

Consumer behavior and decision making process in rural market

[Business](#), [Management](#)



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Summary: Several Indian, European & U. S. multinational firms have been making inroads into the rural India for years. Companies such as Unilever, P&G, Godrej, Marico, Phillips and Nestle have long been known to India's rustic consumers. Among U. S. firms, companies such as Colgate and Gillette have made considerable headway. According to Adi Godrej, the Chairman of Godrej Consumer Products Ltd. marketing to rural customers often involves building categories by persuading them to try and adopt products they may not have used before. For E. G. convincing people to use toothpaste instead of using ' neem' twigs; a traditional practice to clean their teeth. These initiatives involve a high degree of patience and piles of investments because of which careers are risked on the line. Marketers often wonder how to sell this cat called the " Indian Rural Folk". Consumer behavior studies have always helped marketing professional in understanding consumers' buying patterns and their decision making process.

Consumer Buyer Behavior refers to the buying behavior of the final consumers – individuals and households who buy goods and services for personal consumption. All of these final consumers together make the consumer market. And in case of rural India where about 70% of Indian population lives the market is quite huge presenting an attractive opportunity for businesses. Who buys products or services in rural market? How do they buy these products and services? From where and how often? How often do they use these products and services?

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These questions will help in understanding better what factors influence the decision making process of the rural consumers. Also, it will help in identifying the number of people involved in the decision making process and ascribe a role to them – like the user, decider, influencer and buyer. It is believed that consumers or customers make purchase decision on the basis on receipt of a small number of selectively chosen pieces of information. Thus it will be very important to understand what and how much information is required to our rural folk to help him evaluate the goods and services offerings.

The market howsoever big comes with high levels of complexities; here are some facts, there are more than 600, 000 villages in the country as against 300 cities and 4600 towns. Due to the geographical diversity consumers display vast differences in their purchase decisions and the product use. Villagers react differently to different products, colours, sizes, etc. in different parts of India. Hence utmost care should be taken while marketing products to rural India. Thus, it is important to study the thought process that goes behind a purchase decision, so that marketers can reach this huge untapped segment.

Engel, Blackwell and Miniard model The core of the EBM model is a decision process, which is augmented with inputs from information processing and other influencing factors. The model has four distinctive sections, namely Input, Information Processing, Decision Process and Variables influencing decision process. Information Input Information from marketing and non-marketing sources are fed into the information processing section of the

model. The model also suggests additional information to be collected is available from memory or when post-purchase dissonance occurs.

Information Processing Before information can be used in the rest of the model, the consumer will first be exposed to the information processing. That is, the consumer must get exposed to the information, attend to it, comprehend and understand it, accept it and finally maintain it in the memory. Any selective attention or exposure mechanisms that may occur in post purchase dissonance would operate at this stage. **Decision Process**
Need Recognition: This acknowledges the fact that there exists a problem. That is, the individual is aware that there exists a need to be satisfied.

Search: When enough information is available in memory to take a decision, then only internal search will be required. If internal information is limited, an external search for information is undertaken. **Alternative Evaluation:** An evaluation of the alternatives found during the search is undertaken. It is observed from the model that the attitudes and beliefs are taken into account during this process. **Purchase:** A purchase is made on the chosen alternative. **Outcomes:** The outcome can be either positive or negative depending on whether the purchase satisfies the original perceived need. **Dissatisfaction** can lead to...