

“A STUDY OF CUSTOMER SATISFACTION TOWARDS AVAILABILITY OF SELECTED FMCG IN SATARA DISTRICT”

Mrs. Amruta R. Sane

Asst. Prof. , BVDU, YMIM Karad

Dr. P.K. Mudalkar

Associate Prof. , BVDU, YMIM Karad

Abstract: The changing face of the rural market is clearly noticeable. It has changed its lifestyle, habits, tastes, literacy level and economic status. It is necessary for the marketers to understand the urban and rural consumers in their context with their characteristics backgrounds. Unless the marketer understands the consumer psyche, it is not possible to be successful in the market. The first mover towards the rural market has a distinct advantage of gaining entry, learning from the marketing experiences, ensuring business growth and moving towards brand loyalty.

Introduction:

The Indian market is divided into urban market and a hitherto untapped rural market. The characteristics of these markets are not always similar. The demographics, the buying behavior, the affordability range, the purchase determinants, the consumer psychology may not be exactly similar to each other. Hence it is necessary for the marketers to understand the urban and rural consumers in their context with their characteristics backgrounds. Unless the marketer understands the consumer psyche, it is not possible to be successful in the market.

While studying the rural markets it is observed that the rural markets are growing at a pace two times faster than the urban markets. The rural markets contribute almost 50% of sales revenue for most companies particularly the ‘low price pack’ which has contributed in a large way to the growth of sales in the rural market. The companies have realized that the key to be successful in the Indian market is to understand the urban and rural consumers with their similarities and differences so as to formulate suitable marketing strategies. The first mover towards the rural market has a distinct advantage of gaining entry, learning from the marketing experiences, ensuring business growth and moving towards brand loyalty.

The changing face of the rural market is clearly noticeable. It has changed its lifestyle, habits, tastes, literacy level and economic status. Development of infrastructure facilities like roads, electricity etc. has improved the standard of life of rural areas. To capture the untapped market, many Fast Moving Consumer Goods companies have started to shift their focus towards rural area. The Fast Moving Consumer Goods sector covers a wide gamut of products such as detergents, toilet soaps, toothpaste, shampoos, creams,

powders, food products, confectioneries, beverages, skin lotions and cigarettes etc. The products are branded and backed by marketing, heavy advertising, slick packaging and strong distribution networks. This industry is volume driven and is characterized by low margins. Thus this sector has attracted a large number of urban and rural consumers due to better penetration and low-priced products.

Of late, a number of companies engaged in production of FMCG have entered the rural hinter land which includes, companies like Hindustan Unilever Ltd. (HUL), ITC, Godrej to name a few. HUL is using its project shakti, explore the rural markets. Godrej Agrovet Ltd., it was the first company in India, to launch rural retail chains under the name 'Godrej Aadhaar. Britannia Industries had launched its 'Tiger Brand' of biscuits targeting the rural population.

The research work proposes to study the entire process of purchasing with its various stages in rural areas. To make the study manageable the scope of the study is restricted to Satara district of Maharashtra and selected fast moving consumer goods.

Review of literature:

- Amit Singh Sisodiya and Kavitha Putta , have focused on demand for FMCG products in the urban areas and also from rural areas. The authors also found that the domestic market showed signs of increased good spirit. Therefore FMCG giant companies are attempting to penetrate in rural areas through both physical and virtual networks. The FMCG companies have begun to realize that they should adopt strategies such as innovation, distribution (ITC- e Choupal), and marketing (Godrej No.1) to grab the rural market. The study also focused on the major drivers of FMCG companies such as rising disposable income and purchasing power in rural areas.

Therefore the researcher has observed that the effective strategies applied by FMCG companies for urban market should be differing for rural market, which will become success mantra in rural areas for them.

- Arun Kant Painoli, has found that influence of the rural consumers while purchasing detergent based on different age group. Also he has concluded that different traditions, conventions, ritual and beliefs affect the buying behavior,

Therefore the researcher has found that age group affects purchasing decision as well as other factors like traditions, conventions, rituals and beliefs affect the buying behavior.

- Muhammad Ali Tirmizi investigates in his article the relationship between independent variable which are shopping lifestyle of consumers, fashion involvement of consumers, pre and post decision stage of consumer purchase behaviour with the attitudinal and behavioural aspects of impulse buying behaviour. 165 respondents from higher income group from Rawalpindi and Islamabad of Pakistan have interviewed while collecting primary data.

The major findings of the study that the influence of pre-decision stage of consumer behaviour has only impact on impulse buying behaviour. The author has also found that young people more often get attracted to products displayed on store shelves and has greater tendency of impulse buying behaviour.

The researcher has reinforced the importance of pre-decision stage in buying behaviour process.

- Sarangpani and T. Mamtha, in their article focused on rural consumer behaviour regarding to non-durable goods. The authors stated that rural India is undergoing a sea change as a result of multi-pronged activities undertaken for overall development of the villages. The authors have also emphasized the increasing prosperity of rural India. This prosperity has led to an increase in the demand for durable and non-durable goods.

This article examines rural consumer perception towards non-durables, based on a survey conducted in selected districts of Andhra Pradesh. It identifies the important factors influencing rural consumer behavior, the awareness level of rural consumers regarding non-durables, level of satisfaction with non-durable products and the problems faced.

From this article, the researcher has understood the awareness level, satisfaction level and problems faced by rural consumer while purchasing non-durable goods.

- Lopamudra Ghosh in her article highlighted on how FMCG companies are taking full advantage of the economic boom in rural India. Because of rural markets account for 56% of the total FMCG demand. The FMCG companies are thus developing direct access to the rural markets through different channels and creating awareness through media and live demonstrations. They are molding their product offerings in accordance with the needs and capacities of the rural masses in order to capture a significant share of their wallet. The author has focused on the key challenges like poor distribution system, improper logistics and the fragmented rural market etc. The companies who understand these challenges and tune their strategies can take advantage of this economic boom in the rural sector of India.

It is helpful for the researcher to identify the problems and difficulties related to the availability of FMCG products in rural areas and it is also helpful to the researcher to find solution to overcome such problems in rural areas.

From these reviews, the researcher has acquainted knowledge about rural consumer buying behavior.

Objectives of the study:

The knowledge about buying behavior is to be ascertained by this research study. So the specific objectives of this study are as follows:

1. To examine the rural consumer buying behavior .
2. To highlight the problems, difficulties while purchasing FMCG in rural areas.
3. To put forth, constructive suggestion for distributing the products in rural markets.

Level of research:

The research is exploratory and descriptive. It is exploratory because the research explores the consumer purchasing while making a buying decision. It is descriptive because there is a detailed description of the various consumers in the urban and rural areas.

Sampling technique:

The sampling technique used in the study is proportionate, purposive and convenience sampling. 10% of the population multiplied by five families each from rural taluka was decided to be the sample size. The sample technique is purposive because the efforts were taken to cover respondents from all the income groups, educational backgrounds and other demographic groups in the selected area. Within rural area from each taluka of Satara district, the method of convenience sampling was adopted to select the respondents considering the accessibility of the respondents.

Methodology:

Collection of requisite information for analysis has used survey method.

The study is related to selected fast moving consumer goods. Thus the researcher has classified FMCGs into three categories as

a. Essential products b. Convenience products c. Premium products.

a. Type I (Essential products): The researcher has considered four edible products here i.e. Tea, Coffee, Edible Oil and salt which are essential to everybody.

b. Type –II (Convenience products): The consumer purchases these products according to his convenience, as per above products these are not essential. Here the researcher has considered five products i.e. soaps, detergent powder, toothpaste, hair oil and shampoo.

c. Type- III (Premium products): These are not essential nor convenient products. Malted drinks, soft drinks, face creams; perfumes and skin lotions are the chosen products in this category.

Data Analysis and Interpretation:

In data analysis and interpretation, some questions cover profile of consumer and rests cover objectives of the study.

Table No. 1 Gender wise classification of the respondents:

Sr. No.	Gender	No. of respondents	Percentage
1.	Male	236	27.44
2.	Female	624	72.56
		860	100

Source:-Field survey data, (Figures in the bracket to indicate percentage)

It is observed that the sample consists of mainly female respondents which are 72.56% and 27.44% respondents are male.

Female members have dominance in purchasing of household products. Most of the time female is decision maker, influencer, user and purchaser in buying process of FMCG. Thus she is performing role of consumer and customer and outcome of this table proves the same thing. Therefore female respondents are more than male respondents.

Table No. 2 Educational qualification of the respondents:

The consumer purchase decision is affected by personal factors like age, sex and educational level. As education influences what people want and what they appreciate. It also supports to take more informed decision about purchases.

Sr.No.	Educational qualification	No. of respondents	Percentage
1.	High School	125	14.53
2.	S.S.C.	220	25.58
3.	12 th Pass	244	28.37
4.	Graduate	177	20.58
5.	If any other please specify	94	10.93
	Total	860	100

Source:-Field survey data, (Figures in the bracket to indicate percentage)

This Table gives the distribution of the respondents by educational qualification. Among the respondents, major portion of rural respondents (28.37%) are 12th passed followed by S.S.C. passed (25.56%). Some respondents are having education such as Diploma, B.E., Doctors, LL.B., and other skilled person like carpenter, electricians but these constitute a very small group of 10.93% rural respondents.

Education influences information seeking, choosing of alternatives and effective decision making. The researcher wanted to find out whether respondents are actively information seeker or not in rural region. Here finding is that majority of the respondents are educated and qualified.

Table No. 3 Marital status of the respondents:

Family life cycle has different stages starting from marriage to retirement of the person. Each stage has changed consumer's buying pattern and changes in his financial obligations also.

Sr. No.	Marital status	No. of respondents	Percentage
1.	Married	728	84.65
2.	Un-married	132	15.35
	Total	860	100

Source:-Field survey data, (Figures in the bracket to indicate percentage)

From the above table, it is seen that majority of the respondents (84.65%) respondents are married and only (15.35%) rural respondents are not married.

The FMCG products have specific characteristics like small value but forms a significant part of the consumers family budget. Marital status affects the frequency of purchasing and family budget of consumer with regard to FMCG. Majority of the respondents are married compared to unmarried.

Table No. 4 Rural consumer's opinion about adequacy of Type –I products

Sr. No.	Type-I products	Opinion about adequacy of product				
		Totally satisfied	Satisfied	Somewhat satisfied	Not satisfied	Not satisfied at all
1.	Tea	292 (33.95)	459 (53.37)	71 (8.25)	38 (4.41)	0
2.	Coffee	210 (24.41)	344 (40)	186 (21.62)	120 (13.95)	0
3.	Edible oil	198 (23.02)	470 (54.65)	110 (12.97)	82 (9.53)	0
4.	Salt	162 (18.83)	422 (49.06)	156 (18.13)	120 (13.95)	0

Source:-Field survey data, (Figures in the bracket to indicate percentage)

This is an attempt to correlate between location and adequate supply of necessary material. From this table, it is revealed that, half portion of the surveyed data is satisfied with adequacy of necessary products in rural region. Adequacy of branded salt and coffee is less in rural area. So response is same i.e. 13.95% of respondents are not satisfied with adequacy of salt and Coffee in rural area.

It is found that marketers should more focus on adequacy of necessary products in rural region.

Table No. 5 Rural consumer's opinion about adequacy of Type –II products

Sr. No.	Type-II products	Opinion about adequacy of product				
		Totally satisfied	Satisfied	Somewhat satisfied	Not satisfied	Not satisfied at all
1.	Soaps	242 (28.13)	434 (50.46)	86 (10)	66 (7.67)	32 (3.72)
2.	Detergent powder	276 (32.16)	478 (55.71)	59 (8.87)	37 (4.31)	8 (0.93)
3.	Toothpaste	212 (25.14)	485 (57.53)	74 (8.77)	46 (5.45)	26 (3.08)
4.	Hair oil	214 (24.88)	391 (45.46)	123 (14.30)	76 (8.83)	56 (6.51)
5.	Shampoo	183 (23.64)	290 (37.46)	143 (18.47)	91 (11.75)	67 (8.65)

Source:-Field survey data, (Figures in the bracket to indicate percentage)

It is found from above table that, 50% to 58% respondents are satisfied with three convenient products except shampoo and hair oil in rural region and 23 % to 32% of respondents are totally satisfied with all five convenient products.

Thus from this table, it is observed that 1% to 11% of respondents are 'not satisfied at all to somewhat satisfied' for convenient products. Therefore marketers should pay attention towards adequacy of these products in both regions.

Table No. 6 Rural consumer's opinion about adequacy of Type –III products

Sr. No.	Type-III Products	Opinion about adequacy of product				
		Totally satisfied	Satisfied	Somewhat satisfied	Not satisfied	Not satisfied at all
1.	Malted drink	253 (29.42)	348 (40.47)	41 (4.77)	21 (2.44)	5 (0.58)
2.	Soft drink	239 (27.79)	339 (39.82)	52 (6.04)	24 (2.79)	3 (0.34)
3.	Branded face cream	300 (34.88)	368 (42.79)	63 (7.33)	11 (1.89)	5 (0.58)
4.	Perfumes	259 (30.11)	347 (40.35)	41 (4.77)	24 (2.79)	6 (0.70)
5.	Skin lotion	259 (30.11)	388 (45.11)	50 (5.81)	26 (3.02)	7 (0.81)

Source:-Field survey data, (Figures in the bracket to indicate percentage)

From this table, it is found that negligible i.e. upto 1% of respondent is not satisfied at all with premium products. It is also observed that these products are not available in required quantity or required brand but there is less effect on daily routine of customers. Thus they are satisfied with available brand.

This table has focused on problems; difficulties while purchasing fast moving consumer goods in rural areas and are one of the objectives of this study.

Table No. 7 Rural consumers substitute efforts when preferred brand is out of stock:

A potentially important influence on brand loyalty is the possibility of brand situation. An important reason for brand substitution is an out of stock condition. In such situation, consumers start to do shopping elsewhere for the desired brand or accepting a substitute.

Sr. No.	Substitute efforts of consumers	No. of respondents	Percentage
1.	Go to other shop	262	31.98
2.	Go to town or other city	290	33.72
3.	Do not buy other brand product	121	14.07
4.	Buy other brand product	18	21.98

Source:-Field survey data, (Figures in the bracket to indicate percentage)

When out of stock situation, a great majority of rural respondents (33.72%) prefer to go to town/city for the same brand, as to go to other shop is not easily available to rural respondent hence they prefer to go to other town/city.

The number of brand switchers is significant in rural areas (21.98%) . Nowadays, due to e-commerce brand switching is easily possible for FMCGs also. Every day, new and unique products are being launched. This is threat to traditional market.

But it can be reduced still further by applying proper distribution channel and innovation in existing products.

Findings:

- Female members have dominance in purchasing of household products. Therefore female respondents are more than male respondents.
- Majority of the respondents are educated and qualified from the sample data as education influences information seeking, choosing of alternatives and effective decision making.
- Marital status affects the frequency of purchasing and family budget of consumer with regard to FMCG and here majority of the respondents are married compared to unmarried.
- 50% of the surveyed data is satisfied with adequacy of necessary products in rural region. But for branded salt and coffee 13.95% of respondents are not satisfied.
- 50% to 58% respondents are satisfied with three convenient products except shampoo and hair oil in rural region and a very negligent portion of respondents are not satisfied at all with convenient products.
- Premium products are not available in required quantity or required brand in rural region but there is less effect on daily routine of customers.
- When out of stock situation, a great majority of rural respondents prefer to go to town/city for the same brand, as to go to other shop is not easily available to rural respondent hence they prefer to go to other town/city.
- The percentage of satisfied rural customers indicated that the availability of right product at right place on right time is not up to customer's expectations in rural areas. As all variety of Type-III products do not reach up to remote places compared to other two types of product.

Suggestion:-

The researcher realizes during the study that there is scope for developing and implementing marketing strategy for rural region. The researcher has tried to put forth the following suggestion, will prove helpful in the better understanding of rural consumers.

➤ **The marketers must ensure that the product is always available in the market.**

The distribution channel should be effective so the products are available at right place at right time in right quantity. It is important task to the marketers. In rural region, the consumers are comparatively less satisfied with the availability of variety of products.

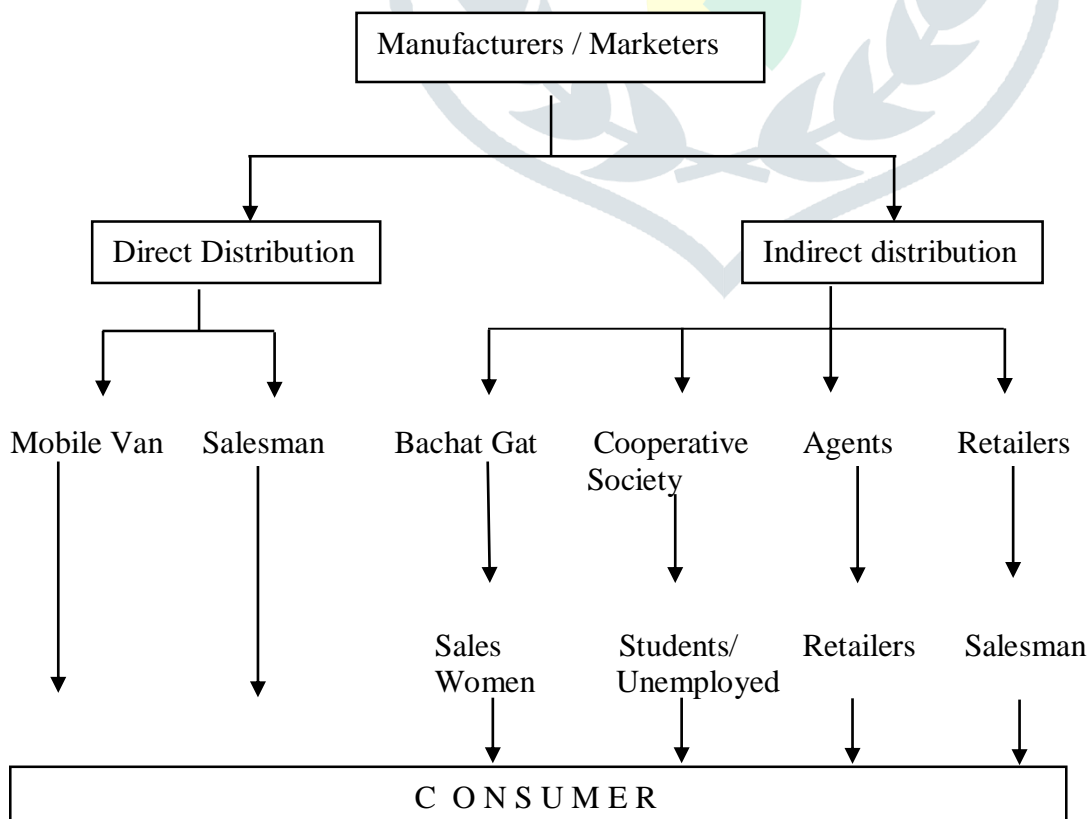
It is suggested that to improve distribution channel following are the ways to cover urban as well as remote rural places also.

The manufacturers should distribute their products into two ways i.e. direct distribution and indirect distribution.

a. In direct distribution method, marketers or manufacturers can distribute the products through following ways:

1. **Mobile van:** The marketer can cover the wide market area through the mobile van and get direct contact with consumers. The marketers should focus on weekly bazaar, yatra / mela days in different villages for distribution of the products. With existing products, the marketers can distribute free samples of launching products. Though it is possible to only big players. But small manufacturers can hire the mobile van for these specific days.
2. **Sales force:** The marketer should employ the local people as salesman and train them about distribution of products. It will help to needy people and marketers get advantage of local community.

Chart for Distribution channel:



b. In indirect distribution, the manufacturer or marketers first collect information about accessibility, distance from nearest town and also relative distance from national or regional highway. Based on this information, the marketers should employ the distributors in different regions of Satara district.

1. **Bachat gat** : A type of SHG makes women independent by employing them and providing to them a source of income. These women can help the marketing of products through home delivery services.

- In semi-urban and rural areas the marketers and the financial institutions should provide various finance schemes to especially economical backward women to start their own retail business. To reinforce this process, the marketers should provide financial aid to various bachat gats in different villages also.

2. **Co-operative society**: Local manufacturers of edible oil, producers of perfumes, washing powder; cold drinks can come together and form a co-operative society to market the product. (Western Maharashtra is famous for such activity). This co-operative unit can employ educated unemployed people and train them about effective distribution of products.

3. **Agents**: These distributors agents visit urban, semi-urban, rural areas and remote places and aware the retailers about them. As majority of retailers purchase the goods from wholesale market and district market also their emphasis on self purchasing also.

4. **Retailers**: The distributors appoint the retailers through providing financial aid. These retailers employ the salesman to visit remote places and avail the products to the consumers.

Conclusion:

The conclusion of this study is that the products are also many times not available in the market which makes them switch over to other brands. All these realities in the market place are depriving the marketers of many potential customers. Hence proactive initiatives by the businesses will help them tap a large section of the untapped rural market.

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