



Satisfaction of Rural Consumer Toward FMCG in Rural Tamilnadu

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ABSTRACT

The marketing scenario in India has undergone vast change since 1991 due to the economic reforms. Post-liberalization, competition intensified in every product line and market, which forced brands to redefine their norms of existence in all industries. In the FMCG industry, especially in toiletries sector there has been severe competition among the MNCs, national and local players. At the same time, penetration level of Toiletries in rural areas is very high, but per capita consumption levels remain low. In this scenario, it is very important for marketers to know the consumer behavior with respect to Toiletries, which will be very useful in adopting suitable strategies. This research paper attempts to analyze the, satisfaction, awareness, and switching behavior of consumers regarding Toiletries. It also examines the factors influencing brand choices.

KEYWORDS : Customer Satisfaction, FMCG, Product attributes, Toiletries

INTRODUCTION :

Customer satisfaction is a judgment made by the customer. It is borne out of the comparison of pre-purchase expectations with post purchase evaluation of the product. If the perceived performance falls short of expectations it leads to dissatisfaction. Satisfaction occurs when the perceived performance matches the expectations. If perceived performance exceeds expectations it results in delighting the customers. Customer satisfaction can result from quality related issues or non-quality issues (e.g. needs, equity, and perceptions). Further, the extent of dissatisfaction depends on the gap between expectations and performance. The larger the gap, the greater is the consumers' dissatisfaction. Research has proven that customer dissatisfaction has a greater psychological impact and a greater longevity than satisfaction. This dissatisfaction may force the consumer to discontinue the use, and when a similar need arises in the future he may search for another suitable alternative. Many studies have also shown that the costs of acquiring a new customer are more expensive than retaining the existing ones. Customer satisfaction is also linked to increased profitability, loyalty and retention and repeat purchases. So, it is imperative for marketers to understand the customer satisfaction and its related concepts to determine the factors influencing consumer behaviour. It is more important in FMCG sector especially in toiletries, where consumers have abundant choice of products. The competition between companies to attract consumers is also very intense. In the urban area, the penetration level of toilet soap is already high. At the same time, consumers are flooded with many offers and promotional strategies aimed at them. In this backdrop, this paper makes an attempt to analyse rural consumers' satisfaction toward FMCG Products

NEED AND IMPORTANCE OF THE STUDY

The FMCG Toiletries market is littered over with several, leading national and global brands and a large number of small and local brands. Toiletries, despite their divergent brands, are not well differentiated by the consumers. This results in fragmented market and obviously leads to a highly competitive market. In toilet soap market, strong brand equity and a wide distribution network are vital in attracting customers. Brand equities are built over a period of time by technological innovations, consistent high quality, aggressive advertisement and marketing. Availability of the products is another crucial success factor, as products are of small value, frequently purchased daily use items. So, there is always a chance of brand switching due to impulse buying. A deep insight of consumer brand loyalty and satisfaction can help marketers retain the existing customers and entice new ones. In this backdrop, this study is undertaken to examine the consumers' brand awareness, loyalty, and satisfaction towards Toiletries. The factors influencing brand selection and brand switching are also assessed.

OBJECTIVES OF THE STUDY

- To evaluate the satisfaction level of rural consumers with regard to Toiletries brand
- To assess the brand awareness of rural consumers with respect to Toiletries

METHODOLOGY

4.1 Sample Size

The determination of sample size

Sample size $n = (ZS/E)^2$

Where,

Z = Standardized value corresponding to a confidence level of 95% = 1.96

S = Sample SD from Pilot study of 120 sample = 0.574

E = Acceptable Error = 5% = 0.05

Hence, Sample size = $n = (ZS/E)^2 = (1.96 \cdot 0.574/0.05)^2 = 384$

4.2 Sampling Method

The Stratified Sampling technique was used to collect filled in questionnaire from 384 rural consumers. The sample respondents are selected from the Villages through Stratified Sampling Method

S. No.	Districts	Rural Population	Samples	Percentage
1	Sivagangai	9,25,619	53	14
2	Ramanathapuram	9,10,949	50	13
3	Nagapattinam	1,250,291	69	18
4	Cuddalore	1,718,249	96	25
5	Ariyalur	6,68,776	35	09
6	Krishnagiri	1,455,251	81	21
	Total	6,929,135	384	100

Data Analysis and Interpretation

The relationship between satisfaction regarding the attributes of usage of washing powder and personal characteristics of rural consumers was analysed with the help of ANOVA and T-Test

H0 - There is no significant difference in satisfaction regarding different attributes of usage of washing powder among different gender group of rural consumers

Table 5.1
Satisfaction regarding the attributes of usage of washing powder among different gender group of rural consumers

Attributes of washing powder	Gender (Mean Score)		T- Statistics
	Male	Female	
To remove the stains	4.1414	4.4105	2.899*
Protects the colour of clothes from fading	3.4293	3.6895	2.437*
Gives a gentle wash	3.7853	4.2526	4.176*
Gives pleasant Fragrance	4.0628	3.8737	1.549
Makes it safe for use in all types of washing machines	3.3508	3.4421	0.595

Source: Primary data

*-Significant at five per cent level

Table 5.1 shows the mean score of satisfaction regarding the different attributes of usage of washing powder among different gender group of rural consumers along with its respective 'T' statistics. The important satisfaction regarding the different attributes of usage of washing powder among the male consumers are remove the stains and gives pleasant fragrance and their respective mean scores are 4.1414 and 4.0628 and among the female consumers, remove the stains and gives a gentle wash and their respective mean scores are 4.4105 and 4.2526. Regarding the satisfaction regarding the different attributes of usage of washing powder, the significant difference among the different gender group of consumers, are identified in the case of remove the stains, protects the colour of clothes from fading and gives a gentle wash since the respective 'T' statistics are significant at 5 per cent level, the null hypothesis is rejected.

H0 - There is no significant difference in satisfaction regarding different attributes of usage of bathing soap among different gender group of rural consumers

Table 5.2
Satisfaction regarding the attributes of usage of bathing soap among different gender group of rural consumers

Attributes of bathing soap	Gender (Mean Score)		T- Statistics
	Male	Female	
It has a great scent that stays with you all day long	3.8429	3.8579	0.149
It nourishes and softens your skin all day long	3.7016	3.9368	1.969
It has beautifying qualities for the skin	3.8953	3.9789	0.736
It has toning and soothing properties	3.3927	3.7842	3.156*
It purifies and protects skin from environmental damage	3.7277	3.7421	0.112
It is good for blemished and oily skin	3.6545	3.9842	2.853*

Source: Primary data

*-Significant at five per cent level

Table 5.2 shows the mean score of satisfaction regarding the different attributes of usage of bathing soap among different gender group of rural consumers along with its respective 'T' statistics. The important satisfaction regarding the different attributes of usage of bathing soap among the male consumers are beautifying qualities for the skin and great scent that stays with you all day long and their respective mean scores are 3.8953 and 3.8429 and among the female consumers, good for blemished and oily skin and beautifying qualities for the skin and their respective mean scores are 3.9842 and 3.9789. Regarding the satisfaction regarding the different attributes of usage of bathing soap, the significant difference among the different gender group of consumers, are identified in the case of toning and soothing

properties and good for blemished and oily skin since the respective 'T' statistics are significant at 5 per cent level, the null hypothesis is rejected.

H0 - There is no significant difference in satisfaction regarding different attributes of usage of tooth paste/powder among different age group of rural consumers

Table 5.3
Satisfaction regarding the attributes of usage of tooth paste / powder among different age group of rural consumers

Attributes of tooth paste / powder	Age (Mean Score)				F- Statistics
	Below 25	25-40	41-60	61-75	
Prevents tooth decay	4.0280	4.4330	4.1471	4.0000	3.032*
Prevents tartar buildup	3.8084	3.8660	3.8382	3.0000	0.110
Freshens your breath	4.0654	3.8763	3.6029	4.0000	3.059*
Prevents gum disease	4.1869	3.9175	3.5588	4.0000	5.978*
Makes your teeth feel clean	4.3364	4.3402	3.5147	3.0000	12.416*
Leaves a nice taste in your mouth	4.0467	4.1340	3.5588	4.0000	4.669*
It can be used to dry up spots	3.9439	3.8144	3.6912	3.0000	1.819

Source: Primary data

*-Significant at five per cent level

Table 5.10 shows the mean score of satisfaction regarding the different attributes of usage of tooth paste/powder among different age group of rural consumers along with its respective 'F' statistics. The important satisfaction regarding the different attributes of usage of tooth paste/powder among the consumers who are in the age group of below 25 years are makes teeth feel clean and prevents gum disease and their respective mean scores are 4.3364 and 4.1869 and among the consumers who are in the age group of 25 to 40 years, prevents tooth decay and makes teeth feel clean and their respective mean scores are 4.4330 and 4.3402. Table further shows that the important satisfaction regarding the different attributes of usage of tooth paste/powder among the consumers who are in the age group of 41 to 60 years are prevents tooth decay and prevents tartar buildup and their respective mean scores are 4.1471 and 3.8382. Regarding the satisfaction regarding the different attributes of usage of tooth paste/powder, the significant difference among the different age group of consumers, are identified in the case of prevents tooth decay, freshens breath, prevents gum disease, makes teeth feel clean and leaves a nice taste in the mouth since the respective 'F' statistics are significant at 5 per cent level, the null hypothesis is rejected.

H0 - There is no significant difference in satisfaction regarding different attributes of usage of shampoo among different educational qualification of rural consumers

Table 5.4
Satisfaction regarding the attributes of usage of shampoo among different educational qualification of rural consumers

Attributes of shampoo	Educational Qualification (Mean Score)					F- Statistics
	School level	Diplo- ma	Gradu- ate	Post Gradu- ate	Others	
Avoid Hair Loss	3.8449	3.3793	3.6299	3.6250	3.6364	2.543*
Prevent Dandruff	3.8310	4.3103	3.5779	3.8333	3.4545	5.676*
Suitable for hair	3.8169	4.7241	3.8442	4.0208	4.0000	5.008*
Softens hair	3.6831	4.1724	4.1688	4.0833	4.0291	3.475*
Hair growth	3.6056	3.8621	3.8117	3.2083	2.9091	3.720*
Fragrance	3.9296	4.2414	3.8182	3.4792	3.7273	2.877*
Price	4.1197	4.5172	3.8766	3.4590	2.6364	11.461*
To remove oil dirt	3.9789	4.6552	3.7338	3.8125	3.0909	6.459*
Vitamins	2.8451	3.4138	3.2597	2.6250	3.4545	4.933*
Less Chemicals	2.5563	3.1379	2.6623	2.1875	2.9091	2.561*

Source: Primary data

*-Significant at five per cent level

Table 5.4 shows the mean score of satisfaction regarding the different attributes of usage of shampoo among educational qualification of rural consumers along with its respective 'F' statistics. The important satisfaction regarding the different attributes of usage of shampoo among the consumers who had school level educational qualification are price and to remove oil dirt and their respective mean scores are 4.1197 and 3.9789 and among the consumers who had diploma educational qualification, suitable for hair and to remove oil dirt and their respective mean scores are 4.7241 and 4.6552. Table further shows that the important satisfaction regarding the different attributes of usage of shampoo among the consumers who had graduates, post graduates and other educational qualification are softens hair and their respective mean scores are 4.1688, 4.0833 and 4.0291. Regarding the satisfaction regarding the different attributes of usage of shampoo, the significant difference among the different educational qualification of consumers, are identified in the case of avoid hair loss, prevent dandruff, suitable for hair, softens hair, hair growth, fragrance, price, to remove oil dirt, vitamins and less chemicals since the respective 'F' statistics are significant at 5 per cent level, the null hypothesis is rejected

The following table shows the Brand awareness of different gender group of rural consumers towards Fast Moving Consumer Goods.

Table No. 5.5

Brand awareness towards Fast Moving Consumer Goods and Gender

Brand Awareness	Gender		Total
	Male	Female	
Yes	120(31.3)	107(27.9)	227(59.1)
No	71(18.5)	86(22.4)	157(40.9)
Total	191(49.7)	193(50.3)	384(100)

Source: Primary data

From this table it is understood that the largest percentage (31.3%) male consumers are aware brands of Fast Moving Consumer Goods. Among female consumers it is 27.9%.

In order to study the relationship between brand awareness towards Fast Moving Consumer Goods and gender group of rural consumers, 'Chi-square' test was attempted with the hypothesis as,

H₀ - "There is no significant relationship between brand awareness towards Fast Moving Consumer Goods and gender group of rural consumers".

H_a - "There is a significant relationship between brand awareness towards Fast Moving Consumer Goods and gender group of rural consumers".

The result of 'Chi-square' test was presented in Table.

Table No. 5.6

Brand awareness towards Fast Moving Consumer Goods and Gender Group of Rural Consumers- Chi-Square Test

Particulars	Value	df	p Value
Pearson Chi-Square	2.167	1	0.141
Likelihood Ratio	2.170	1	0.171
Linear-by-Linear Association	2.162	1	0.148
N of Valid Cases	384		

Source: Primary data

As the 'p' value is higher than 0.05, the null hypothesis is accepted. It was concluded that there is no significant relationship between brand awareness towards Fast Moving Consumer Goods and gender group of rural consumers.

CONCLUSION:

Significant differences were observed among different demographic profile of rural consumer, especially, with the attributed attached to the brand they are used regularly. This can be attributed to the different lifestyles adopted by different income groups. Surprisingly respondents having greatest awareness towards brand. Quality and price of new brands motivated them to brand switching. This has to be carefully studied by the marketers. Another area of concern is that many rated their present soaps as just satisfying although they have been using the same brand for a longer period. In this perspective, FMCG companies need to reformulate their strategies to delight the customers. At the same time, as most of the respondents have been using the same brand for a longer period of time, new entrants have to devise suitable plans to attract the customers of existing brands. Deeper penetration in urban areas also holds the key to unlocking growth potentials especially in the Premium Segment. Thus, product innovation, smart merchandising and distribution will be of key importance for FMCG products to become leaders in the industry.

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