

BEHAVIOURAL APPROACH OF RURAL CONSUMER IN INDIA

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Abstract

Consumer behavior in rural India is shaped by several factors, including limited access to products and services, social and cultural norms, family dynamics, religion, and purchasing power. Rural consumers are more likely to be influenced by word-of-mouth marketing, prefer affordable, durable products, and rely on local kirana stores for their daily needs. Businesses that want to succeed in rural markets need to understand the unique needs and preferences of rural consumers and tailor their marketing and advertising strategies accordingly. The Indian government's initiatives to improve rural infrastructure and connectivity are helping to bridge the rural-urban divide, making it easier for businesses to reach rural consumers.

Consumer behaviour is the study of how individuals choose, buy, use and dispose of goods, services, ideas, or experiences to satisfy their needs and wants. In the Indian context, consumer behaviour in rural areas is quite different from that in urban areas. Rural consumers have unique needs and preferences and understanding these needs is critical for businesses that want to succeed in rural markets.

India is predominantly an agrarian economy, with around 70% of its population living in rural areas. The rural sector has been a significant contributor to the Indian economy and has been growing at a steady pace. However, the consumer behaviour in rural areas is still vastly different from that in urban areas. This is due to several factors, including low levels of literacy, lack of awareness about new products and services and low levels of disposable income.

One of the critical factors influencing consumer behaviour in rural areas is the availability of products and services. Rural consumers have limited access to products and services compared to their urban counterparts. The distribution network in rural areas is not as developed as it is in urban areas, which means that rural consumers often have to travel long distances to buy even basic goods. This has a significant impact on the way rural consumers shop, as they tend to buy in bulk and stock up on products to avoid the inconvenience of traveling long distances. Due to the lack of access to products and services, rural consumers tend to rely on local kirana stores for their daily needs. These stores are typically small, family-run businesses that stock a limited range of products. Rural consumers are loyal to these stores as they offer credit facilities and personal relationships with the shopkeepers. Therefore, businesses that want to succeed in rural markets need to work closely with these kirana stores to ensure that their products are stocked and marketed effectively.

Social and cultural factors play a significant role in shaping consumer behaviour in rural India. Rural consumers are more likely to be influenced by family and community than urban consumers. This means that word-of-mouth marketing is more effective in rural areas than it is in urban areas. For example, in rural areas, the concept of “face value” is very important. People are more likely to buy products or services that they perceive will enhance their social standing or reputation in their community. This is why luxury goods like expensive cars or branded clothing may not be as popular in rural areas as they are in urban areas. Instead, products that are associated with traditional values and local culture, like handmade textiles or handicrafts, are more likely to be popular. Businesses that want to succeed in rural markets need to understand the social and cultural norms of the local community and tailor their marketing and advertising strategies accordingly.

In rural India, the joint family system is still prevalent, and family members play an essential role in the purchasing decision-making process. Women, in particular, have a significant influence on household purchases, including food, clothing and household items. Therefore, businesses that want to succeed in rural markets need to ensure that their products and services appeal to women.

Religion also plays a significant role in shaping consumer behaviour in rural India. The majority of the rural population in India is Hindu, and festivals and religious ceremonies are an essential part of their lives. Businesses that want to succeed in rural markets need to be aware of these festivals and tailor their marketing strategies accordingly. For example, during the festival of Diwali, businesses can offer special discounts and promotions to attract rural consumers.

The purchasing power of rural consumers is another critical factor that influences consumer behaviour in rural India. Rural consumers have lower levels of disposable income than urban consumers, which means that they are more likely to be price-sensitive. This makes it essential for businesses to price their products and services competitively and offer value for money to succeed in rural markets.

Rural consumers are also more likely to prefer low-cost, durable products that offer good value for money. For example, in the agricultural sector, rural consumers prefer low-cost, locally produced tools and equipment over expensive, branded products. Therefore, businesses that want to succeed in rural markets need to offer affordable, high-quality products that cater to the needs of rural consumers.

Furthermore, the income of rural consumers is often seasonal and dependent on agricultural cycles. This means that their spending patterns are likely to vary throughout the year. For example, during harvest season, rural consumers may have more disposable income to spend on goods and services.

Language and literacy are also critical factors that influence consumer behaviour in rural India. A significant proportion of the rural population in India is not fluent in English, which is the language used for most marketing and advertising campaigns. Therefore, businesses that want to succeed in rural markets need to create marketing practices in local languages.

In recent years, the Indian government has been focusing on developing rural infrastructure and improving connectivity to make it easier for rural consumers to access products and services. Initiatives like the Pradhan Mantri Gram Sadak Yojana, which aims to connect rural areas with all-weather roads, and the Digital India program, which aims to

improve internet connectivity in rural areas, are helping to bridge the rural-urban divide. It will be helpful for manufacturers to make reach to rural consumers.

In conclusion, consumer behaviour in rural areas is vastly different from that in urban areas. Rural consumers have unique needs and preferences and understanding these needs is critical for businesses that want to succeed in rural markets. Factors like availability of products and services, social and cultural norms and purchasing power influence consumer behaviour in rural areas. Businesses that want to succeed in rural markets need to tailor their marketing and advertising strategies accordingly and offer value for money to attract rural consumers.

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