United Kingdom

http://ijecm.co.uk/

Vol. II, Issue 1, 2014

ISSN 2348 0386

LEVEL OF CONSUMPTION OF FAST MOVING CONSUMER GOODS BY RURAL CONSUMERS – AN ANALYTICAL STUDY

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Abstract

Ever since independence of India, because of some obvious reasons, marketing acquired a largely urban bias. It was the green revolution in the seventies which provided a much-needed boost to agriculture-based rural economy in the country. Subsequently, many firms started showing interest in the rural markets and extend their penetration to reach smaller village and towns. Further, now-a-days rural consumers are behaving like urban consumers towards the urban lifestyle, fashion, taste, preferences, etc. This necessitates making an attempt on the level of consumption of Fast Moving Consumer Goods (FMCG) and the scope of the study is restricted to analyze the consumption pattern and the level of consumption of rural consumers in Madurai District of Tamil Nadu in India. It is concluded from the study that the level of consumption of rural consumers is low and there is vast scope for marketers to market FMCG in rural areas.

Key Words: Consumption Level, FMCG, Rural Consumers, Rural Market.

INTRODUCTION

Since the time of the liberalization of Indian economy, markets have been greatly influenced by the global economy and global markets. The recession in the developed economies such as the United States and Europe has had its impact on the Indian markets. In spite of being a king or queen in the buyer's market, customers were adopting a cautious approach while purchasing things. In India, rural markets are gaining importance in the marketing planning exercise of all leading the social marketers. This is not just because of 73 per cent of India's population still lives in rural areas, but because of the converging changes that are occurring here. Convergence of rural consumer behaviour is in the sense that - "there is no much difference



between". Rural consumers are behaving like urban consumers towards the urban lifestyle, fashion, taste, preferences, etc. Marketing planning exercise of all leading and social marketers is also converging according to the converging behaviour of the rural consumer. In fact, Colgate's (the No.1 Toothpaste in India) strength stems more from its rural presence than urban. Incidentally, Colgate Toothpowder was specially conceived and made for India. The biggest brands in India belong to companies with a strong rural presence. Hindustan Unilever, ITC, and Colgate are among the strongest Fast Moving Consumer Goods (FMCG) companies in India.

NEED AND SCOPE OF THE STUDY

In India, ever since independence, because of some obvious reasons, marketing acquired a largely urban bias. Hence, there was no attempt on the part of marketers to know the rural consumer and satisfy their needs. The indifferent attitude also due to the assumption that the rural people were poor and had no purchasing power to buy expensive branded products. Besides, lack of transportation and communication links and limited reach of mass media were also responsible for neglect of the rural consumer by the business firms.

Customers decide to purchase products and services to satisfy their personal, social and environmental needs. The Fast Moving Consumer Goods (FMCGs) sector is surging ahead in rural markets due to modern communication. It has attracted Indian villagers. When the urban demands for the goods are getting saturated, the manufacturing companies look at this development as an opportunity. Large FMCG companies including Multinational Companies (MNCs) have their own strategies to enter this large and developing rural market. This attracted the investigators to carry out investigation about the level of consumption of rural consumers towards FMCGs.

For the purpose of the study, the investigators have grouped the Fast Moving Consumer Goods into four categories such as – a) personal care, b) home care, c) oral care and d) food and beverages for this study. The study is restricted to analyze the consumption pattern and the level of consumption of rural consumers in Madurai District.

LITERATURE REVIEW

Ramalingam (2012) has made a research investigation regarding attitude of rural consumers. In this investigation, the level of attitude of rural consumers towards ISI Mark on white goods has been attempted and also measured with the help of socio-economic variables. Totally 22 variables have been and each variable has been measured with mean score and standard deviation scores.



Devadas and Manohar (2011) in an article stated that the urban-rural inequality in market, as well as customer characteristics bring a major difference in shopping behavior and consumption pattern of the two communities. In India, a sizeable number of persons migrate from rural to urban in search of job opportunities, work, education, marriage and personal reasons. From the marketing perspective, migration leads to new market opportunities. And so, marketers have to come out with appropriate strategies to attract and retain migrants. The survey was conducted among 74 students who have migrated from rural to urban region. They were selected from 3 different engineering colleges. The results reveal that the migrated consumers consider the following dimensions when shopping in the urban environment: they are shopping conscious, enjoy urban shopping environment, price and quality conscious, and compare different shops when buying. They want shopping to be recreational, price worthy, perfect and buyer oriented. They are unhappy with poor shopping environment, if any. These dimensions describe the factors to which the migrant rural consumers give importance in the urban shopping environment.

Amanor-Boadu (2009) explained that although the challenges facing rural retailers have been attributed to competition and decreasing population, this paper defines the problem from rural consumers' perspective. It argues that consumers select shopping location on its shopping value, determined by its attractiveness and accessibility. The results indicate that locations closest to the consumer's residence offer the highest shopping value for groceries and other low-order goods. They also show that increasing gasoline prices favor local retailers. Rural retailers may use these results to implement differentiating strategies that increase their attractiveness, accessibility, and consequently their competitiveness.

Chen et. al. (2008) investigated the consumers' reaction towards the advertising market by incorporating the use of information sources and perceived source credibility into the advertising effectiveness literature. This is the first time that information about long-overlooked Chinese rural consumers based on probability sampling has become available to western readers. The paper report points out the findings from a survey of 1115 respondents from 34 rural villages in 11 Chinese provinces. The results show that rural Chinese consumers utilize a variety of information sources when making their purchase decision, and for different product categories different information sources are preferred. Although perceived source credibility is a reliable predictor for information sources use, the most trusted information source might not always be the most used source. While television is by far the most frequent source of information for any type of product, Chinese rural consumers may trust different sources differently, depending on the type of product.



Reinartz, Thomas, and Bascoul (2008) have carried out an investigation on cross buying (i.e., the purchase of products from multiple categories). This research investigates the direction, strength, and nature of the relationship between customers' cross-buying behavior and associated behavioral outcomes by using a Granger-type causality modeling and two data sets. The authors determine that cross-buying is a consequence and not an antecedent of behavioral loyalty. Specifically, behavioral loyalty drives both the number of categories from which a person buys and the level of spending dispersion across those categories. These findings have significant implications for cross-selling strategies.

Aydin et al. (2005) have carried out an ERC Working Papers in Economics. This study is aimed at to shed light on competitive conditions prevailing in the FMCGs retail trade sector in Turkey. It analyzes how the structure of the market is being transformed in recent years by new retail formats. The study is focused on the analysis of competitive dynamics (inter-firm rivalry, pricing and non-price policies, barriers to entry, regulatory conditions, etc.) within the sector, and draws lessons for competition policy.

OBJECTIVES OF THE STUDY

- i) To analyze the consumption pattern of Fast Moving Consumer Goods by rural consumers;
- ii) To measure the level of consumption of Fast Moving Consumer Goods by rural consumers; and
- iii) To determine whether there is any significant relationship between personal factors of rural consumers and consumption level of Fast Moving Consumer Goods.

METHODOLOGY

Primary and secondary data have been collected for the study. Primary data were collected through a structured schedule from 300 rural consumers by convenience sampling method. Since the study is related to rural consumers, the rural taluks of Madurai District have been selected for collecting primary data. Madurai District comprises of seven taluks. Of these taluks, the two taluks viz. Peraiyur and Vadipatti possesses pure rural characteristics. Hence, these taluks have been selected for the study. In order to make equal representation, samples of 150 consumers from each taluk have been considered for collecting primary data. Further, to describe the discrepancy between theory and observation, chi-square test has been applied because it is one of the simplest and most widely used non-parametric tests.



RESULTS AND DISCUSSION

Consumption pattern of FMCGs

In this section an attempt is made to analyze consumption of Fast Moving Consumer Goods by the sample respondents. This paves the way for strengthening the Fast Moving Consumer Goods market. All the four categories of products viz. personal care, home care, oral care, food and beverages consumed by the sample respondents on taluk-wise has been attempted and presented in Table 1.

Categories of FMCG	Peraiyur 1	Taluk	Vadipatti Taluk			
	No. of	Percentage	No. of	Percentage		
	Respondents		Respondents			
Personal Care	150	100.00	150	100.00		
Home Care	99	66.00	143	95.33		
Oral Care	85	56.67	140	93.33		
Food and Beverages	150	100.00	150	100.00		

TABLE – 1: Consumption Pattern on Fast Moving Consumer Goods

It is found from Table 1 that all the sample respondents in Peraiyur taluk as well as in Vadipatti taluk consume the 'personal care' and 'food and beverages products'. But, in the case of 'home care' products and 'oral care' products it is differed. The consumption in home care is 66 per cent by the Peraiyur taluk and 95.33 per cent in Vadipatti taluk. The oral care products consumption is 56.67 in Peraiyur taluk and 93.33 per cent in Vadipatti taluk. It should be noted that there is moderate consumption in home care and oral care products by the Peraiyur taluk respondents and high consumption by the Vadipatti taluk respondents. It is concluded that the manufacturers of Fast Moving Consumer Goods companies may stock lower in Peraiyur taluk in respect of home care and oral care products.

Level of consumption

In order to ascertain the level of consumption of Fast Moving Consumer Goods, the percentage of amount spent on each category of FMCGs for every month by the rural consumers were taken into account. The level of consumption towards Fast Moving Consumer Goods has been classified into three categories, namely low level, moderate level, and high level for analytical purpose. For identifying the low, medium, and high level, the Mean and Standard Deviation (S.D.) has been computed based by using Microsoft Excel. The score value (Mean + Standard Deviation) and the score value (Mean – Standard Deviation) have been classified as 'high level' and 'low level' of attitude respectively. The score values in between the 'low' and 'high' have been termed as 'moderate level' attitude. The level of consumption by the rural consumers will



be helpful for the marketers of Fast Moving Consumer Goods companies for entering into rural segment further.

Further, chi-square test has been applied by the investigators to determine whether there is any significant relationship at 5 per cent level between personal factors (literacy, occupation, family income and number of members in the family) of the respondents and consumption of Fast Moving Consumer Goods.

Level of Consumption of Personal Care Products

Products like soaps for beauty soaps, hand wash soaps, beauty solutions, shampoo and oil, anti-dandruff hair products, deodorant, fragrance, fairness products, skin cleansing, skin care lotions, after shaving lotions, talc and creams (excluding oral care products) come under the category of 'personal care'. These are consumed by most of the people in their day-to-day life. In the sample survey, all the respondents (i.e. 100%) are consuming the personal care products in both taluks.

Literacy vs. Consumption of Personal Care Products

In general, literacy makes a change in the consumption pattern. In order to know the level of consumption of rural consumers towards personal care products, an attempt is made. Table 2 presents the details of literacy and consumption of personal care products.

		Peraiyu	ur Taluk			Vadipat	tti Taluk		
	Le	evel of Co	onsumpti	on	Le	Level of Consumption			
Literacy	High	Moderate	Low	Total	High	Moderate	Low	Total	
Illiterates	5	6	10	21	6	9	20	35	
School Educated	15	12	70	97	8	15	73	96	
College Educated	8	17	7	32	5	8	6	19	
Total	28	35	87	150	19	32	99	150	
Calculated Chi-square Value		32	.58			15	.21		

TABLE - 2: Literacy vs. Consumption of Personal Care Product
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It can be seen from Table 2 that out of 150 Peraiyur taluk respondents 21 (14%) are illiterates, 97 (65%) school educated and 32 (21%) college educated. Majority (48%) of the illiterates and majority (72%) of the school educated have low level of consumption of personal care products in Peraiyur taluk, whereas majority (53%) of the college educated respondents have moderate



consumption of personal care products. In the case of Vadipatti taluk respondents 35 (23%) are illiterates, 96 (64%) school educated and 19 (13%) college educated. Majority (57%) of the illiterates and majority (76%) of the school educated respondents make low level of consumption of personal care products; whereas majority (42%) of the college educated respondents have moderate level of consumption.

An attempt has been made to ascertain whether there is any significant relationship between the literacy and the consumption towards personal care products. Since the calculated chi-square values are more than the table values at 5 per cent level of significance, the null hypothesis is rejected in both the cases. Hence, it is concluded that there is a significant relationship between the literacy and the level of consumption of personal care products by the rural respondents.

Occupation vs. Consumption of Personal Care Products

Occupation and the rate of earning capacity lead to the extent of consumption of Fast Moving Consumer Goods. The occupation has been broadly classified into salaried employees, business and agriculturists and casual workers and others. Since occupation to a large extent influences personal care products, it has a bearing on consumption of personal care products. Table 3 displays occupation of respondents and their level of consumption of personal care products.

		Peraiyu	ır Taluk		Vadipatti Taluk			
	Le	evel of Co	onsumpti	on	Level of Consumption			
Occupation	High	Moderate	Low	Total	High	Moderate	Low	Total
Salaried Employees	12	7	50	69	6	11	8	25
Business and Agriculturist	9	10	7	26	5	12	16	33
Casual Workers and Others	7	18	30	55	8	9	75	92
Total	28	35	87	150	19	32	99	150
Calculated Chi-square Value		20	.72			31.	.56	

TABLE – 3: Occupation vs. Consumption of Personal Care Products

It is observed from Table 3 that out of 150 Peraiyur taluk respondents 69 (46%) are salaried employees, 26 (17%) business and agriculturists and 55 (37%) casual workers including others. Majority (73%) of the salaried employees and majority (55%) of the casual workers including others make low level of consumption of personal care products in this area, whereas majority (39%) of the business and agriculturist respondents make moderate level of consumption. It is evident from Table 3 that out of 150 Vadipatti taluk respondents, 25 (17%) are



salaried employees, 33 (22%) business and agriculturists and 92 (61%) casual workers. Majority (44%) of the salaried employees makes moderate consumption of personal care products, but majority (49%) of the business and agriculturists and a major portion (82%) of the casual workers including others has low level of consumption in this study.

The investigators have embarked upon ascertaining the relationship between the occupation and the consumption of personal care products. As the calculated chi-square values are greater than the table values, the null hypothesis is rejected and it is concluded that there is a significant relationship between the occupation and the level of consumption of personal care products among the respondents of both taluks in Madurai district.

Family Income vs. Consumption of Personal Care Products

Family income is an indicator of the extent of consumption. A family which has more earning will spent more than the less income group. The monthly family income of the sample respondents are grouped into two categories viz. up to Rs.10000 and more than Rs.10000. Table 4 provides the details regarding the level of consumption and monthly income of respondents' family.

_		Р	eraiyur 7	Faluk			Vadipatti Taluk			
		Level	l of Cons	sumptior	1	Level of Consumption				
Monthly Income	High		Moderate	Low	Total	High	Moderate	Low	Total	
Up to Rs.10000	18		23	78	119	13	20	74	107	
More than Rs.10000		10	12	9	31	6	12	25	43	
Total	28		35	87	150	19	32	99	150	
Calculated Chi-square Value		13.53					2.44			

TABLE – 4: Family Income vs. Consumption of Personal Care Products

It is evident from Table 4 that out of 150 Peraiyur taluk respondents, 31 (21%) of them are under 'more than Rs.10000' income category and 119 (79%) are 'up to Rs.10000' income category. Majority (39%) of the 'more than Rs.10000' income group respondents make moderate consumption, whereas majority (66%) of the 'up to Rs.10000' monthly income respondents make low consumption of personal care products. Out of 150 Vadipatti taluk respondents, 43 (29%) of them are under 'more than Rs.10000' income group and 107 (71%) in 'up to Rs.10000' monthly income group. Majority (58%) of the 'more than Rs.10,000' income category respondents and majority (69%) of the 'up to Rs.10000' income group respondents make low level of consumption of personal care products in the study area.



An attempt is made to ascertain whether there is any significant relationship between the family income of the respondents and their level of consumption of personal care products. Chisquare test reveals that in the case of Peraiyur taluk respondents, the calculated value is more than the table value. Hence, the null hypothesis is rejected and it is concluded that there is a significant relationship between the family income and the level of consumption of personal care products. Since the calculated value is less than the table value in Vadipatti taluk, the null hypothesis is accepted.

Number of Family Members vs. Consumption of Personal Care Products

The number of members in the family is an important factor while considering the level of consumption. The number of members in the family may vary from one family to another. The consumption is more if the family is big and vice versa. So, it has been taken up for analysis the number of family members and their consumption of personal care products and the results are exhibited in Table 5.

		Peraiyu	ır Taluk		Vadipatti Taluk			
	Level of Consumption				Level of Consumption			
Number of Members	High	Moderate	Low	Total	High	Moderate	Low	Total
Up to 4 Members	11	17	8	36	11	5	6	22
Above 4 Members	17	18	79	114	8	27	93	128
Total	28	35	87	150	19	32	99	150
Calculated Chi-square Value		26	.78			30	.66	

TABLE – 5: Number of Members vs. Consumption of Personal Care Products

Table 5 reveals that out of 150 respondents in Peraiyur taluk, 36 (24%) have 'up to 4 members' in the family and 114 (76%) have 'above 4 members'. Majority (47%) of the respondents having 'up to 4 members' make moderate consumption of personal care products, whereas majority (69%) of the respondents having 'above 4 members' make low level consumption of personal care products. It is evident that out of 150 Vadipatti taluk respondents, 22 (15%) of them have 'up to 4 members' in the family and 128 (85%) 'above 4 members'. Majority (50%) of the respondents having 'up to 4 members' make high consumption, whereas majority (73%) of the respondents having 'above 4 members' make low consumption of personal care products.

At this stage, the investigators have attempted to ascertain the relationship between the number of family members and the consumption level of personal care products. Chi-square



test result shows that the calculated values are more than the table value. So, the null hypothesis there is no significant relationship between the number of family members and the level of consumption of personal care products has been rejected in both taluks.

Level of Consumption of Home Care Products

Products such as detergent and bleach, cream cleaner, toilet cleaner and dish wash come under this classification. For fresh, soft clothes or sparklingly clean bathrooms, the Home Care products are useful. Home care products are purchased by 99 respondents in Peraiyur taluk and 143 respondents in Vadipatti taluk. Analyses are based on these data. As the personal factors like literacy, occupation, family income and number of members in the family have a role in influencing consumption of home care products; the investigators have analyzed these factors with the level of consumption.

Literacy vs. Consumption of Home Care Products

Literacy of respondents with their consumption level towards home care products are analyzed in Table 6.

		Peraiyu	ır Taluk			Vadipatti Taluk			
	Level of Consumption				Le	Level of Consumption			
Literacy	High	Moderate	Low	Total	High	Moderate	Low	Total	
Illiterates	8	6	5	19	21	9	5	35	
School Educated	36	12	8	56	23	50	17	90	
College Educated	13	5	6	24	7	5	6	18	
Total	57	23	19	99	51	64	28	143	
Calculated Chi-square Value		4.	70			19	.60		

TABLE – 6: Literacy vs. Consumption of Home Care Products

It is evident from Table 6 that in the case of Peraiyur taluk respondents, of the 19 illiterates, majority (42%) of them make high consumption of home care products. Similarly, out of 56 respondents from school educated majority (64%) of them make high consumption and in the case of 24 college educated respondents also, majority (54%) of them make high consumption of home care products. But in Vadipatti taluk, out of 35 illiterates, majority (60%) of respondents makes high consumption of home care products. But, in school educated category, a major portion, say 56 per cent, of them make moderate consumption. But majority (39%) of the 18 college educated respondents make high consumption of home care products.



To ascertain the relationship between the literacy and the level of consumption of home care products, chi-square test is used. The calculated value is less than the table value in the case of Peraiyur taluk respondents. Hence, the null hypothesis is accepted. In the case of Vadipatti taluk respondents, as the calculated value is more than the table value, the null hypothesis is rejected and it is concluded that there is significant relationship exists between the literacy and the consumption of home care products.

Occupation vs. Consumption of Home Care Products

The personal factor 'occupation' plays an important in role in consumption. It is classified into salaried employees, business and agriculturists and casual workers including others. The level of consumption of home care products and occupation is shown in Table 7.

		Peraiyu	ır Taluk		Vadipatti Taluk				
	Level of Consumption				Level of Consumption				
Occupation	High	Moderate	Low	Total	High	Moderate	Low	Total	
Salaried Employees	29	7	5	41	10	6	5	21	
Business and Agriculturist	9	6	7	22	12	11	7	30	
Casual Workers and Others	19	10	7	36	29	47	16	92	
Total	57	23	19	99	51	64	28	143	
Calculated Chi-square Value		6.	87			5.4	41		

TABLE – 7: Occupation vs. Consumption of Home Care Products

It is clear from Table 7 that out of 41 salaried employees in Peraiyur taluk, majority of them (71%) make high consumption of home care products. Similarly, out of 22 business and agriculturist, a major portion (i.e. 41%) also makes high consumption and of the 36 casual workers also, majority (53%) of them make high consumption towards home care products. From this it is clear that irrespective of the occupation, high level consumption is made in home care products. It is also evident from Table 7 that in the case of Vadipatti taluk respondents, out of 21 salaried employees, majority (48%) of them make high consumption. Similarly out of 30 business and agriculturist, majority (40%) of them make high consumption. But out of 92 casual workers, majority (51%) of them makes only moderate consumption of home care products.

It is attempted to ascertain the relationship between the occupation and the consumption of home care products. Chi-square test has been applied to test the null hypothesis. As the calculated chi-square values are less than the table values, the null hypothesis is accepted in both taluks. Hence, there is no significant relationship between the occupation and the consumption of home care products by the sample respondents.



Family Income vs. Consumption of Home Care Products

Family income along with level of consumption of home care products by the taluk-wise respondents are shown in Table 8.

		Peraiyu	ır Taluk		Vadipatti Taluk			
	Level of Consumption				Level of Consumption			
Monthly Income	High	Moderate	Low	Total	High	Moderate	Low	Total
Up to Rs.10000	41	14	13	68	24	55	21	100
More than Rs.10000	16	9	6	31	27	9	7	43
Total	57	23	19	99	51	64	28	143
Calculated Chi-square Value		1.1	15		21.74			

TABLE – 8: Family Income vs. Consumption of Home Care Products

From Table 8, it is clear that in the case of 31 Peraiyur taluk respondents under 'more than Rs.10000' income group, majority (52%) of them make high consumption of home care products. Similarly, out of 68 respondents under 'up to Rs.10000' income group, majority (60%) make high consumption. In Vadipatti taluk, out of 43 respondents under 'more than Rs.10000' income group, majority (63%) of them make high consumption of home care products, but of the 100 respondents under 'up to Rs.10000' income category, majority (55%) make moderate consumption.

The investigators, at this juncture, have attempted to ascertain the relationship between family income and consumption of home care products. For this purpose chi-square test is used to test the framed null hypothesis. The result shows that in the case of Peraiyur taluk, the calculated chi-square value is less than the table value. So, the null hypothesis is accepted. But in the case of Vadipatti taluk, the calculated value is greater than the table value. So, the null hypothesis is rejected. Hence, it is concluded that there is a significant relationship between the family income and the consumption of home care products in Vadipatti taluk.

Number of Family Members vs. Consumption of Home Care Products

The number of members in the family along with consumption of home care products by the sample respondents is analyzed and the details are mentioned in Table 9.



Number of Mombers	Peraiyur Taluk				Vadipatti Taluk			
Number of Members	Level of Consumption				Le	evel of Co	onsumpti	on
	High	Moderate	Low	Total	High	Moderate	Low	Total
Up to 4 Members	24	10	7	41	11	6	5	22
Above 4 Member	33	13	12	58	40	58	23	121
Total	57 23 19 99			51	64	28	143	
Calculated Chi-square Value		0.	00			3.	52	

TABLE – 9: Number of Members vs. Consumption of Home Care Products

It is inferred from Table 9 that in Peraiyur taluk, out of 41 respondents having 'up to 4' family members, majority (59%) of them make high consumption of home care products. Similarly, of the 58 respondents having 'above 4' family members, majority (57%) of them make high consumption. From Table 9 it is obvious that out of 22 respondents having 'up to 4' family members in Vadipatti taluk, most (50%) of them make high consumption. But, of the 121 respondents having 'above 4' members in the family, most (48%) of them make moderate consumption. It is understood that the home care products mostly used in majority rural households.

The investigators have made an attempt to ascertain the relationship between the number of family members and the consumption of home care products. For this purpose null hypothesis has been framed. As the calculated chi-square values are less than the table values, the null hypothesis is accepted by both the Peraiyur as well as Vadipatti taluks respondents. Accordingly it is concluded that there is no significant relationship between the number of family members and the consumption of home care products.

Level of Consumption of Oral Care Products

Products like tooth powder, tooth paste, mouth wash and tooth brush come under this category. In the study unit, from a total sample of 150 respondents in Peraiyur taluk, 85 respondents constituting 56.67 per cent buying the oral care products whereas it is 93.33 per cent in Vadipatti taluk. The level of consumption of oral care products by the sample respondents is also analyzed from another dimension of personal factors such as literacy, occupation, family income and number of members in the family. The analyses are presented below.

Literacy vs. Consumption of Oral Care Products

The literacy of the respondents makes them aware of the changes in decision making. Now-adays most of the rural respondents are at par with urban respondents in all respects. Hence,



literacy has been taken as one of the important personal factor in influencing the consumption. Table 10 shows the literacy and consumption of oral care products by the sample respondents in both taluks.

		Peraiyu	ır Taluk			Vadipat	ti Taluk	
	Level of Consumption				Level of Consumption			
Literacy	High	Moderate	Low	Total	High	Moderate	Low	Total
Illiterates	10	6	5	21	17	10	6	33
School Educated	21	8	15	44	50	25	14	89
College Educated	5	7	8	20	5	6	7	18
Total	36	21	28	85	72	41	27	140
Calculated Chi-square Value		4.	05		2.96			

TABLE - 10: Literacy vs. Consumption of Oral Care Products

Table 10 depicts that out of 85 Peraiyur taluk respondents, 21 (25%) are illiterates, 44 (52%) school educated and 20 (23%) college educated. Most of the illiterates and school educated (i.e. 48% each) respondents in this taluk have high level of consumption of oral care products. In Vadipatti taluk also the majority of illiterates and school educated are having high level consumption. It is 52 per cent and 56 per cent respectively in illiterate and school educated category.

The investigators have attempted to ascertain whether any significant relationship exists between the level of literacy and the consumption of oral care products. Chi-square test has been applied to test the null hypothesis, i.e. "There is no significant relationship between the literacy and the consumption of oral care products". As the calculated values are less than the table values, the null hypothesis is accepted.

Occupation vs. Consumption of Oral Care Products

The nature of occupation to a greater extent decides the earning capacity of people. This will help respondents to purchase their requirements. For the purpose of the study, occupation has been grouped into three categories. The first category comprises all salaried employees of governments and private sector employees. In the second category, business people and agriculturists are included. The third category includes all the rest of the occupations and they are named as casual workers and others. The different occupations of respondents and their consumption of oral care products have been shown in Table 11.



		Peraiyu	ır Taluk		Vadipatti Taluk			
	Level of Consumption				Level of Consumption			
Occupation	High	Moderate	Low	Total	High	Moderate	Low	Total
Salaried Employees	5	8	9	22	5	7	9	21
Business and Agriculturist	5	6	7	18	7	8	12	27
Casual Workers and Others	26	7	12	45	50	26	16	92
Total	36	21	28	85	62	41	37	140
Calculated Chi-square Value		12	.82			13.	78	

TABLE – 11: Occupation vs. Consumption of Oral Care Products

Table 11 explains that out of 85 Peraiyur taluk respondents, 22 (26%) are salaried employees, 18 (21%) business and agriculturist and 45 (53%) casual workers and others. Majority (41%) of the salaried employees and majority (39%) of the business and agriculturist have low consumption of oral care products, whereas majority (58%) of the casual workers has made high consumption of oral care products in this study area. It is understood from the study that the casual workers give importance to the oral care. In Vadipatti taluk, out of 140 respondents, 21 (15%) are salaried employees, 27 (19%) business and agriculturist and 92 (66%) casual workers including others. Majority (43%) of the salaried employees and majority (44%) of the business and agriculturist have low consumption, whereas majority (54%) of the casual workers has high consumption in oral care products.

The investigators have also attempted to ascertain whether any significant relationship exists between the occupation and the consumption of oral care products. Chi-square test has been used to test the hypothesis. As the calculated chi-square values are greater than the table values, the null hypothesis is rejected in both taluks. Hence, it is concluded that there is significant relationship exists between the occupation and the level of consumption of oral care products.

Family Income vs. Consumption of Oral Care Products

Family income determines the purchasing power of the family. In turn, the family makes decision. Income has been grouped into two viz. a) up to Rs.10000 and b) more than Rs.10000, for analysis. The following Table 12 presents the details of family income and consumption of oral care products.



		Peraiyu	ır Taluk		Vadipatti Taluk				
	Level of Consumption				Level of Consumption				
Monthly Income	High	Moderate	Low	Total	High	Moderate	Low	Total	
Up to Rs.10000	19	15	23	57	32	34	31	97	
More than Rs.10000	17	6	5	28	30	7	6	43	
Total	36	21	28	85	62	41	37	140	
Calculated Chi-square Value	5.96				16.12				

TABLE – 12: Family Income vs. Consumption of Oral Care Products

Table 12 points out that out of 85 Peraiyur taluk respondents, 28 (33%) are having income more than Rs.10000 per month and 57 (67%) are under up to Rs.10000 per month category. Majority (61%) of the respondents with 'more than Rs.10000' income per month make high consumption, whereas majority (40%) of the respondents with 'up to Rs.10000' per month as their income make low consumption of oral care products. As a general rule, the respondents with more income consume high. The same is applied in this taluk. Out of 140 Vadipatti taluk respondents, 43 (31%) families are under 'more than Rs.10000' per month income category and 97 (69%) are 'up to Rs.10000' per month income category. Majority (70%) of the respondents with' more than Rs.10000' income per month make high consumption.

For ascertaining whether there is any significant relationship between amily income and consumption level of oral care products, chi-square test has been applied. The results indicate that in the case of Peraivur taluk, the calculated chi-square value is less than the table value. So, the null hypothesis is accepted. But in the case of Vadipatti taluk, since calculated value is more than the table value, the null hypothesis is rejected and it is concluded that there is a significant relationship between family income and consumption level of oral care products.

Number of Family Members vs. Consumption of Oral Care Products:

The consumption is also decided by the number of members in the family. Hence, consumption towards oral care products is studied along with number of family members (Table 13).

Number of Members		Peraiyu	ır Taluk		Vadipatti Taluk				
	Level of Consumption				Level of Consumption				
	High	Moderate	Low	Total	High	Moderate	Low	Total	
Up to 4 Members	8	15	13	36	7	9	6	22	
Above 4 Members	28	6	15	49	55	32	31	118	
Total	36	21	28	85	62	41	37	140	
Calculated Chi-square Value	12.75				2.83				

TABLE – 13: Number of Members vs. Consumption of Oral Care Products



Table 13 states that out of 85 respondents in Peraivur taluk, 36 (42%) of them have 'up to 4 members' and 49 (58%) have 'above 4 members'. Majority (42%) of respondents having 'up to 4 members' make moderate level of consumption of oral care products, whereas majority (57%) of respondents having 'above 4 members' make high level of consumption of oral care products. Out of 140 Vadipatti taluk respondents, 22 (16%) of them have 'up to 4 members' and 118 (84%) have 'above 4 members'. Majority (41%) of the respondents having 'up to 4 members' make moderate consumption, whereas majority (47%) of respondents having 'above 4 members' has high level consumption of oral care products. It is proved that the consumption level is high where the number of members in the family is also high.

An attempt has been made by the investigators to find out whether there is any significant relationship between the number of family members and the consumption of oral care products. Chi-square test is applied to test the hypothesis. Since the calculated value is more than the table value in Peraiyur taluk, the null hypothesis is rejected. Therefore, it is concluded that there is a significant relationship between the number of family members and the consumption of oral care products. But in Vadipatti taluk, the calculated value is less than the table value. Hence, the null hypothesis is accepted.

Level of Consumption of Food and Beverages

Food and beverages normally covers products like noodles, macaronis, soft-drinks, packaged fruit juices, tea, coffee, soups, ice creams, salt, Atta, milk chocolates, biscuits and other bakery items. In this category, from ice creams to scrumptious sauces are included. A sample of 150 from Peraiyur taluk and 150 from Vadipatti taluk are buying these products and analyses are based upon this. The personal factors such as literacy, occupation, family income and number of family members have more or less become an integral part of consumption of food and beverages. Hence, the role of these factors is analyzed along with consumption.

Literacy vs. Consumption of Food and Beverages

		Peraiyu	ır Taluk		Vadipatti Taluk				
	Le	evel of Co	onsumpti	on	Level of Consumption				
Literacy	High	Moderate	Low	Total	High	Moderate	Low	Total	
Illiterates	10	6	5	21	5	17	13	35	
School Educated	76	6	15	97	41	48	7	96	
College Educated	8	18	6	32	5	6	8	19	
Total	94	30	26	150	51	71	28	150	
Calculated Chi-square Value	39.45				26.28				

TABLE – 14: Literacy vs. Consumption of Food and Beverages



It is evident from Table 14 that out of 21 illiterates in Peraivur taluk, majority (48%) have high level of consumption of food and beverages. Similarly, out of 97 school educated respondents, majority (78%) are also making high level consumption, but out of 32 college educated, majority (56%) of respondents make moderate consumption of food and beverages. It is obvious from the Table 14 that out of 35 illiterate respondents in Vadipatti taluk, majority (49%) make moderate consumption of food and beverages. Similarly of the 96 school educated respondents, majority (50%) make moderate consumption, but out of 19 college educated, majority (42%) make low consumption of food and beverages in this study area.

Besides, the investigators have also made an attempt to ascertain the relationship between the literacy and the level of consumption of food and beverages. Chi-square analysis is used to test the null hypothesis. Since the calculated chi-square values are more than the table values, the null hypothesis is rejected. Hence, it is concluded that there is a significant relationship between the literacy of respondents and their level of consumption of food and beverages.

Occupation vs. Consumption of Food and Beverages

The occupation of sample respondents and their consumption of food and beverages have been shown in Table 15.

		Peraiyu	ır Taluk		Vadipatti Taluk				
	Le	evel of Co	onsumpti	on	Level of Consumption				
Occupation	High	Moderate	Low	Total	High	Moderate	Low	Total	
Salaried Employees	56	6	7	69	5	14	6	25	
Business and Agriculturist	6	15	5	26	6	18	9	35	
Casual Workers and Others	32	9	14	55	40	39	13	92	
Total	94	30	26	150	51	71	28	150	
Calculated Chi-square Value	40.23				11.51				

TABLE – 15: Occupation vs. Consumption of Food and Beverages

It is clear from Table 15 that out of 69 salaried employees in Peraiyur taluk, majority of them (81%) make high consumption of food and beverages. But of the 26 businesses and agriculturist, majority (58%) makes moderate consumption. But, out of 55 casual workers including others, majority (58%) makes high consumption of food and beverage products. It is understood from Table 15 that among the 25 salaried employees in Vadipatti taluk, majority (56%) have moderate consumption of food and beverages and similar situation is found in the



case of business and agriculturist. But majority (44%) of the casual workers makes high level of consumption of food and beverage products in this area.

It is attempted by the investigators to ascertain whether there is any relationship between the occupation and the level of consumption of food and beverage products. For this purpose, chi-square test has been used. As the calculated values are greater than the table values, the null hypothesis is rejected. Hence, it is concluded that there is a significant relationship between the occupation of respondents and the level of consumption of food and beverage products.

Family Income vs. Consumption of Food and Beverages

All income strata people are purchasing food and beverage products. Hence, the investigators have decided to make an attempt for analyzing of the family income of the respondents with consumption level of food and beverages. The result is reflected in Table 16.

		Peraiyu	ır Taluk		Vadipatti Taluk				
	Le	evel of Co	onsumpti	on	Level of Consumption				
Monthly Income	High	Moderate	Low	Total	High	Moderate	Low	Total	
Up to Rs.10000	78	23	18	119	35	57	15	107	
More than Rs.10000	16	7	8	31	16	14	13	43	
Total	94	30	26	150	51	71	28	150	
Calculated Chi-square Value	1.67				6.98				

TABLE – 16: Family Income vs. Consumption of Food and Beverages

It is obvious from Table 16, that out of 31 Peraiyur taluk respondents having income more than Rs.10000 per month, majority (52%) of them make high consumption of food and beverages. Similarly, out of 119 respondents earning up to Rs.10000 per month, majority (66%) of them make high consumption. In the case of Vadipatti taluk respondents, out of 43 respondents having income more than Rs.10000 per month, majority (37%) of them make high consumption of food and beverages, whereas out of 107 respondents with income up to Rs.10000 per month, majority (53%) of them make moderate consumption.

An attempt has been made to ascertain the relationship, if any, existing between the family income and the consumption of food and beverages. For this purpose chi-square test has been applied. As the calculated chi-square value is less than the table value in Peraiyur taluk, the null hypothesis is accepted. But in Vadipatti taluk, the calculated value is more than the table value. Hence, the null hypothesis is rejected and it is concluded that there is a significant relationship between the family income and the consumption of food and beverages.



Number of Family Members vs. Consumption of Food and Beverages

Number of family members is one of the deciding factors in determining consumption pattern. So, an analysis regarding the number of family members and the consumption of food and beverages has been made and presented in the Table 17.

		Peraiyu	ır Taluk		Vadipatti Taluk				
Number of Members	Le	evel of Co	onsumptio	on	Level of Consumption				
	High	Moderate	Low	Total	High	Moderate	Low	Total	
Up to 4 Members	12	19	5	36	8	9	5	22	
Above 4 Members	82	11	21	114	43	62	23	128	
Total	94	30	26	150	51	71	28	150	
Calculated Chi-square Value	1.67				6.98				

TABLE – 17: Number of Members vs. Consumption of Food and Beverages

From Table 17 it is understood that out of 36 Peraiyur taluk respondents having 'up to 4' members in the family, majority (53%) of them make moderate consumption. But out of 114 respondents who are having 'above 4' members in the family, majority (72%) of them make high consumption of food and beverage products. In the case of Vadipatti taluk, out of 22 respondents having 'up to 4' members in the family, majority (41%) of them make moderate consumption of food and beverages. Similarly, out of 128 respondents having 'above 4' members in the family, majority (48%) of them make moderate consumption of food and beverages.

Further, the investigators have made an attempt to ascertain the relationship, if any, existing between the number of family members and the consumption of food and beverages. Chi-square test results reveal that in the case of Peraiyur taluk respondents, the calculated value is more than the table value. So, the null hypothesis is rejected. Hence, it is concluded that there is a significant relationship between the number of members in the family and the level of consumption of food and beverages. Since the calculated value is less than the table value in Vadipatti taluk, the null hypothesis is accepted.

CONCLUSION

In recent time, the rural market has started showing its potential. This necessitated the marketers to plan for the converging behaviour of the rural consumers. This study analyzed the levels of consumption of Fast Moving Consumer Goods by rural consumers. The result of the study indicates that there is moderate consumption in 'home care' and 'oral care' products by the Peraiyur taluk respondents when compared to Vadipatti taluk. So, the marketers are advised



to take care while stocking these products at Peraivur taluk. Regarding the level of consumption, a major portion of rural consumers are consuming Fast Moving Consumer Goods at a lower level. Further, the relationship between personal factors of the respondents and consumption of 'personal care' and 'food and beverage' products shows significant difference. Overall, it seems that there exists low level of consumption in FMCGs by rural consumers and it provides vast potentials for marketers to make entry in rural areas for marketing their Fast Moving Consumer Goods.

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