

**PERCEPTION OF RURAL CONSUMERS' TOWARDS FMCG-  
WASHING SOAP:  
A STUDY CONDUCTED IN SIRUGUPPA TOWN &  
VILLAGE IN BELLARY DISTRICT IN  
KARNATAKA STATE**

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**Abstract**

The Fast Moving Consumer Goods sector is a corner stone of the Indian economy. This sector touches every aspect of human life. The FMCG producers have realized that there are ample opportunities for them to enter into the rural market. The Government policies to promote education in rural areas have enhanced their brand awareness due to the presence of at least one member of the family pursuing higher education. Consumer Perception The success of a business depends upon its ability to attract and retain customers who are willing to purchase goods and services at prices that are profitable to the company. Consumers' perception describes how customers and potential customers view a company and its products and services. In this paper has been collected data through questionnaire and tested collected data through using statistical tool that is Chi-square, later researcher has data analyzed and interpreted from tables.

Key words: introduction. Methodology. Data interpretations. Tested Chi-square.

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## Introduction

The Fast Moving Consumer Goods (FMCG) sector is a corner stone of the Indian economy. This sector touches every aspect of human life. The FMCG producers have realized that there are ample opportunities for them to enter into the rural market. Today we notice this shift towards branded FMCGs in rural areas as a result of Socio Economic & Political changes in the last 5 years. This has made rural markets more viable as compared to urban markets. The Socio Economic and Political changes have contributed to a great extent for changes in the life styles of countryside people who patronized branded FMCG products. The Government policies to promote education in rural areas have enhanced their brand awareness due to the presence of at least one member of the family pursuing higher education. Consumer Perception The success of a business depends upon its ability to attract and retain customers who are willing to purchase goods and services at prices that are profitable to the company. Consumers' perception describes how customers and potential customers view a company and its products and services. Consumer perception is important to businesses since it can influence consumer behavior, which ultimately affects the profitability of a business. Many businesses spend large amounts of resources to influence consumer perceptions. By studying the behavior of consumers, businesses can gain a better understanding of the role of perception. Companies can greatly improve their marketing strategies when they have a firm understanding on the psychology of how consumers feel, think and reason their way to a buying decision. Knowing how consumers are influenced by their environment, their information-processing abilities and their perception of a product can help companies to more effectively reach consumers. Indian Consumer Indian consumer market can be broadly classified into two segments- urban markets and rural markets. The urban markets are those which cover relatively high density of population nexuses with developed infrastructure which includes metropolitan cities, towns, district headquarters and other industrial townships. Urban markets are well developed and well integrated, in terms of communication, transportation, organizational forms and elite consumers with higher levels of awareness, mobility and purchasing power etc. On the other hand, rural markets are mostly uninterrupted, very small in size, and rudimentary in nature. The Indian market has deep rural Character with the total rural population of about 70 percent. This population is widely scattered among 5.8 lakh town & town & villages. Rural consumers are characterized by low purchasing power, low levels

of literacy and low levels of awareness, low mobility etc., with a wide range of contradictions and paradoxes, which are baffling the most urban- born marketers.

### **Need of the Study**

This study highlights the facts about perception of rural consumers towards washing soap. Rural consumers of today are more challenging and more quality conscious than earlier.

### **Importance of the Study**

This type of study particularly concentrating on one product of FMCG has been conducted in the Siruguppa town & village of Bellary District in Karnataka state. By understanding the importance of rural consumers in India, the researcher has decided to study the perception of rural consumers towards washing soaps. The research also provides the information to the marketers to tap the untapped market.

### **Statement of the Problem**

The researcher has observed that large number of rural consumers are brand conscious towards FMCGs. Hence, this made researcher to conduct a study on the “perception of rural consumers towards washing soaps”.

### **Objectives of the Study**

1. To evaluate the perception of rural consumers’ towards the FMCG.
2. To investigate the behavioral pattern of the consumers, if preferred brand is not available.
3. To study the expectations of rural consumers.

### **Scope of the Study**

The scope of this research is to identify the perception of rural consumers towards washing soap of Siruguppa area. The research is based on primary and secondary data. This study aims to find out the perception of rural consumers’ and their decision making.

### **Limitations**

1. Sample size is only 200.

2. Only information related to washing soap have been collected
3. Information collected in Siruguppa area only.

### Methodology

The researcher has selected the respondents on the basis of convenience sampling method. A sample of 200 respondents was selected for the study. Primary data have been extracted by using structured Questionnaire.

### Data Analysis and interpretation

The results of the analysis of the collected data are presented below:

**Table 1: Age Wise Classification of Respondents**

Age wise classification (yrs)	No. of Respondents	Percentage (%)
16-25	38	19
26-35	66	33
36-45	64	32
45-Above	32	16
Total	200	100

The above table clearly shows that 33% (maximum) of respondents are in the age group of 26-35 years and 32% of respondents are in the age group of 36-45 years, 19% of respondents belong to the age group of 16-25 Yrs and 16% of the respondents belong to the age above 45.

**Table 2: Qualification of Respondents**

Qualification	No of respondents	Percentage
Below –SSLC	158	79
PUC	24	12
Degree	18	9
Total	200	100

The above table reveals that maximum of respondents i.e. 79% possess primary education, 12% of respondents possess PUC, and remaining respondents possess Degree.

**Table 3: Monthly family income of Respondents**

Family income	No of respondents	Percentage
Below 10,000	68	34
10000-20000	88	44
20000-30000	32	16
30,000-Above	12	6
Total	200	100

The above table reveals that 34% of respondents family income is Rs. Below the 10000, 44% of respondents family income is Rs.10000 to Rs.20000, 16% of respondents family income is Rs. 20000 to Rs.30000, 6% of respondents family income is above Rs. more than 30000,

**Table 4: Respondents Preference towards Washing Soap**

Brand	No of respondents	Percentage
Rin	60	30
Wheel	20	10
Surf excel	100	50
Nirma	10	5
Shashi	4	2
Tide	6	3
Total	200	100

The above table reveals that 50% (maximum) of respondents buy surf excel soap , 30% of respondents buy Rin soap, 10% of respondents buy Wheel soap, 5% of respondents buy Nirma and Shashi, tide and sundari soap remaining .

**Table 5: Most Important Factor Considered While Buying the Soap**

Factor no	No of respondents	Percentage
Price	40	20
Brand	20	10
Quality	100	50
Others	40	20
Total	200	100

The above table reveals that 50 % of respondents consider quality as an important factor while buying the washing soap. And 20% of respondents are consider their income based price, only 10% of respondents are given Brand preference who knows the brand name and remaining 20% respondents have preferred to others like place, time and other circumstances.

**Table 6: Compromising the Brand of Choice for the Rise in Price**

Opinion	No of respondents	Percentage
Yes	100	50
No	100	50
Total	200	100

The above table reveals that majority of the respondents that is 50% do not compromise their brand of washing soap for the rise in price of the soap and 50% of the respondents are of opinion that they will choose other brand of soap for the rise in price.

**Table 7: Perception of Quality Relating to High Price**

Perception	No of respondents	Percentage
Yes	102	51
No	98	49
Total	200	100

It is very clear from the above table that perception of quality is directly related to the price, that is 51% of the respondents perceive high priced products are of high quality and 49% of the respondents perceive high priced products are of low quality.

**Table 8: Sources of Information Regarding Availability of the Washing Soap in the Shops**

Sources of information	No of respondents	Percentage
Shopkeeper	160	80
TV Adv.	20	10
Others	20	10
Total	200	100

The above table reveals that 80% (majority) of respondents came to know about the availability of soaps is through shopkeeper, 10% of the respondents came to know about the product through TV Ads. This data concludes that TV ads play a minor role as a source of information and others 10% on the basis of word of mouth and etc.

**Table 9: Point of Purchase of Soaps**

Point of purchase	No of respondents	Percentage
Nearby shop	176	88
Market	24	12
Total	200	100

The above table reveals that 88% of the respondents purchase from nearby shops and only 12% of the respondents purchase from market place.

**Table 10: Respondents Opinion if Preferred Brands are not Available**

Opinion of respondents	No of respondents	Percentage
Don not buy	46	23
By another brand	154	77
Total	200	100

The above table reveals that 77% of the respondents opined that they buy other brands of washing soap and 23% of the respondents opined that they do not buy any other brand until and unless they get the same brand of soap.



**Table 11: Frequency of Purchase of Soaps**

Frequency of purchase	No of respondents	Percentage
Usage base	82	41
Weekly	78	39
Monthly	40	20
Total	200	100

The above table reveals that 41% of the respondents buy soaps on the basis of usage, 39% of the respondents buy soaps weekly and 20% of the respondents buy soaps monthly.

Statement: As far as low priced products are concerned, expiry date and price of the products are normally not looked into. But from the study it is found that 41% of the respondents do check the prices of the washing soap.

**Table 12: Willingness to buy other Soaps on which Discount is Available**

Willingness	No of respondents	Percentage
Always	40	20
Sometime	28	14
Never	132	66
Total	200	100

The above table reveals that 66% of the respondents opined that they would never opt to buy the soap on which discount is available, 34% of the respondents opined that based on the situation they would decide and 20% of the respondents opined that they would always like to buy the soap which will be available on discount.

**Table 13: Visit to Malls in the Towns**

Option	No of respondents	Percentage
Yes	80	40



No	120	60
Total	200	100

The above table reveals that 40% of respondents visited the malls and remaining 60% of respondents did not visit the malls in the towns.

**Table 14: Reason to Visit the Malls**

Reason	No of respondents	Percentage
Shopping	18	9
Windows shopping	182	91
Total	200	100

The above table reveals that 9% of the respondents visited malls for shopping and remaining 91% of the respondents visited for window shopping.

**Table 15: Opinion regarding other Brands of Soap to be Made Available in the Shops of Rural Area.**

Opinion	No of respondents	Percentage
Yes	36	18
No	164	82
Total	200	100

The above table reveals that 18% of the respondents opined that they require other brands of washing soap to come into their nearest shops and 82% of the respondents opined that they do not require other brands of washing soap to come into their nearest shops.

## Testing of Hypothesis

### Hypothesis-I

**Null Hypothesis (Ho):** There is no significant association between age and perception of quality relating to high price of washing soap.

**Alternative Hypothesis (H1):** There is a significant association between age and perception of quality relating to high price of washing soap.

Following table highlights the relation between Perception of quality relating to high price of washing soap and Age of the consumers.

Age wise classification	Perception of quality related to high price		
	Yes	No	Total
16-25	20	18	38
26-35	28	38	66
36-45	38	26	64
45-Above	16	16	32
Total	102	98	200

### Test Statistic Details:

**Calculated Value of Chi-square test Statistic= 4.539087**

The degree of freedom in given case is  $(C-1)(R-1) = (2-1)(4-1) = 3$ . At 5 per cent level of significance The table value of  $X^2 = 7.815$

Calculated value of Chi-square test is 4.54 less than the table value is 7.815.

Decision: We Accept the Null Hypothesis (Ho) and Reject Alternative Hypothesis (H1) at 5% level of significance.

### Comment:

There is no statistically significant association between Age and Perception of quality relating to high price of washing soap.

**Hypothesis –II**

**Null Hypothesis (Ho):** There is no significant association between Qualification and Perception of quality relating to high price of washing soap.

**Alternative Hypothesis (H1):** There is a significant association between Qualification and Perception of quality relating to high price of washing soap.

The following table highlights the relation between Perception of Quality relating to high price of washing soap and Qualification of the consumers.

Education qualification	Perception of quality related to high price		
	Yes	No	Total
Below –SSLC	84	74	158
PUC	5	19	24
Degree	13	5	18
Total	102	98	200

**Test Statistic Details:**

Calculated Value of Chi-square test Statistic= 11.95022

The degree of freedom in given case is  $(C-1)(R-1) = (2-1)(3-1) = 2$ . At 5 per cent level of significance the table value of  $X^2 = 5.991$

Calculated value of Chi-square test is 11.95022 greater than the table value is 5.991.

**Accept the Alternative Hypothesis (H1):** There is a significant association between Qualification and Perception of quality relating to high price of washing soap.

**Hypothesis-III**

**Null Hypothesis (Ho):** There is no significant association between Income and buying decision of the rural consumers regarding washing soap.

**Alternative Hypothesis (H1):** There is a significant association between Income and buying decision of the rural consumers regarding washing soap.

The following table highlights the relation between income and buying decision of rural consumers regarding washing soap

Family income	Rin	Wheel	Surf. Excel	Nirma	Shashi	Tide	Total
Below 10,000	26	5	30	6	0	1	68
10000-20000	20	10	50	4	2	2	88
20000-30000	13	4	10	0	2	3	32
30,000-Above	1	1	10	0	0	0	12
Total	60	20	100	10	4	6	200

Test Statistic Details:

Calculated Value of Chi-square test Statistic= 26.38926

The degree of freedom in given case is  $(C-1)(R-1) = (6-1)(4-1) = 15$ . At 5 per cent level of significance The table value of  $X^2 = 5.991$

Calculated value of Chi-square test is 26.38926 greater than the table value is 24.996.

Accept the Alternative Hypothesis (H1): There is a significant association between Income and buying decision of the rural consumers regarding washing soap.

### Findings of the study

1. 79% of the respondents have education less than below SSLC.
2. 33% of the respondents ages between the 26-35.
3. 44% of the respondent's monthly family income between Rs.10, 000-20,000.
4. 50% of the respondents preferred to Surf excel washing soap.

5. 50% of the respondents have preferred to quality of product while buying washing soap.
6. 80% of the respondents motivated by shopkeeper.
7. 88% of the respondents preferred washing soap near to their house or shop.
8. 77% of the respondents preferred to other brand while buying that brand is not available in that shop.
9. 41% of the respondents are buying washing soap on usage base.
10. 66% of the respondents not prefer to buy other brands when other brand has given any offer or discount.
11. 60% of the respondents are preferred to buy washing soap to their near shop or visit malls for shopping.
12. There is a significant association between Qualification and Perception of quality relating to high price of washing soap
13. There is a significant association between Income and buying decision of the rural consumers regarding washing soap.
14. There is a significant association between age and perception of quality relating to high price of washing soap.

### Conclusions

There is a lot of scope for the marketers to market their products in this study area as 91% of the respondents buy products from nearby shops and the study also revealed that rural consumers expect discounts on the brands they buy. Rural consumers also give adequate importance to quality and they are brand loyal. Because of various developed infrastructure though it is perceived that TV Ads is the most influential factor, but in this study it is found that TV Ad is very negligible influencer as far as purchase decision is concerned. As women plays a most prominent role in making buying decision especially of washing soap, the study revealed that they buy the brands according to the utility of the product.

### Reference

- [www.google.com](http://www.google.com)
- Different shops webpage
- Internet
- News paper
- Advertisement

