# A Study on Rural Consumers Satisfaction towards Durable Goods in Erode District

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**ABSTRACT:** Durable goods are becoming a basic need rather than a luxury. Every customer has certain wants and a strong desire to satisfy them. The customer purchases certain goods under the impression that the goods would satisfy his wants. If the product fails to satisfy his wants, he will discard the product and switch over to some other product, which can effectively satisfy his needs. This being the case, every producer should satisfy the needs of the consumer effectively for the very existence of his enterprise. Particularly in a free enterprise economy, the customer is regarded as the King. That is why the study of customer satisfying the needs of the customer effectively. The study is aimed at measuring rural consumer satisfaction towards selective durable products in Erode District.

Key Words: Awareness, Customer Satisfaction, Consumer behaviour, Durable products,

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# I. INTRODUCTION

The prosperity of every business unit depends upon the efficiency of marketing. Marketing occupies an important position in the organization of a business unit. When the marketing functions are not fruitfully carried out, it will affect the existence of an organization. All activities which are involved in the process of transferring of goods from the place of its origin to the ultimate consumers come under the purview of marketing.

A customer is a person who brings us his wants. It is our job to handle them with profitability both to him and to us. Customer satisfaction, a term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction can be stated as the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services exceed specified satisfaction goals.

# Consumer

An individual buys products or services for personal use and not for manufacture or resale. A consumer is someone who can make the decision whether to purchase or not to purchase an item at the store and someone who can be influenced by marketing and advertisements. A person goes to a store at any time to purchase a toy, shirt, beverage or anything else which makes him a consumer.

# **Consumer Behaviour**

Consumer behaviour is the study of individuals, groups and organizations how they select, buy and dispose of goods, services, ideas or experiences to satisfy their needs and wants. Consumer behaviour may be defined as the decision process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services. The buying behaviour of the rural consumers is influenced by several factors such as socio-economic conditions, cultural environment, literacy level, occupation, geographical location, efforts on the part of sellers, exposure to media etc. The consumer movement in India till now has been confined to the middle class citizens in urban areas.

# **Consumer Satisfaction**

Satisfaction is the effect of consumption of goods and services. However, the human satisfaction cannot be looked upon as a terminal issue, but it must be placed on a continuum, due to the psychological implications. The satisfaction is a psychological factor and it is difficult to measure because it is entirely based on the consumers' needs and wants. So the manufacturer takes into account many factors like consumer's needs, desire, income, education, etc. to make the product attractive and acceptable to its consumers. In other words, every individual, at every moment of time, is dissatisfied to some degree or other. In the present age of

liberalization and market economy, the management process needs more apt and appropriate market information to spear head the marketing operations such as introduction of new products and penetration of new markets to retain the customer base. For customer-centered companies, customer satisfaction is both a goal and marketing tool. It is not only a decisive component in framing the marketing strategy, but also an inseparable part of the industry as far as its existence is concerned.

#### **Factors Considered For Customer Satisfaction**

Each and every factor is equally important and competitive to each other, but the consumer prefers the same factor as superior and other factors inferior to select the brands through the durable goods preferences. These factors are overall quality, worthiness, responsiveness, warranty, pre –sales, after sales service, loyalty programs, sales person's behaviour, repair, reliability, customer service, product compatibility and competitive price.

Satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations. If the performance falls short of expectations the customer is dissatisfied. If the performance matches the expectations the customer is satisfied. If the performance exceeds the expectations the customer is highly satisfied or delighted (Reich, 1996). Effective marketing focuses on two activities: retaining existing customer and adding new customer. Customer satisfaction measures are critical to any product or service of any company because customer satisfaction is a strong predictor of customer retention, customer loyalty and product repurchase.

Customer satisfaction measures how well a company's products or services meet or exceed customer expectations. These expectations often reflect many aspects of the company's business activities including the actual product, service, company and how the company operates in the global environment. Customer satisfaction measures are an overall psychological evaluation that is based on the customer's lifetime of product and service experience.

# **Rural Consumers In India**

## 1 Rural

The term, 'Rural' has been defined differently by different experts and organizations. Collins co Build dictionary(2001) describes the word rural as "a place far away from town and cities". Rural community has some special features. First, as social interactions are few, individuals cannot remain unknown among the society, second, division of labour is minimum, third, range of occupation is very small; fourth, homogeneous beliefs at community level and fifth, social class is identified basically as scribed and personal attributes. According to O.F. Larson, Rural refers empirically to populations living in areas of low density in settlements.

#### 2 Rural consumers

Rural consumers are fundamentally different from their urban counterparts socially, psychologically, physiologically and literally. Rural consumers buy only inexpensive products. There is mass consumption among them regarding a particular product or brand since they are homogeneous of village or regional level. In rural market, since the women have very little contact with the market, the male makes to purchase decision. The community decision making is quite common in a rural market because of strong caste and social structures and low literacy levels. Rural consumers generally feel inhibited and ill-equipped to buy confidently since they have only lesser exposure to quality of the product, service support and company credentials. A rural consumer may be illiterate as per the census definition, but he is not unintelligent. The brand awareness, preference and loyalty among the rural consumers according to the nature of products. If the rural consumers are loyal to one brand, it is very difficult to change.

#### **3** Rural consumer behaviour

The rural consumer behavior is influenced by several aspects namely socio-economic, cultural, psychological and physiological environment. Various aspects are decided by the level of education of consumers. Apart from these, the rural consumer behavior is molded by the external environment namely opinion leaders, friends and relatives, resource persons, retailers, reach of media, caste and religion etc. The behavior of the rural consumer depends upon the product he wants to purchase. The behavior is highly dynamic even in the consumption of one single product.

# **Rural Marketing**

Rural marketing is the planning and implementation of marketing function for the rural areas. It's a two-way marketing process which encompasses the discharge of business activities that direct the flow of goods from urban to rural areas for manufactured goods and from rural to urban areas for agriculture produce, as also

within the rural areas. This implies that rural marketing consists of marketing of products or services to the rural as well as marketing of outputs from the rural markets to other geographical areas.

Rural marketing has been always a dominant theme that has been emerging over the last few years in Indian marketing Competition and customer bargaining power are increasing due to the variations in consumer tastes, preferences and increase in purchasing power. For satisfying the rural consumers, the marketer should first understand the consumers and their needs in satisfying them.

#### **Consumer Durable Goods**

Consumer durables involve any type of products purchased by consumers that are manufactured for long-term use. Understand the meaning and categories of consumer durable goods followed by a short discussion on performance of consumer durable industry in past and its outlook for future. Understand the key challenges that are faced by companies operating in consumer durable industry. Highly durable goods such as refrigerators, cars, or mobile phones usually continue to be useful for three or more years of use, and hence durable goods are typically characterized by long periods between successive purchases. These durable goods are referred to as Consumer Durables and examples of consumer durable goods include cars, household goods (home appliances, consumer electronics, furniture, etc.), sports equipments, and toys.

#### **Consumer Durables Industry In India**

The Indian consumer durables industry has witnessed a considerable change over the last few years. Changing lifestyle and higher disposable income coupled with boom in the real estate and housing industry and a surge in advertising have been instrumental in bringing about a sea change in the consumer behaviour pattern.

Consumer durables involve any type of product purchased by consumers that is manufactured for longterm use. As opposed to many goods that are intended for consumption in short term, consumer durables are intended to endure regular usage for several years or longer before their replacement is required. Just about every household contains at least a few items that may be considered to be of consumer durable nature. With India being the second fastest growing economy having a huge consumer class, consumer durables have emerged as one of the fastest growing industries in India.

## Statement Of The Problem

In the modern times, the consumption of durable products plays an important role in our day to day life. Rural customers are facing the problem in quality product, availability, accessibility and Price. Internationally the market for durable products has expanded significantly during the last decade. In recent years the demand for durable products is growing among the households. durable products are produced by many companies and sold in their brand names. In this situation it is required to find out the awareness and satisfaction among the customers in rural area. There is a need to understand consumers' perception and behaviour towards durable products in rural area. Consumers may have various reasons to buy cause-linked products such as price, quality, good cause, philanthropic benefit, etc. The consumers can also take decisions by comparing the various products that are linked to cause. Since such considerations are often not found on facts, we intend to explore consumers' satisfaction by the way of consumers. The study is conducted to unearth the growing nature of demand for durable products and the consumers response to those products. Since durable sector is one of the fastest growing sector of the economy, a study on demand side of the durable products is worth investigating.

# **Scope Of The Study**

The study focuses on customer satisfaction towards the durable products. It includes availability level of products, quality of the products, customers expectations towards the products. When viewing the industrial sector one can see that all the corporate houses focusing on retaining the customers without compromising the organizational objectives, ethics and values. Customers are individuals and the organizations have to make each and every customer feel that they are highly compassionate to them. Hence, customer relationship management is having a wide scope in the modern times.

# II. REVIEW OF LITERATURE

Santhana Raj, L & Anandaraj, A (2014), conducted a study on Consumer preference and satisfaction towards Mobile Phone service in Pondicherry town. The Telecom industry is one of the leading and the fastest growing in the world as communication plays a vital role in the world as a major catalyst for the economic growth. A total of 200 samples have been collected by using the simple random sampling method. For the study, both the primary and secondary data is collected. The primary data for the study is collected directly from target Respondents through structured questionnaire. The study reveals that Airtel is the dominant leading mobile service provider in our Puducherry town and other service providers try to improve their services among the

mobile users. The overall mobile users' attitude towards mobile services is that they are satisfied with the existing services but still they want more services to be provided.

**Mahalakshmi, G (2014)** conducted a study on customer satisfaction on two wheelers with a special reference to TVS XL in Theni District. To conclude that two wheeler brands have taken necessary promotional activities to increase their demand by introducing new models. In olden days the people used only the bicycle and rarely used the two wheelers. But now a days each and every one has got the two wheeler in Theni district. Most of the respondents prefer the TVS XL for their riding comfort and satisfied with their services.

**Manivannan, M** (2014) conducted a study on consumer satisfaction of advertisement and purchase decision with special reference to Hero Motors in Salem City. This research project which was primarily aimed at determining the effect at the various attributes of the advertisement in determining the volume of sales in the outlet eventually arrived at the fact that a clear demarcation cannot be made in identifying the factors influencing sales of both the performance and the underperformance advertisement. More emphasis should be given on the direct determinants of sales like the pamphlets, the point of purchase items like the banners, stickers, name boards etc, the customer executives should take due care to check whether the articles reach the retail outlets and are displayed as per the standards set by the company.

**Chandu Ravi Kumar & Swamy, N.D.N** (2015) conducted a study on consumer satisfaction towards TVS motors with a special reference to Guntur city. The study reveals in India the two wheeler industry has acquired new heights during the last five years with heavy competition and inception of the state of the art and changes in technology. The owner of two wheelers have now a wide choice of models. In India, generally in urban areas, two wheeler is used for various purposes of connecting work like visiting people, carrying loads, outdoor jobs like selling etc. In Rural areas it enables people to travel more frequently to nearby towns for their daily needs. In other words, it has also become a valuable support for increasing productivity and profits, as well as for personal transportation. Two wheelers in usage are of three types mopeds, Scooters & motor cycles.

**Ravi Kumar, K & Hareesh, K (2017)** conducted 'A study on perception of rural consumer on durable products-a study with reference to coimbatore district,' In this study most of the rural consumers possess mixer grinder, television and cell phone. Hence the rural marketers have more scope to penetrate the market for other durables. Family members constitute as an important factor in purchase decisions. Rural consumers may not be the same in the changing market environment. Hence they have to be thoroughly studied to have better knowledge on rural marketing and work out appropriate marketing strategies for the success.

#### **Objectives Of The Study**

1. To study the socio-economic characteristics of durable products among the rural consumers in Erode district.

- 2. To analyse the consumers awareness level towards durable products in rural areas of Erode district
- 3. To examine the level of rural consumers satisfaction towards durable products.

4. To offer suggestions on the basis of results of the study.

# 3.1 Research design

# III. RESEARCH METHODOLOGY

A research design is purely and simply a basic frame work or plan for a study that guides the collection of data and analysis of the data. In this study, we have adopted descriptive research design in collecting and analyzing the data.

# 3.2 Area of the study

The study is conducted among the rural consumers in Erode district.

# 3.3 Sources of Data

**Primary data -** The validity of any research is based on the data collected for the study. Primary data includes questionnaire. Questionnaire was the main tool used for collecting the first hand information from the respondents. Hence, due attention was given in construction of the questionnaire.

**Secondary data** - The study also consists of secondary data, which is collected from magazines, newspaper and journal and also websites.

# 3.4 Sample Selection

For the purpose of the research, convenient sampling method has been used in selecting the respondents in Erode district. 250 respondents residing in the rural areas of Erode district who are possessing durable products were identified and they were selected as the samples for the study. The Questionnaire schedule has been prepared in such a way that the respondents were able to give their opinion truly and frankly.

# 3.5 Analytical tools

The following are the analytical tools applied for the analysis of the data collected.

- a. Simple Percentage analysis
- b. Chi-square tests
- c. ANOVA and
- d. Henry Garrett Ranking method

# IV. ANALYSIS AND INTERPRETATION

Analysis of distribution of the respondents on the basis of awareness of durable products . The study was conducted on the basis to know the awareness of the respondents towards the durable products.

# 4.1 . Awareness of the respondents towards the durable products

#### Table - 1 Awareness on products

Products	No. of respondents aware (out of 250)
Television	241
Gas stove	159
Pressure cooker	112
Washing Machine	96
Mobile phone	201
Refrigerator	81

#### Interpretation

Analysis of awareness of the respondents shows that Television, Mobile phone and Gas stove are known to more than 60% of the respondents.

#### 4.2 Analysis of distribution of the respondents on the basis of sources of awareness of durable products

The study was conducted on the basis to know the sources of awareness of the respondents towards the durable products. The sources available to the respondents are Radio, Television, Magazine, Newspaper, Friends & Relatives and Internet.

Sources	Television	Gas stove	Pressure cooker	Washing Machine	Mobile phone	Refrigerator
Radio	49	16	9	6	2	10
Television	195	92	44	38	61	20
Magazine	63	50	53	27	43	27
Newspaper	42	35	24	32	48	11
Friends &Relatives	33	52	52	49	114	26
Internet	12	12	11	12	25	25

 Table - 2 Sources of awareness

#### Interpretation

Analysis of the sources of awareness of the respondents reveals that television is the major source through which majority of the customers came to know about most of the durable products. friends and relatives and newspaper are the sources through which mobile is known to the most of the respondents.

#### 4.3 Analysis of the level of satisfaction of respondents on the basis of features of durable products

#### Table – 3 Level of satisfaction of respondents on the basis of features of durable products

Factors	Computed Chi - Square Value	Degree of freedom	P Value	Inference
Quality	463.678	3	0.00	Rejected
Price	440.335	4	0.00	Rejected
Advertisement factor	206.678	3	0.00	Rejected
Durability factor	213.399	3	0.00	Rejected
Model/Style	428.472	3	0.00	Rejected

#### Interpretation

Analysis of the level of satisfaction reveals that majority of the respondents are highly satisfied with the quality, price and models/styles and they are satisfied with advertisement and durability.

Table – 4 Level of satisfaction of the respondents towards selective durable products					
Factors	Sum of Squares	Degree of Freedom	Mean Square	F	Sig.
Age	20.43	2	10.21	0.56	0.57
Income	5.49	2	2.74	0.14	0.861
Educational Status	102.46	3	34.15	1.89	0.132
Occupational Status	20.80	3	6.933	0.37	0.770

Table – 4 Level of satisfaction	of the respondents towards selective durable products	
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4.4 Analysis of the level of satisfaction of the respondents towards selective durable products

#### Interpretation

The level of satisfaction of the respondents belonging to various age groups, income, educational status and occupational status resveals that the respondents have an average score level of satisfaction on the features of durable products.

#### 4.5 Analysis of distribution on the basis of respondents mode of purchase

Table – 5 Distribution on the basis of respondents mode of purchase				
Mode of Purchase	No. of Respondents	Percentage		
Cash	161	64.4		
Installment	42	16.8		
Exchange offer cum Cash	27	10.8		
Exchange offer cum Installment	20	8.0		
Total	250	100		

 Table – 5 Distribution on the basis of respondents mode of purchase

#### Interpretation

The table reveals that 64.4% of the respondents purchase by cash and 16.8% of the respondents purchase by installment and 10.8% of the respondents purchase by exchange offer cum cash and 8.0% of the respondents purchase by Exchange offer cum installment. From the analysis it is concluded that the mode of payment for the majority of the respondents (64.4%) is in cash.

#### 4.6 Analysis of distribution on the basis of respondents purchase decision

Table – 6 Distribution on the basis of respondents purchase decision				
Who make the purchase decision	No. of Respondents	Percentage		
Self	94	37.6		
Family Members	115	46.0		
Friends and Relatives	41	16.4		
Total	250	100		
	*			

# Table – 6 Distribution on the basis of respondents purchase decision

#### Interpretation

The table reveals that 46.0% of the respondents say that purchase decision is taken by the family members and 37.6% of the respondents say that purchase decision is taken by self and 16.4% of the respondents say that purchase decision is taken by friends & relatives. From the analysis it is concluded that the majority of the respondents (46%) say that purchase decision is made by the family members.

#### 4.7 Analysis of the factors influencing the respondents to purchase durable products (Henry Garrett ranking method) Tables 7 Factors influencing the respondents to purchase durable products

Tab	Table- 7 Factors influencing the respondents to purchase durable products						
Sl.No.	Factors	Total Score	Mean Score	Rank			
1	Brand image	15433	61.732	2			
2	Quality	17768	71.072	1			
3	Price	13469	53.876	3			
4	Customer service	12648	50.592	4			
5	Price-off offer	11375	45.500	6			
6	Gift Coupon	10489	41.956	9			
7	Advertisement	10848	43.492	7			
8	Friends and Relatives	10512	42.048	8			
9	Need of the family	11787	47.148	5			
10	Different models /styles	10433	41.732	10			

#### Interpretation

Quality, brand image and price are the first, second and third attribute which influenced the majority of the respondents to purchase durable products.

# SUGESSTIONS

- 1. Most of the respondents were highly satisfied with the quality of the durable products. So it is suggested that same standard is to be maintained.
- 2. From the study it is suggested to modify the price of the product competitively. So this factor has to be improved with a view to attract more customers and to retain the existing customers.
- 3. The manufacturers should introduce more advertisement tactics to induce the people to prefer a particular brand.

#### V. CONCLUSION

The study is aimed at measuring customer satisfaction towards selective durable products with special reference to Erode District. Marketing starts before production and continues after sales. Marketing is the process of creating customers. Durable products are liked by one and all. The important attribute of the product is quality and prices have received favourable appreciation from the respondents. Product attributes like durability and customer service have also been appreciated. It is certified that the customer satisfaction concept is an unpredictable one in any kind of marketing but this study has attempted its best to reveal the same.

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