

**UNDERSTANDING CONSUMER BEHAVIOR IN RURAL MARKETS: THE ROLE
OF CULTURAL AND SOCIOECONOMIC FACTORS IN RETAIL SUCCESS****DR. RACHNA CHOUHAN**

Guest Faculty L N M I Patna (Bihar)

ABSTRACT

It is crucial for merchants to comprehend the cultural and social factors that influence the purchasing behaviors of customers residing in rural regions. This research looks at how things like family influence, customs, money, education, and proximity to stores affect people's buying habits in rural areas. The study's findings highlight the unique characteristics of rural consumers, who are often price-conscious and motivated by community values. Retailers may increase their chances of success in rural locations by prioritizing accessibility, local relevance, and price. The survey states that the role of education and technology in shaping the purchasing habits of modern rural customers is growing.

Keywords: Consumer behavior, rural markets, cultural factors, socioeconomic factors, retail success.

I. INTRODUCTION

Retailers would do well to pay close attention to customer behavior in all areas, but especially in rural areas where distinct cultural and socioeconomic factors impact sales. In order to cater to the unique demands and preferences of rural customers, merchants must understand the unique traits that are influenced by their surroundings, values, and way of life. This study explores the complex nature of rural consumers' buying habits by examining the ways in which cultural factors, socioeconomic position, and availability of retail options interact.

When opposed to metropolitan marketplaces, rural ones provide a quite different scene. The availability and diversity of goods and services might be more limited for rural customers compared to their metropolitan counterparts. Because of these limitations, they have to put accessibility and affordability first when they buy anything. Family, neighbors, and local traditions all play a part in rural residents' decision-making processes, which in turn impacts consumer behavior. Consumers' perceptions of goods, companies, and shopping experiences are influenced by cultural influences, thus understanding them is essential.

One notable factor influencing consumer behavior in rural regions is family influence. Instead of considering each person's tastes when making a purchase, many rural communities rely on group consensus based on shared beliefs and ideals. Brand loyalty rooted on family trust and shared experiences might result from this collaborative decision-making process. For instance, regardless of other brands, a family that has repeatedly bought the same brand of home goods is likely to continue buying that brand in the future. Retailers looking to break into rural markets should know that the key to success is building connections and trust among these close-knit communities.



Rural consumers are more impacted by cultural norms and customs as well as family dynamics when making purchases. Traditional beliefs and practices influence the shopping behavior of many rural customers. Take, for example, the importance of certain items during festive seasons or ethnic events. This is mostly attributable to long-standing customs. During these times, stores might make money by running specials or selling items that are tailored to local traditions. The influence of social norms on consumer choices is substantial; for example, people living in rural areas may be more likely to patronize mom-and-pop stores than national chains. This preference highlights how important it is for merchants to interact with the community and present themselves as vital components of the local economy.

Consumer behavior in rural marketplaces is heavily influenced by socioeconomic variables. Important characteristics that impact budgetary capacity and choice-making include degree of education, income, and job circumstances. Households in rural areas may be more price sensitive due to lower disposable incomes compared to their urban counterparts. Because of this budgetary limitation, stores must use price tactics that attract customers who are careful with their money. Another factor that influences the perception and value of goods is the degree of education among rural residents, which in turn affects customer awareness and brand identification. To improve customer comprehension and foster brand loyalty, retailers should make educational outreach a priority. This may be achieved via product demonstrations or informative campaigns.

In rural marketplaces, accessibility to retail establishments is a crucial issue that affects customer behavior. Traditional retail facilities do not adequately service many rural towns, leaving shoppers with limited alternatives. Due to the lack of options, people have to settle with smaller businesses or markets that may not have all they need. When planning to join these markets, retailers should think about the distribution and supply chain management issues that may arise. Businesses have a higher chance of serving and capturing market share in rural regions if they locate their retail stores strategically or use innovative distribution mechanisms.

Plus, people in more remote places are starting to change the way they shop because of the proliferation of technology and online marketplaces. Rural customers now have more agency to investigate possibilities outside their local environs, thanks to the increasing internet prevalence and smartphone use. Traditional shops have both obstacles and possibilities brought forth by this technological transformation. While the proliferation of internet shopping has the potential to drive customers away from traditional brick-and-mortar establishments, it also presents an opportunity for marketers to reach a wider demographic via digital channels. It is crucial for merchants to understand how rural clients use technology while shopping if they want to respond to shifting market dynamics.

There is a complicated interaction between cultural and socioeconomic variables that alters customer behavior in rural marketplaces. Rural customers' distinct shopping patterns are shaped by a multitude of factors, including familial influences, cultural traditions, money, education, availability of retail alternatives, and the effect of technology. Retailers looking to thrive in these areas should take the time to learn the ins and outs of these factors and adjust their approach appropriately. To successfully connect rural customers and generate retail



success, firms should cultivate relationships within communities, respect local traditions, provide cheap pricing, and use technology. For merchants to successfully traverse the ever-changing rural consumer behavior landscape and cater to the different demands of rural people, continuous research and adaptation are vital.

II. LITERATURE REVIEW

Verma, Kalpana & Singh, Shrish. (2021) The needs and demands of customers and marketplaces in urban areas are quite different from those in rural areas. Over the course of countless years, rural marketing as we know it now has evolved. There are a number of dominant patterns of products and service flow in rural marketing. In order to achieve success with the Rural Marketing strategy, it is necessary to connect with customers in rural areas, learn about their desires and needs, and then provide those needs via after-sale services. This will ensure customer happiness and encourage repeat purchases. The modern market has altered the company's dynamic. With so many competitors, it's no wonder that marketers are trying to expand their territories by boosting sales in both urban and rural locations. Rural marketing aims to meet the needs of rural customers in order to enhance their quality of life. The goal of rural marketing is to help people in rural areas with more than simply buying things; it's also about finding better ways to solve their most fundamental concerns. Catering to the wants and aspirations of rural individuals in a rural-dominated nation like India—where roughly 40% of the population is poor—requires a well-developed idea of rural marketing.

Vakamullu, Gopalakrishna et al., (2021) From the perspective of marketing their goods to rural areas, several corporations have examined rural consumer behavior, specifically looking at rural dwellers' media habits, purchasing power, and adoption rates. There has been a substantial improvement in the technological adoption rate among rural customers. However, there are a few obstacles to maximizing efficiency in the rural market when it comes to the popular practise of internet buying. Rural consumer adaptation has risen, albeit at a slower rate than in metropolitan areas, due to urbanization, infrastructural development, and technological change. The purpose of this research was to identify and evaluate key impediments to internet purchasing in rural areas of Srikakulam District. A cross-sectional survey using a convenience sample of non-probability respondents was used in conjunction with a qualitative and quantitative technique to perform the study.

Abdin, Mohammad & Kumar, Rahul. (2020) A new age of advertising has begun in the twenty-first century. Thanks to innovations in marketing strategies, marketers in India and throughout the world are up against stiff competition these days. In this day of intense competition, the tried-and-true ways of advertising and marketing are not going to cut it anymore. Marketers are sometimes tasked with creating novel goods and services or even a whole new market from scratch. The "rural" market is one example of a niche that has been a boon to businesses during tough economic times. This paper strives to do three things:(1) identify the factors that influence rural consumers' purchase behavior;(2) evaluate the impact of these factors on rural consumers' behavior;(3) evaluate the potential future of rural marketing in India; and(4) propose suitable strategies to access rural markets in India.



Chiru, Patakson. (2018) The goal of this textbook is to help managers have a realistic grasp of how rural market consumers behave. To aid in making a choice, it provides a comprehensive explanation of several consumer purchasing concepts. Its other goal is to make marketing intelligence both a crucial part of marketing strategy and something that marketers can readily grasp. Buying habits in rural markets, purchasing habits during blockades and bandhs, and consumer knowledge of consumer protection and rights statutes are all well covered in the book.

Singh, Vakil & Singh, Amreek. (2014) we want to learn more about the elements that influence rural customers' purchasing choices and how those aspects change with respondents' ages and income levels in this research. Research has shown that while making a purchase, rural customers take eight variables into account: price, quality, warranty, advertising, brand, recommendations from friends and family, and packaging. The characteristics that influence rural consumers change with age and income, and these effects grow as people become older and wealthier. There was a clear upward trend in the relative importance of each component in the purchasing behavior of older and wealthier rural consumers. Consumers in rural areas are more influenced by price and quality as they become older and wealthier. Marketers and product names were more important to rural residents with higher incomes than those with lower incomes. Customers with lower incomes were much more influenced by recommendations from friends and family when making purchases than those with higher incomes. Customers with lower incomes were much more influenced by packaging when making a purchase choice than those with higher incomes.

III. RESEARCH METHODOLOGY

This study used a mixed-methods strategy, integrating qualitative and quantitative methodologies, to investigate customer behavior in rural marketplaces. Consumers in rural areas were surveyed using standardized questionnaires and interviewed extensively to learn more about the cultural and socioeconomic aspects that play a role in their purchase choices. Stratified random selection was used to pick 220 respondents from diverse rural locations, ensuring that they represented a range of educational and economic levels. In order to find statistically significant connections between variables, chi-square tests were used. To further our knowledge of customer behavior patterns, we thematically evaluated the qualitative data collected from interviews.

IV. RESULT AND DISCUSSION

Table 1 Gender of the respondent

Particular	Frequency	Percentage
Male	160	72.73%
Female	60	27.27%

Total	220	100%
-------	-----	------

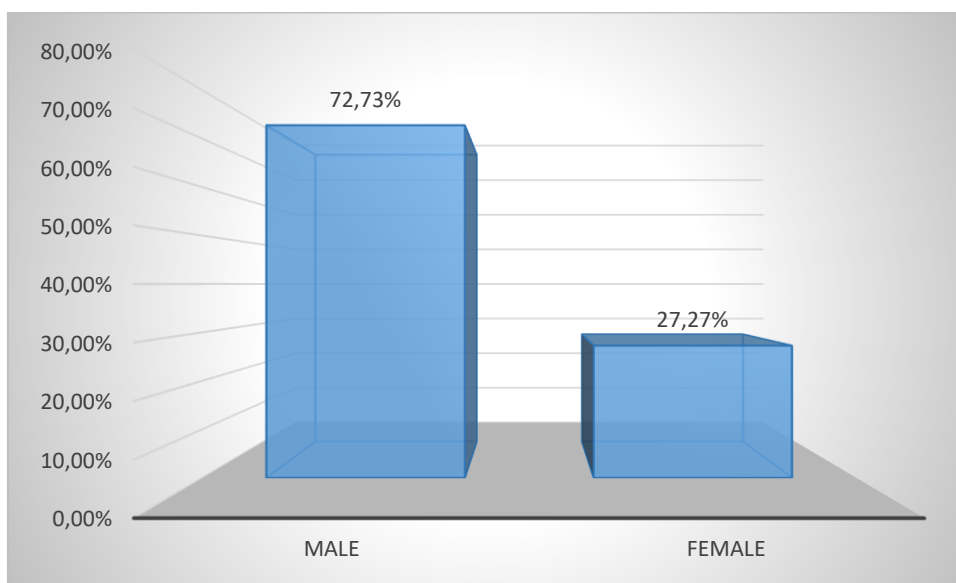


Figure 1 Gender of the respondent

According to the data table that breaks down the respondents by gender, men make up 72.73% of the sample, while females make up 27.27%. This imbalance in representation may be reflective of the gender makeup of rural communities, as it indicates that males are more likely to have spoken out in the sample. A strong sample size for the study is shown by the overall frequency of 220 responses. On the other hand, the results may not be applicable to other markets due to the skewed gender ratio, which makes it difficult to properly understand female consumers' thoughts and actions in rural areas. To guarantee thorough insights, future research should strive for a more fair representation.

Table 2 Education Level of the respondent

Particular	Frequency	Percentage
Primary	90	40.91%
Secondary	80	36.36%
Higher Education	50	22.73%
Total	220	100%

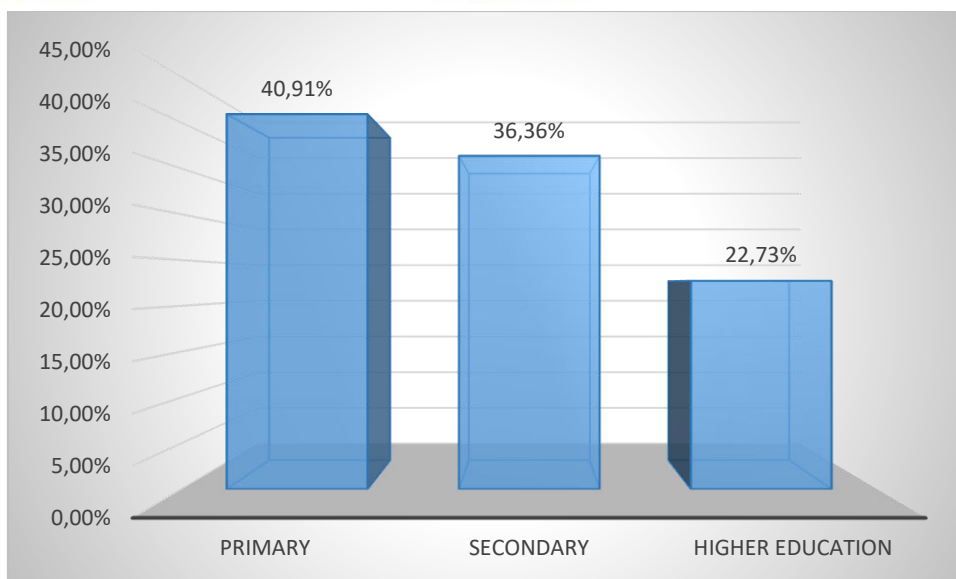


Figure 2 Education Level of the respondent

The educational background of the participants in this research may be better understood from the table that shows the degree of education of the respondents. Of the 220 people who took the survey, 40.91 percent had finished elementary school, suggesting that a sizeable percentage of the population has at least some formal education. With 36.36 percent of the population having completed secondary school, it's clear that many people have gone on to get degrees. A smaller but significant portion of the population has achieved advanced credentials; those with a bachelor's degree or above make up 22.73% of the sample. With such a wide range of educational backgrounds represented, it's clear that education levels have a significant role in shaping consumer habits in rural areas. Retailers that want to reach out to certain demographics in rural areas must have a firm grasp of these educational dynamics.

Table 3: Cultural Factors Influencing Consumer Behavior

Cultural Factor	Influence on Buying Behavior (%)
Family Influence	60%
Tradition/Customs	55%
Social Norms	40%
Brand Loyalty	35%
Religious Beliefs	25%

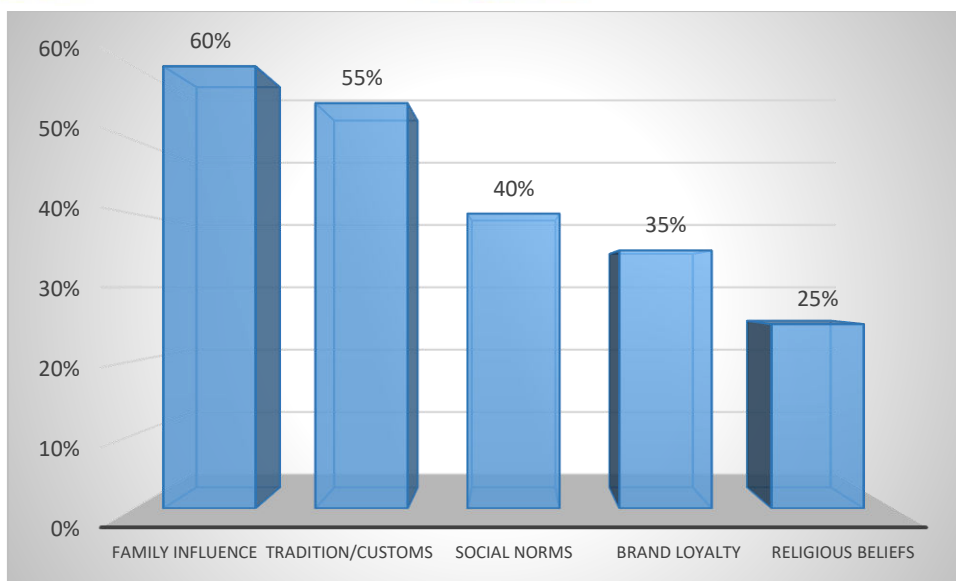


Figure 3: Cultural Factors Influencing Consumer Behavior

The cultural elements that have a substantial impact on consumer behavior in rural marketplaces are highlighted in the table. The most influential component, according to 60% of respondents, is family influence, suggesting that shopping choices are heavily influenced by familial ideas and preferences. The next most important factor, according to 55% of respondents, is tradition and traditions; this reflects the fact that cultural practices influence consumer behaviors. Forty percent of buyers are influenced by social norms, which means that society expectations play a role in their decision-making as well. An indication of a propensity to repurchase after favorable encounters, brand loyalty is an important consideration for 35% of respondents. Lastly, 25% of customers are influenced by religious views, indicating that spiritual factors may also influence purchase behavior, albeit to a lower degree.

Table 4: Socioeconomic Status Impact on Retail Choices

Socioeconomic Factor	Influence on Retail Choice (%)
Income Level	50%
Education Level	35%
Employment Status	30%
Accessibility to Stores	45%
Product Availability	40%
Price Sensitivity	55%

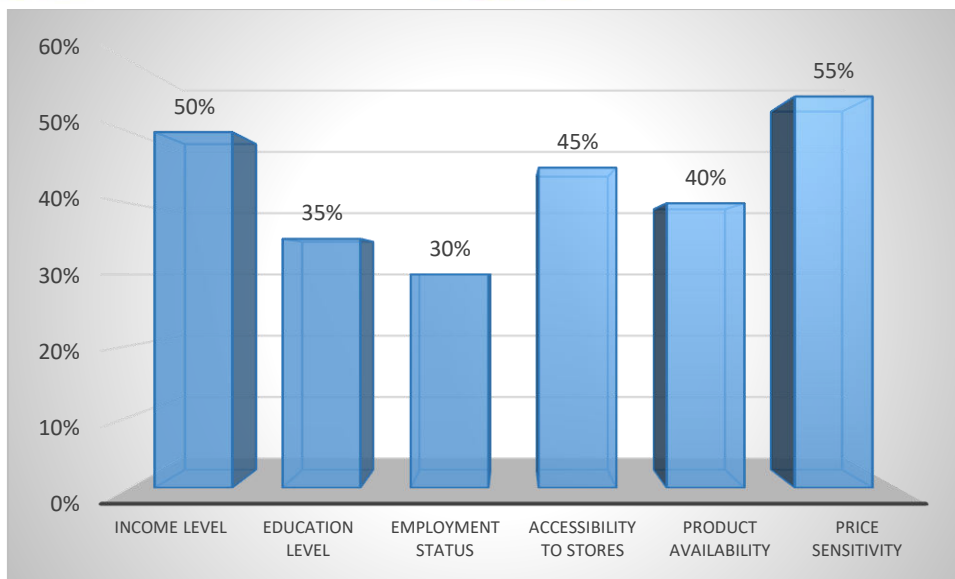


Figure 4: Socioeconomic Status Impact on Retail Choices

Consumers in rural marketplaces are significantly influenced by socioeconomic characteristics, as seen in the table on these aspects. With 55% of respondents being price sensitive, it's clear that cost is a major consideration when making purchases. Next on the list is income level, which is a major factor in retail selections (as 50% of customers have acknowledged its influence). The importance of being close to retail outlets is underscored by the fact that 45% of respondents are influenced by accessibility to retailers. The existence of desired items is critical for purchase behavior, since it influences 40% of buyers. Also, 35% of respondents are impacted by their level of education, which means that customers' choices are influenced by their knowledge and awareness; 30% of consumers are impacted by their work status, which means that retail decisions might be influenced by job stability. All of these things put together give light on the many socioeconomic forces at work in rural marketplaces, and how they affect shoppers' decisions.

V. CONCLUSION

A thorough investigation of the cultural and socioeconomic aspects that substantially impact purchase choices is necessary to comprehend consumer behavior in rural marketplaces. Along with education level and shop accessibility, the research shows that price sensitivity, family influence, and customs are important factors influencing customer decisions. Tailoring methods that connect with these particular characteristics becomes vital for businesses seeking to interact successfully with rural customers. Retail success in rural areas may be driven by companies that understand the complex link between rural residents' cultural norms and socioeconomic circumstances.

REFERENCES

1. Chiru, Patakson. (2018). Consumer behaviour in rural market issues and challenges in churachandpur district, manipur.



2. Singh, Vakil & Singh, Amreek. (2014). Factors Affecting Buying Behaviour of Rural Consumers. International journal of management and Social Sciences Research. 3. 8-12.
3. Abdin, Mohammad & Kumar, Rahul. (2020). Marketing Across Cultures: A Study on Rural Consumer Behaviour in India.
4. Verma, Kalpana & Singh, Shrish. (2021). A REVIEW STUDY ON FACTORS INFLUENCING THE RURAL MARKET IN INDIA.
5. Vakamullu, Gopalakrishna & Misra, Nihar & Venugopal, Koppala. (2021). Critical Success Factors of Online Shopping: Rural Perspective. Asian Journal of Economics, Business and Accounting. 34-45. 10.9734/ajeba/2021/v21i2430536.
6. Shi, Yuntian. (2023). Consumer Behavior and Cultural Factors in Social Media: A Cross-Cultural Comparative Study. Advances in Economics, Management and Political Sciences. 63. 271-277. 10.54254/2754-1169/63/20231435.
7. Mishra, Ashish. (2018). Indian Rural Consumer's Perception and their Buying Decisions.
8. Srinivasan, J & Vijaya, R. Vijayalakshmi. (2023). AN ANALYSIS OF RURAL CONSUMERS SATISFACTION AND INFLUENCING FACTORS TOWARDS E-SHOPPING IN CHENNAI CITY. 13. 55-64.
9. Panigrahi, Ashok. (2017). EXPLORING INDIAN RURAL MARKET -- PROSPECTS AND PROBLEMS. Rural India: Strategising Business. 1. 4-12.
10. Jenefa, Leena & Kumar, R & Kadyan, Jagbir. (2013). Socio-economic Factors Influencing the Buying Behaviour with Special Reference to Selected Garment Retail Outlet in Chennai. Research Journal of Business Management. 2. 1-11.
11. Akdoğan, Leyla & Durucu, Alper & Durmaz, Yakup. (2021). CULTURAL FACTORS AFFECTING CONSUMER BEHAVIOR: SOCIAL CLASS. 23. 12-20. 10.9790/487X-2306081220.
12. N., Ramya & Ali, Dr. (2016). Factors affecting consumer buying behavior.
13. Sarkar, Dev Narayan & Kundu, Kaushik. (2016). The economic and social importance of unorganized retailers in rural India. Journal of Rural Studies. 43. 159-172. 10.1016/j.jrurstud.2015.12.003.
14. Deepak, Swadesh. (2022). FACTORS EFFECTING TO CONSUMER'S BUYING BEHAVIOUR WITH REFERENCE TO INDIAN RETAIL SECTOR OF LUCKNOW CITY.
15. Verma, Suraj & Rojhe, Kuldeep. (2022). Consumer behavior of rural shoppers towards nominated FMCG products in Himachal Pradesh, India. International journal of health sciences. 6735-6751. 10.53730/ijhs.v6nS5.11513.