

Buying Behaviour of Rural People towards Consumer Durable Goods in Darbhanga District

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Abstract

Today's climate is evolving quickly. There's no exception to India. Particularly after the opening of the economy, India and its people experience a stunning pace of change in their socio-cultural milieu. India has an extensive range of options, providing a fascinating opportunity to research the many changes brought about by development activities in its social and economic context. While some estimates of the macro transformations in India are feasible, it is difficult to accurately quantify the subjective interactions that follow, surround or follow such changes. The reality remains, however, that the nature of that same Indian market varies greatly from that of the past. Although these improvements at micro level are difficult to quantify, they are still of great importance to marketers. Every dealer is keen to monitor changes carefully in numbers and to monitor in particular the shifting patterns of aspirations and competitive behaviour of customers. 70 percent of the total population in our country lives in villages. Revolution and economic reforms in India have brought out several changes in the whole market environment, especially in rural market. Several studies, seminars and meetings have been conducted on the rural markets with special reference to the consumer durable products. For studying the above changes in market in liberalized era, an attempt has been made to study on rural consumer behaviour towards consumer durable products in Darbhanga District.

Introduction

The aggregate economic development has led to a significant rise in the buying power of the rural households. In the last years, the rural economies have gained importance. The countryside consumes a vast number of agricultural and urban goods due to the green movement. A specific marketing technique has been developed in this sense, namely rural marketing. But rural marketing is sometimes contrasted with agricultural marketing, the latter indicating that urban customers or industrial buyers sell the rural products in rural regions, while rural marketing implies the provision to farmers or consumers of imported or refined inputs or services.

The country is witnessing the development and further growth of several new markets as socio-economic developments take place in India. The level of rural demand was projected to increase to existing urban levels by 2017, with more than 300 million people migrating from rural poverty to rural low-middle class in the 2005-2025 era. The long-term usage of customers consists of some form of goods which are bought by consumers. Unlike certain products meant for short-term use, consumer durables are intended to continue regularly for many or more years until the finished commodity has to be replaced. Almost all households would produce at least a few products which are known to be consumer- sustainable. The combination of evolving lifestyles increased disposable income, greater product exposure and cheaper prices have helped to alter the trend and volume of customer expenses which have led to strong growth in the sustainable consumer sector. The investigation of customer behaviour is a marketing division. The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how:

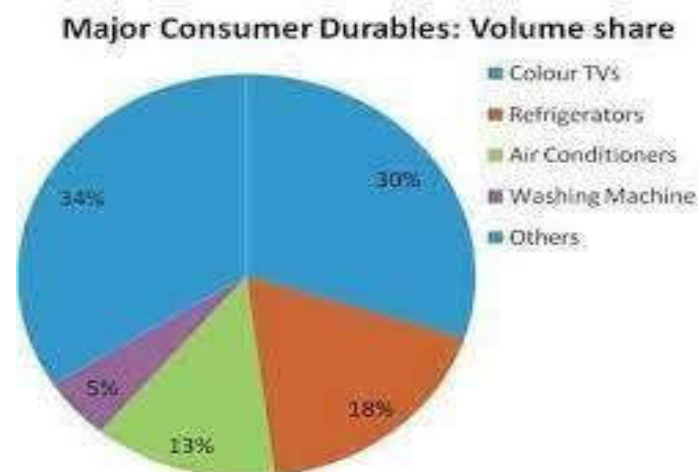
- ✓ The psychology of market thinking, feeling, reasoning and choice of alternative approaches (e.g., brands, products, and retailers)
- ✓ The psychological impact of the customer on his world (e.g., culture, family, signs, media)
- ✓ User behaviour when shopping or other campaign choices
- ✓ User expertise or information collection limitations affect marketing decision-making and results
- ✓ How difference between goods of varying value and relevance for the customer are the incentive and decision strategies
- ✓ To make it more important for advertisers to adjust and develop their marketing plans and marketing tactics.

The purchasing behaviour of customers is influenced by economic, social and cultural structures. It is true that variations steadily decrease in these dimensions. The groups need various therapies until these gaps remain. These questions and allied concerns call for scientific investigations in order to determine the opportunities for sustainable products in rural consumers. In this study, the Darbhanga District of Bihar State, in India, is being rendered a humble attempt against this context.

Rising Growth of Consumer Durable Industry in India

Consumer Durable Industry in India – A combined evolving lifestyle, higher disposable income, higher knowledge of products and low prices is key to shifting customer patterns and expenses contributing to a strong growth of the long-term consumer industry. In the US \$ 4.09 billion sustainable Indian industry, it is anticipated that a flourish of hi-tech durables will be launched in 2025. Among the companies that expect new product releases in the next months are Samsung, LG, Haier, and Videocon. In April 2024, sales of air conditioning (AC) and fridge increased by 30-35% compared with April 2023. Sustainable products are the ones that don't wear easily but rather give rise over time. Electronic devices, home furnishings and equipment, imaging equipment, recreational facilities and kitchen appliances are examples of consumer durable products. They may also be classed as white, refrigerator, air-conditioning and washing machinery as well as brown products such as blenders, cookers and microwaves, as well as consumer appliances like TVs & DVD players. Usually, such large ticket products are still available for at least three years and are marked by lengthy periods of interpurchase.

In the 2024 fiscal year, the volume share of the single biggest consumer durable was 30% for Color TV, led by 18% and 13% for refrigerators and air conditioners. The washing machines and other household goods collected a 5% and 34% share of the overall value.



Source :<http://info.shine.com/IndustryInformation/Consumer-Durables/902.aspx>

The key growth drivers for the Indian consumer durables industry:

- **Rise in disposable income:** Demand for consumer electronics was on the rise, with more and more customers slipping into double income families joined to raise discretionary income. The rising Indian middle class is a draw for businesses that are out there.
- **Availability of newer variants of a product:** When it comes to selecting items, consumers are spoiled for options. New versions of a commodity can allow an enterprise to get the attention of customers seeking product creativity
- **Product pricing:** The sustainable market sector is very pricing responsive and makes prices at least for the lower-range customers the deciding factor for rising volumes. The brand identity, innovations and product characteristics are essential to middle and high-end customers. Financing schemes available: equity availability and the lending structure decide the product's affordability. The cost of the loan as well as versatility of the arrangement determines the sale of a single commodity.
- **Rise in the share of organised retail:** The Indian market sustainable industry will rise at a stepping-up in organised retail. The organised retail industry, which accounted for just four percent of the retail sector in FY07, is expected to expand by average by 45-50 percent per year and had quadrupling its share of a total retail pie by 16 percent by 2013/12, according to a working paper published by the Indian Council for International Economic Relations (ICRIER). With greater players joining the industry, the share would rise.
- **Innovative advertising and brand promotion:** Sales promotion initiatives include coupons, free gifts and bids allow the firm to differentiate it from others
- **Festive season sales:** In the festive seasons, demand for colour televisions normally rises. This means that during this season, most businesses are offered cash in their holiday mood. For lasting consumer businesses, time will continue to be the growth engine.

No official description of a rural region exists. However, as specified by the Census of India, urban areas are defined as, all places with municipalities, businesses, cantons or notified city areas and all places with the following criteria:

- (a) The minimum population of 5000
- (b) A minimum of 75% of male non-farm workers and
- (c) The population density of at least 400 people per square kilometers.

A region not fulfilling the above requirements will also be called a rural area. To our effect, rural marketing is described as any marketing operation in which a dominant player from a rural environment is involved. The field of rural marketing can be described by visualising 'rural' and 'urban' on a spectrum composed of three broad categories, namely rural, rural and urban. The so-called rurban is a spectrum that can be seen as convergence between rural and urban, consisting of three broad classes, rural, rurban and urban. The buildings, referred to as rurban buildings, are the overlaps between the countryside and the city, with physically oriented characteristics similar to urban areas and close proximity to major cities. The rural marketing domain can therefore be regarded as a two-dimensional vacuum, except for urban-to-urban flows, as a distribution of products, services and ideas from region to area. According to the National Commission on Agriculture- 'Rural Marketing is a process that begins by deciding on the production of a sellable farmer goods and covers all aspects of the structure of the markets or system, whether functional or institutional, on a technical and economic basis'.

Objectives of the Study

With the basic objective of enquiring about the potentiality of rural markets in Darbhanga District in Bihar. This study aims to enquire:

- Rural consumer behaviour for consumer products prior to buying;
- Use of durable consumer goods in rural areas of Darbhanga District;
- To describe the part played in the purchase of rural consumers of different socio-economic, cultural and psychological factors;
- To describe the variables that affect the purchase and usage of individual goods by customers;

- Finally, propose steps for the successful execution by different durable consumer goods firms in Darbhanga district of marketing strategies regarding rural and urban areas.

Research Assumptions

A study hypothesis is a simple, concise and unambiguous assertion or a predictable statement of the possible result of a research study focused on a certain section of society such as the expectation of class inequalities within certain variables. This study carried out with the undermentioned assumptions:

- The dimension of the product is positively associated with the pre-purchase assessment.
- The regulatory dimension is associated favorably with the pre-purchase assessment.
- Lifestyle is linked in a favourable way to the assessment before buying.
- The pre-purchase assessment is adversely linked with ethnocentrism.
- The mindset of Consumer to Durable Goods correlates closely with the pre-purchase assessment.
- The pre-purchase assessment is closely linked to the real buying behaviour.

Scope of the Study

The district of Darbhanga was chosen for the sample analysis as this district has relatively better infrastructure and an extensive rural region that is very important for rural business growth. There are 39,37,385 inhabitants in Darbhanga. The district consists of three subdivisions, viz, Darbhanga Sadar and Benipur consisting of 12 Development Blocks are further separated in the Darbhanga district. The markets are very close to the district's rural regions, and the markets are the primary location from which rural customers purchase sustainable products. These residents have higher job rates and higher household incomes than other agricultural communities outside the countryside. For Consumable and Durable products, there is therefore a great potential for rural marketing. The number of respondents was reduced to 80, and a questionnaire was prepared and distributed among respondents located at Darbhanga in order to gather responses from respondents. Thus, the scope of the study is limited in nature.

Data Collection

Data for this study have been collected from both primary and secondary sources. For primary data collection, 80 people of different age groups residing in Darbhanga District were randomly selected. A questionnaire was administered on them. Secondary data have been collected from different related books, journals/ magazines, reports, newspapers and websites as per requirement of the study.

Population

It is an advanced group of prospective elements or interviewees in a geographical field. It is the combination of all elements which share those common characteristics that compromise the universe with a view to solving the problem of science. The residents of Darbhanga with greater job prospects and more available incomes than other distant areas shall be the universe for this study. Thus, for Consumable and Durable products, there is much room for rural marketing.

Sample

Sample is a demographic subgroup chosen for research involvement. This research takes into account a group of people aged 16 and 65 years of age.

Sample Size

The number of samples selected from a target population is defined. In order to incorporate further components of the community, the sample size was chosen as 80.

Sampling Method

A random sampling methodology was used to approximate the sample size of 80 respondents of Darbhanga.

Boon of Rural Market

Rural marketing has a different significance and has become more important since the economic reforms in 1991. Due to the increased buying power of rural communities, rural consumers have been a central draw in the last two decades. Many believe that rural marketing and farming are each other's synonym, but it's not the case.

Both words are very distinct. Rural marketing involves managing operations that calculate, persuade and turn rural consumers' shopping opportunities into actual requests for special commodities and make them accessible to the people there, creating and promoting improved living standards, and supporting a company to accomplish these objectives. Rural marketing entails a two-sided mechanism involving both commodity inflow into rural areas and goods flowing from rural to urban areas. Indian rural market has enormous potential that provides businesses with a lot of lucrative opportunities, but it is not as straightforward as seeming to treat rural markets. Companies will encounter many obstacles and difficulties. You could make unreasonable attempts to profitable exploration of rural markets. Major segments of rural markets remain untapped and lucrative prospects are present. The rural Indian economy is currently not restricted only to the sale of industrial and agricultural goods. Marketing in agriculture only involves the transition from farmer to consumer of agricultural goods. But, promotion in remote areas has moved further. The current situation clearly demonstrates that rural economies are very promising and that in the coming years they will certainly grow in scale.

The general notion is that rural markets only have the capacity for agricultural inputs such as crops, fertiliser and pesticides, livestock and agricultural machinery. More than 50% of national income is raised in rural India. Modern services and goods can be marketed in rural areas, and agriculture products can also be marketed in urban areas. In particular, rural markets have been forecast to increase by five times the urban market pace. Roughly 70% of motorcycles, manual watches and radios and approximately 60% of batteries, sewer and table fans in rural India are sold. Not only have the villagers followed modern farming methods as a corporation, but modern life is also embraced. They often buy Durable Goods, apart from food pieces. This transition is widespread in the countryside throughout the mindset of rural customers. The growing rural market is important for India's economic growth. Rural markets have proven very interesting to companies and the business size is steadily growing. Rural consumers' increasing buying power and better income distribution also increased the market for many goods in rural areas. With more than 1 trillion people now living in India, international companies have been drawn worldwide as a way to explore new markets.

Factors which have been recognized as responsible for existence in the boom of rural market: -

- Population increases and thus demand increases; factors accepted as responsible for the existence of the rural business boom.
- Significant rise in agricultural rural production.
- In rural regions, living standards are still rising.
- Large inflows from government and other sources of investment to rural development programmes.
- Increased connectivity with rural citizens through construction of transport and broad communication networks with their counterparts in cities.
- Increased literacy and schooling and the resulting tendency for rural people to live a more sophisticated life.
- International transfer inflows to rural areas and foreign products generated.
- Shift in land tenure structures which causes structural changes to the patterns of ownership and consequent changes in purchasing behaviour.

A product is the heart of rural marketing. It is a need satisfying entity to a rural consumer. The product offering should satisfy the psychology, and function benefits the consumer expect from the product. The product should be durable and sturdy and should be well packaged to attract the consumers' attention. In fact, in rural market, brands are almost non-existent; Consumers identify products by colour, visuals of animals and birds and numbers.

Consumers in rural areas are extremely price sensitive and usually shop for value. This is primarily because of their lower disposal income levels as compared to their urban counterparts. Marketers have used several strategies such as smaller unit packs, cheaper packaging, and reusable pack to keep the price of the product. Another service available to the consumers is bank loan. Banks lend out loans for tractors, television sets, etc. to make product affordable for the consumer.

The Indian rural market is very unique and distinctive. Over the past few years' rural market has witnessed an enhancement in the buying power of consumers, supplemented by their aspiration to upgrade their standard of living. Making sure that a product is available is not the only aspect for success in the rural market.

A marketer should keep in mind that the rural market functions in highly complex environment, hence it is important for them to formulate customized strategies for rural areas. The formulation of strategies depends upon several factors like product category, target segment, accessibility, availability, affordability and awareness. The buying behavior of a rural consumer is quite different from that of an urban consumer therefore the marketing strategies which worked in the urban market may not work in the rural market.

Major Findings of the Study

This study is based on a primary survey of 80 people in Darbhanga District aimed at studying the consumers' attitude and perception towards Durable Goods. The findings from the study are:

- It is apparent that more than three years ago a considerable number of rural respondents had consumption sustainability, i.e. 57.5% (46) of such respondents had some consumption sustainability for over 3 years. For 2 years, 32.5% (26) of respondents enjoyed these consumables and for one year, 10% (4) of respondents enjoyed them. Lastly, more than three years earlier a substantial percentage of rural market respondents had long-term customers.
- A buyer feels like he has the need before purchasing expensive durables. In summary, the results above include answers about how long the respondents felt the need before buying the same. It is obvious that almost half of respondents feel the urge to purchase the long-lasting products for six months or longer. Although over 22.5% of respondents thought that just a month was required before the consumer's durables were acquired, close to 50% felt that they needed the durables six months or longer before buying them, and 27.5% felt that they needed the durables for two months before buying them. And only 22.5% of respondents thought that these products had to be sold for just one month before they could buy what they wanted. They might be part of the respondents' top income category, but most respondents found like they ought to be willing to buy sustainable products more than six months before. Usually, after feeling that a buyer doesn't buy long-lasting products immediately, he needs time to discuss it. Yet almost 75 percent of respondents claim to have been involved in real purchases for over two months. Rural citizens are actually very careful when buying sustainable products.

They thought about the problem many times before they bought the item. This could be because they have no scope beyond their normal outlets to make more revenue. In other terms, they are very careful about marginal use of capital.

- A buyer receives details from different outlets about the desired commodity before purchase. Although the whole survey does not matter to them fairly. Three large divisions can form these sources. They are:

1. Market dominated sources such as ads, shows, etc.
2. Neutral (i.e. independent) sources such as state or nongovernment reports
3. Personal sources such as discussions with acquaintances, families, etc.

Responses to the significance they attribute to sources from rural selected customers show that 47.5% (38) of the respondents attach the greatest importance to their personal data sources. Neutral outlets had no influence over the interviewees. It is obvious that citizens in rural areas are more dependent on main and not secondary contacts. This finding works for this theory. Independent source material such as data from federal departments or academic institutions is not known about them. While 30 percent (24) of respondents depend on market- dominated sources such as ads, sales men's ideas, most respondents rely on personal knowledge sources. Thus, while rural consumers are developing their financial roles, their fundamental characteristics of existence are still not minimized.

- The analysis reveals that 37.5% (30) respondents prefer price; 15% of respondents (6%) prefer quality; 15% (12) prefer brand image; 12.5% (10) prefer availability of the service; and 20% (16) prefer promotional campaign. In the purchasing phase in rural regions, price finally plays a critical part.
- In order to analyse opinion of the sample respondents about the kitchen hold products, we have taken five categories of kitchens with items such as gas stove, Mixer, grinder, microwave oven and cooker in the list. In these, 90% have gas stoves, 57.5% have mixers, 12.5% have grinder, 25% have microwave ovens and 87.5% have cookers. It is also obvious that most respondents in rural areas have a gas stove and cooker. Their economic status relies on them.

- This study displays the house-hold goods samples in chosen field of study. Home items including washing machine, air conditioner, air cooler, fan, T.V, camera is included in this list. Of the respondents, 62.5% have a washing machine, 15% have an air conditioner, 55% have an air cooler, 100% have fans, 75% have a TV, and 15% have a camera. The answering system includes the following. It is obvious that fans, televisions and air coolers in rural areas have promise.
- This paper displays survey respondents in chosen fields of study on transport goods. We took five categories of items in this group. There are bicycle, moped, scooter, motorcycle and four wheeler . Out of those who interviewed 35% (28) were cyclists, 20% (16) of the participants had mopeds, 19.8% had scooters, 22.5% (18) had motorcycles and 2.5% of the interviewees (2) had four-wheelers. So, we can easily see that in rural areas bicycles, mopeds and motorcycles have potential in rural areas.
- The survey respondents are seen regarding their items for personal use in chosen areas. We took 4 kinds of items such as a mobile phone, wristwatch, shoes and computer in this list. Of the respondent's 67.5 percent (54) have mobile phones, 42.5 percent have wristwatches, 55 percent have shoes and 27.5 percent have computers, respectively. So, this is evident that in rural areas mobile, wristwatches and shoes only have potential in this category.
- Factors including TV ads, displays and word-of-mouth displays have a crucial part to play. However, not every aspect is equally relevant for a customer. Consumers also attributed relative significance of those variables to consumers. It is therefore obvious that 47.5% (38) of respondent respondents have taken the views of colleagues, families and acquaintances, 12.5% (10) of respondents for ads, 15% (12) for show display and 10% (8) for enticing packaging and 15% (12) for word of mouth apart from family affairs. As it is very necessary for most of the respondents to choose their products, dependent on the opinions of others.

Suggestions

The sustainable rural Indian customer sector is very large and has many opportunities. In order to catch rural markets, the companies that produce/market the consumer Durable Goods have the various forms of innovative tactics to tap rural markets. And it is also essential to know customer behaviour for rural markets. The suggestive measures are:

- ✓ Modify the commodity to market it more appropriate for rural customer needs/use circumstances.
- ✓ Develop completely new rural goods.
- ✓ The companies would consider a pull approach and drive rural business policies in order to capture sustainable market share.
- ✓ To improve the usage of blended advertising technologies tactics on rural markets to encourage sustainable consumer goods on markets.
- ✓ To choose the right pricing approach for durable products when analysing commodity demand, competitiveness, infrastructure services and rural economic conditions.
- ✓ The promotion of goods and labels through promotions, exhibits and trade fairs.
- ✓ Arrange customer service units in any region to explain and provide their goods with details.
- ✓ The collection of nature, reliability, quality and satisfaction of reviews on products after use.
- ✓ Companies must create or open new distribution outlets when recognizing the population density.
- ✓ Promote rural growth social events for client loyalty.
- ✓ In remote regions, the only way to win rural consumers is to utilise the correct advertising tactics.
- ✓ The effect on rural market behaviour of socio-economic factors needs to be investigated.
- ✓ Fascinating field of research is the consumer-seller partnership in rural areas. This research helps to classify the variables that contribute to increasing rural sales and use.

Conclusion

There can be no impression in this debate of certain aspects of rural marketing that rural markets have not been exploited at all. Its purpose is only to underline the significance of rural markets in the rapidly evolving economic environment. The manufacturers of most consumer products have now achieved considerable penetration. If the cost of distribution and marketing is bound to be large and farmers may lose in the initial stages, the promise of the rural sector does not exclude them from joining the market. The newly developing rural markets are bound to generate rich dividends with the changing economic conditions in the country and with improved buying power among the rural population.

The large range of courses that can be attended in the rural marketing industry requires particular care and focus in the products, their consistency, packaging, brands, price, publicity, personal sales and delivery channels. The rural marketing approach must be sufficient, given the scattered nature of rural markets and because of the lower education level and environmental disparities, the need for a different contact blend. It requires both government and business to take deliberate and organised actions. The job of the government is primarily to build an infrastructure, such as a strong road network in rural India's interiors, speedy arrangements for better light, water and irrigation facilities, financial and technological support and distribution of goods in villages. The Government's position in undertaking rural market surveys and compiling critical statistics and publication for company and industry would be equally significant.

Certainly quality goods are accessible, but rural customers are dispersed and dependent. Hence, those products may be purchased from the closest city centre. The rural market's appeal is as large as mass markets. All that build goods for these mass markets can thrive and expand quickly. Finally, we may opine that the future lies with those companies who see the poor as their customers.

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