

# Impact of Television Advertisement on Buying Behaviour of Rural Consumers towards FMCG in Kanyakumari District

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## ABSTRACT

In the past years, due to the lack of amenities available in the rural areas, the rural consumers go to a nearby city to buy branded products and services. Today, the marketers have realized the prospective in the rural market, which has become serious for them, be it for a branded shampoo or an automobile. Today, television has made the customer in a rural area quite literate about countless products that are on offer in the market place. Media plays a pivotal role in the penetration of goods like cosmetics, mobile phones, and other FMCG products etc. in the rural areas. This paper focused the impact of advertisement on buying behaviour of rural consumer towards FMCG in Kanyakumari District.

**Keywords:** Rural Consumers, FMCG Products, Advertisement, Buying Behaviour

## 1. INTRODUCTION

Advertising is a measure of development of civilization and a sign of striving of human race for betterment and excellence. Every one of us is consumer. We need a variety of products and services right from our birth to death, it's because of marketing; we can have what we want. Marketing is a process by which both the buyer and seller give something (e.g. goods, money and service etc.) to each other for utmost possible satisfaction. Nowadays Rural marketing is having more importance. Now a days there is a high insist that producers are stated seeking to enter in the rural areas now due to number of the reasons one of them is diffusion in urban areas. The rural market has a strong hold on country shops that may affect the sales of various goods and services. The corporate are trying to set off growth in rural areas. They are identifying the fact that rural people are now in the enhanced position with disposable income. The low rate of financial convenience has also improved the affordability of Purchasing the costly products by the rural people. Marketer should understand the price sensitivity of a consumer in a rural area. Buying goods and services for generating favorable conditions for acceptance of an idea

**Statement of the problem:** Life in rural areas is still governed by customs and traditions and people do not easily adapt new practices. Rural consumers are cautious in buying and decisions are slow and delayed. They like to give a trial and only after being personally satisfied, do they buy the product. Customers in rural India are very cost sensitive. Therefore the existence of duplicate brands, which are quite common in rural parts, at lesser prices gives considerable competition to the firms. Television has made a great impact and large audience has been exposed to this medium. Radio reaches large population in rural areas at a relatively low cost. However, reach of formal media is low in rural households.

**Objectives of the study:** The objective of the present study is to ascertain the impact of advertisement on buying behaviour of rural consumers towards fast moving consumer goods (FMCG) in Kanyakumari District

## 2. METHODOLOGY

The research study accomplished through Primary data by conducting survey through a questionnaire and direct interview. Sampling technique used in the present study is Multistage Random Sampling. The study was confined to Kanyakumari District of Tamilnadu. The representative districts taken for the study are based on the prominence of its rural nature, which is more than 50% of the total area of the district. In order to find out the impact of TV Advertisements of Toiletries on Rural Buying behaviour, the factor analytic technique has been applied. A set of 14 statements shown in table 1 measured on a five point Likert scale (where 1 is strongly agree and 5 strongly disagree) concerning the opinion of respondents (derived through a survey) regarding the impact of television advertisements of Toiletries on rural buying behaviour have been factor analyzed.

Factor analysis has been applied to verify the views regarding the effect of TV advertisements of Toiletries on rural buying behaviour

**Table.1.Statement regarding the impact of tv advertisements of toiletries and beverages on rural buying behaviour**

S.No	Statements
1	Advertisement by a celebrity on the television influence my purchase behaviour more than an unidentified source
2	Advertisements have brought a drastic change in my buying behaviour
3	Advertising of Toiletries and beverages on the television creates a need for the product

4	Advertising saves time in comparison to visiting the stores
5	Change in advertisement media brings an attitudinal change in my buying behaviour
6	I feel that advertising is a way to pollute the rural atmosphere and our environment
7	I generally check for the available substitutes of the product by viewing the Television advertisements
8	Media is important as far as advertisement is concerned
9	Product knowledge is important before purchasing the Toiletries and beverages rather than relying on the television advertisements
10	Products advertised on TV are priced higher than the products that are not being advertised
11	Television Advertising gives me the information about the brands which have features I am looking for
12	The Advertisement message shown on the television is Trustworthy
13	The benefits of toiletries and beverages described in the television Advertisements are believable
14	The television Advertisements of Toiletries and beverages create a stimuli to buy the product

**Sample Size:** To carry on the present study a total of 150 questionnaires were analyzed. Thus, present study qualifies the sample size requirement for applying Factor Analysis

### 3. ANALYSIS AND INTERPRETATION

**Table.2.Age wise distribution of respondents**

Age	No. of Respondents	Percentage
Below 30	12	8.0
31-40	66	44.0
41-50	38	25.3
Above 50	34	22.7
Total	150	100

**Source:** Primary data

Table II reveals that 44 per cent are in the age group of 31 to 40 and 25.3 per cent are in the age group of 41 to 50 years, 22.7 per cent are in the age group of above 50 years and 8 per cent are in the age group of below 30 years.

**Table.3.Marital status wise distribution of respondents**

Marital Status	No. of Respondents	Percentage
Married	128	85.3
Unmarried	22	14.7
Total	75	100

**Source:** Primary data

Table III reveals that 85.3 per cent are married and 14.7 per cent are unmarried. It divulges that married individuals are highly involved in buying the FMCG in Kanyakumari district.

**Table.4.Monthly income wise distribution of respondents**

Monthly Income	No. of Respondents	Percentage
Below Rs.5000	48	32.0
Rs.5000 – Rs.10000	62	41.3
Rs.10000 – Rs.20000	30	20.0
Above Rs.20000	10	6.7
Total	75	100

**Source:** Primary data

Table IV clearly shows that 41.3 per cent earn a monthly income of Rs.5000 to Rs.10000, 32 per cent earn a monthly income of below Rs.5000, 20 per cent earn a monthly income of Rs.10000 to Rs.20000 and 6.7 per cent earn a monthly income of above Rs.20000. It is evident from table that majority of the respondents earn a monthly income of Rs.5000 to Rs.10000.

The Varimax Rotated Factor Loading Matrix has been presented in Table V. Scrutiny of the table revealed that there are three factors which together accounted for 63.569 percent variance. It shows that 63.569 percent of total variance is explained by the information contained in the factor matrix. Thus, a model with these three factors is explaining 63.569 percent variance. Community shows the amount of variance a variable shares with all the other variables being considered. It can also be treated as the proportion of variance determined by the common factors. The size of communality is the index for assessing how much difference in a particular variable is accounted for by the factor solution. Large size of communalities indicates that a large amount of variance in a variable has been extracted by factor solution while small size of communalities shows that a significant amount of variance in a

variable has not been accounted for by the factor solution. Communalities are considered high if they are all 0.8 or greater but this is unlikely to occur in real data.

**Table.5.Varimax rotated factor loading matrix**

Variables	1	2	3	Communality
VAR00001	0.167	0.202	0.778	0.674
VAR00002	0.094	0.132	0.786	0.644
VAR00003	0.286	0.673	0.234	0.590
VAR00004	0.714	-0.080	0.275	0.592
VAR00005	0.774	0.318	0.145	0.721
VAR00006	0.374	0.715	-0.006	0.650
VAR00007	0.751	0.427	0.031	0.747
VAR00008	0.755	0.054	0.198	0.613
VAR00009	0.837	0.238	0.014	0.758
VAR00010	0.795	0.258	0.077	0.705
VAR00011	0.757	0.326	0.051	0.682
VAR00012	0.419	0.673	0.019	0.629
VAR00013	0.665	0.433	0.080	0.636
VAR00014	-0.058	0.290	-0.366	0.221
<b>Eigen Values</b>	6.757	1.498	1.280	9.538
<b>Percent of Variation</b>	45.049	9.989	8.531	----
<b>Cumulative Variation</b>	45.049	55.038	63.569	----

Source: Primary data

Generally accepted communalities lie between 0.40 and 0.80. In our study all the communalities were above 0.50 and many of them were above or very close to 0.7 also. We finally found that the variables X12, X3, X10, X1, X5, X9, X7, X8 loaded on factor 1, the variables X14, X4, X11, and X6, were loaded on factor 2 and variables X2 and X13 were loaded on factor 3. Present study has also given symbolic labels to the factors. The factors with their codes and factor loadings are given in Table VI.

**Table.5.Interpretation of factors**

Factors	Loadings	Statements included in the Factor
<b>Role of Television (F1)</b>	0.714	The Advertisement message shown on the television is Trustworthy (X12)
	0.774	Advertising of Toiletries and beverages on the television creates a need for the product (X3)
	0.751	Products advertised on TV are priced higher than the products that are not being advertised (X10)
	0.755	Advertisement by a celebrity on the television affect my purchase behaviour more than an unidentified source (X1)
	0.837	Change in advertisement media brings an attitudinal change in my buying behaviour (X5)
	0.795	Product knowledge is important before purchasing the Toiletries and beverages rather than relying on the television advertisements (X9)
	0.757	I generally check for the available substitutes of the product by viewing the Television advertisements (X7)
<b>Outlook of Rural Consumer (F2)</b>	0.665	Media is important as far as advertisement is concerned (X8)
	0.673	The television Advertisements of Toiletries and beverages create a stimuli to buy the product (X14)
	0.715	Advertising saves time in comparison to visiting the stores (X4)
	0.673	Television Advertising gives me the information about the brands which have features I am looking for (X11)
<b>Effect of tv Advertising On buying Behaviour (F3)</b>	0.290	I feel that advertising is a way to pollute the rural atmosphere and our environment (X6)
	0.778	Advertisements have brought a drastic change in my buying behaviour (X2)
	0.786	The benefits of toiletries and beverages described in the television Advertisements are believable (X13)

Source: Primary Data

**Role of TV Advertising (F1):** Perusal of Table 3 reveals that it is the most significant factor with 45.049 percent of total variance explained. Total eight variables have been loaded on this factor. The factor demonstrates that consumers believe that the TV ads are trustworthy, though the products advertised are priced higher and create their need in the society. Rural masses also believe that media plays an important role, yet a consumer needs to have basic information about the product before they can rely upon ads. Celebrity advertising is also found to play an important role in persuading the rural consumers.

**Outlook of Rural Consumer (F2):** Analysis of Table 3 shows that it is the second important factor with 9.989 percent variance explained. This factor says that consumers know that TV ads create stimuli to purchase a product, yet it saves time and gives the necessary information about the product and its brands. Rural consumers on the whole rate advertising as an important force in the economy.

**Effect of TV Advertising on Buying Behaviour (F3):** Examination of Table 3 shows that it is the third important factor with 8.531 percent variance explained talks about the drastic change that TV ad viewership has brought in the rural lives. They trust the benefits about the brands that are portrayed on the television advertisements.

#### Findings:

✓ Nearly half of the rural households were found to own one television set only, which clearly depicts the undemanding nature of rural population. The reason for ownership of one television set can be attributed to low to medium levels of seasonal income in large number of rural households. Also, most of the television sets owned by the respondents were financed by the financing companies.

✓ In order to find out the factors influencing the perception of rural consumer for television advertising, the factor analytic technique has been applied. Factor analysis reveals that three factors had Eigen values exceeding 1 and they accounted for as high as 57.364 percent variance. The strongest factor which influenced the perception of rural consumer has been "Rationale of TV advertisements" with Eigen value of 4.236 and contributes 35.300 percent of total variance. The second important factor has come out to be "Attitudinal change due to television advertisements", and the third important factor is "Impact of Advertising on lifestyle of rural consumers". This shows that rural consumers believe that television plays an important role in today's world and has brought about a drastic change in the outlook and approach of rural consumers.

✓ A good number of the respondents feel that a large percentage of their fellow population gets engrossed in TV advertisements and are stimulated to buy the toiletry advertised on the television.

✓ Television advertising is considered to be a need creating process. Many of the big players in FMCG industry are spending huge sum of money on various modes of advertisements. The rural consumers also often purchased various toiletries after watching a television advertisement, without the actual requirement of the product.

#### Suggestions:

✓ A close observation of use of toiletries in the rural households indicates the importance of re modifying the current product. The producers need to think of the new designs of products that are especially apt for the rural people and keep their lifestyles in their view.

✓ The Brand name or the brand logo plays a vital role in the minds of rural consumers. The rural consumers are more concerned with the utility of the products. Brand awareness in rural areas is found to be very high in recent times. So the name of the brand or the logo of the brand is much essential for the rural people to remember the products.

✓ Without minimizing the quality of the product or the functional efficiency of the product the FMCG players have to change the cheaper products by applying the technique of value engineering by substituting the expensive raw material with the lower one.

✓ This technique yields itself for application in many engineering or product designed areas so that the price can be kept at an affordable level. These areas have to be explored by manufacturing and marketing men in the context of rural markets

#### 4. CONCLUSION

This study on the one hand has broken many old thinking regarding rural markets whereas it upheld many others. Opposing to the belief that only well-educated and rich consumers utilize the top national brands but even low level income consumers were found to be captivating such brands. Similarly the consumers have been establishing well exposed to the different media primarily to the newspapers and television. The teenage rural consumers have been found more variety seeking in contrast to the old aged counterparts. The Indian rural market with its vast size and demand base offers a huge opportunity that Multinational Companies cannot pay for to ignore. Mounting the market by tapping the countryside, many Multinational Companies are inward bound into India's rural markets.

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