit initials we are unable to make even minor contributions to the rural market.

The standard answer given by the companies is that purchasing power and per capita income is very low in the rural areas. So it does not make any business sense as it is not feasible. Needless to say that these are not new questions?

But let's take an example

In Rajasthan during summer period water scarcity touches dizzy proportions. It is very common sight in Rajasthan the people walks miles for receiving water which are suitable for human consumption and then also they pay money for receiving drinking water. During my research work I myself have seen that in a place, known as Kondali, near Ajmer a bucket of drinking water is being sold for Rs. 150-200 and even after paying these kind of money there is no guarantee about its hygiene, quality etc.

People are shelling out such an exorbitant sum because simple they do not have any alternatives. You don't have to be an economist to recognize the potential lies in drinking water. Manufacturers such as Bisleri, Pepsi, Ganga and all other leading mineral water manufacturer are not tapping these huge potentially positive markets. As a result they are loosing crores of rupees.

What is required is a better perspective, to look freshly at the rural market. But all of us, watch the world through the lenses, which we perceive by our own ideologies, established management practices. Now it is high time than we should look at the rural market in a new way.

### **Brand Awareness and Purchase Decision**

This chapter deals with a part of consumer behavior. The following aspects have been chosen to be studied in the area:

1. Brand awareness of the selected standard brands;
2. The deciding factor in brand choice;
3. The influence of various purchase decision factors;
4. Consumer perception of good quality and reasonable price and
5. Consumer attitude towards new brands.

Need recognition is the first thing in the buying process which is followed by product awareness, interest, evaluation and intention, purchase and post-purchase behavior. When the need arousal for cosmetics and allied products in rural areas has been ascertained in the previous chapter, the next thing is to measure the awareness level of the standard brands.

In the process of purchase decision, the consumer considers the sets of alternative solutions or more technically evoked sets as Howard and Sheth call it. Narayana and Markin refine the concept by recognizing a few more sets on the way to a purchase decision. The total set represents all the brands available in the market whether or not the buyer knows about them. The total set can be divided into the awareness set (those brands that consumer recalls) and the unawareness set. Of the brands that the consumer recalls, only some of them meet his buying criteria and they constitute his consideration (or evoked) set, the other are relegated to an infeasible set. As consume gives more thought to these brands, a few of the brands remain strong choice and constitute his choice set, the others being relegated to a non-choice set. He carefully evaluates the brands in the choice set and them makes his final decision.

“Kotler suggests that the companies should work hard to get its brand included in the buyer's awareness set and to remain in the successive consideration and choice set. He further adds that the marketer must research the other brands that the likely to be included. And the criteria used by the buyer as she moves to successively smaller sets in making her decision”

The first aspect taken here, i.e. awareness level shows how much are the buyers informed about the alternative brands sold throughout the country. The marketer can use the findings to plan commercial communication and stimulate favourable word of mouth.

The awareness help the consumer evaluate the alternatives. Most of the researchers believe that consumers form the brand judgment largely on a conscious and rational basis. By studying the form of evaluations of the target market, the marketer can gain useful guidance to make his brand salient to consumers; the deciding factor in the brand choice has therefore been studied on the sample in the study.

The influence of various purchase decision factors has been assessed to help the marketer adopt a suitable marketing mix, but offering a stimulus to motivate the consumers may not influence them uniformly. This is because of the intervention of perception factor.

Among the psychological concepts influencing consumer behavior the major one is perception is the interpretation of stimuli by a consumer. Consumers perceive the stimulus differently. Attitude, personality traits and self-concept mainly contribute to one's perception. The past experience also contributes to the perception of a consumer because he associates it in all future purchase decisions. It is called apperception. Yankelovich defines apperception as seeing in the light of experience. The perception of consumer in respect of good quality and reasonable price has been studied here.

Sometimes consumers are found to have aversion for trying a new brand. This holds back a new brand even if it matches the consumer needs. Therefore the rate of aversion for the new brands has been measured in rural areas of the selected market.

This brief analysis of consumer behavior covering only a few point from here and there does not fully diagnose the black box of the consumer but is expected to help the marketer adjust his marketing decisions to suit the consumer preferences.

### **Objectives of the Study**

- Examine purchases pattern with brand awareness in Nagpur district at rural markets.
- Analysis on factor effecting the purchase pattern, choice a brand.

## II. Research Methodology

The study was both descriptive and exploratory in nature. It relied on primary and secondary data, primary data was collected through the design questionnaire. In all 400 respondents from Gondkhaini, Kanhan, Butiboni and Kalmeshwar in rural areas Nagpur district, each area 100-100 respondents, convenience sampling method in this study.

## III. Discussion

Brand awareness of toothpastes

**Table.3**

Brands	Brand Awareness					
	Identified		Not Identified		Total	
	Respondents	Percentage	No. of Respondents	Percentage	No.	Percentage
Vicco-Vajrdanti	263	65.75	137	34.25	400	100
Close-up	200	50	200	50	400	100

It was observed from the table that with regard to the "brand awareness of toothpastes in Nagpur rural areas" (65.75%) representing (263) out of 400 respondents selected for study said brand awareness of Vicco-Vajardanti in rural areas in Nagpur district. Also (50%) representing (200) out of 400 respondents selected for study said brand awareness of Close-up in rural areas in Nagpur district. Therefore Vicco-Vajardanti toothpaste awareness is more than Close-up toothpaste.

Brand awareness of washing powder

**Table.4**

Brands	Brand Awareness					
	Identified		Not Identified		Total	
	Respondents	Percentage	No. of Respondents	Percentage	No.	Percentage
Rin	393	98.28	7	1.75	400	100
Wheel	173	43.25	227	56.75	400	100

It was observed from the table that with regard to the "brand awareness of washing powder in Nagpur rural areas" (98.29%) representing (393) out of 400 respondents selected for study said brand awareness of Rin Detergent powder in rural areas in Nagpur district. Also (43.25%) representing (173) out of 400 respondents selected for study said brand awareness of wheel washing powder in rural areas in Nagpur district. Therefore Rin Detergent powder awareness is more than Wheel washing powder.

## Gap Analysis

Gap analysis between Rin and wheel Detergent powder awareness in rural market

**Table.5**

Brand Name	Awareness	Percentage	No. of Respond.
Rin	398	98.28%	400
Wheel	173	43.25%	400
Gap Analysis		55.3%	

The table indicated that awareness of Rin and Wheel Detergent powder in Nagpur rural market. Gap analysis Rin and Wheel Detergent powder sales was (55.3%) which means there was a huge gap between awareness about Rin and Wheel detergent powder in Nagpur rural market. Rin Detergent powder awareness was (98.28%). Other hand only (43.25%) awareness of Wheel detergent powder in the Nagpur rural market

## IV. Conclusion

As indicated from the study goes to confirm that in rural market awareness on the toothpastes and detergent powders in the rural market in Nagpur district was much but may be some reasons people are only aware of particular brand, they are not ready to switch to other brand for few reasons Brand loyalty, price, product satisfaction, quality, quantity, brand advertisement etc., people may have worked as a catalyst for brand loyalty. In other way may be Rin and Vicco both brands give a proper attention on the rural market and create the link on the specific brand linkage for the Rin and Vicco compare to Wheel and Close up.

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