

Impact of Television Advertisements on Rural Population of Jabalpur District

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ABSTRACT

In the recent years rural market have acquired significance and attract the attention of marketers be it agro based products or other day to day needs of rural population. 68.84% population of India resides in 6,38,000 villages and overall growth of economy has resulted into substantial increase in the purchasing power of the rural communities. As an effect of globalization, the rural areas are also consuming a large quantity of industrial and manufactured products. In this way rural market offers opportunities in the form of large untapped market, increase in disposable income, increase in literacy level and large scope for penetration. To take the full advantage of this scenario companies are investing lot of their advertising budget on Television Advertising.

This paper focuses on the impact of television advertising on rural customers of Jabalpur district in Madhya Pradesh.

Key Words: Rural Marketing, Advertising, Rural Advertising, Consumer Buying Behavior, Television Advertising.

Introduction:

Mass marketing has been very difficult before the advent of advertising, but post it the advertising industry and the advertisements have become the first choice of the Brands and the companies, As advertisements are the most easy and effective way of promoting the brands. The use of television advertising has become the first priority of the brands when it comes to promotion, Awareness of the products; This has become more category specific due to the emergence of various TV channels in domains like entertainment, News, Sports, Music, Lifestyle, Health etc. The marketer needs to just select the right channel to promote their product. This has increased the possibility of promoting the product to the next level. Keeping this in view we can very well say that television advertising is prime for promoting he products. Further, increase in the agriculture, cultivation, and various initiations taken by the government to uplift the Rural areas, the purchasing power of the rural population has also increased, This created a never lasting demand of consumable goods amongst them and when it comes to making the purchase decision television advertising becomes the first priority of rural population.

The study is to check the impact of advertising towards FMCG products. Although the FMCG is huge sector to ease the research FMCG products have been divided in four categories, Toothpaste, Bathing Soap, shampoo and detergent powder.

Rural India:

The Census of India defines ‘Rural’ in the context of all that is not urban considering that there were only villages before the development of cities and towns. In fact, a major part of the countryside still remains steeped in a lifestyle that is rural, largely dependent on agriculture and allied activities with almost three-fourths of the country living in 597,483 inhabited villages in India and among them 82,149 villages have a population size of less than 200. Nearly half of the rural population of India is residing in 115,029 villages with population more than 2,000 but less than 10,000.

While defining “Rural”, the following facts and figures should be taken into consideration

- There are currently more than 20,000 villages in the 5,000-10,000 population strata as per the census of 2001, so any population cut-off criteria should definitely include these villages as rural areas.
- It has been observed that the majority of rural institutions, agri markets and rural banks are located in larger villages and towns, up to 10,000 populations. Moreover, the characteristics in terms of occupation, consumption and buying behavior change from rural to urban in location of more than 10,000 populations.
- Many villages have been notified as towns due to their economic growth over the last thirty to forty years, but they continue to retain their rural character.

Opportunities in Rural Marketing

The rural market has been growing gradually over the past few years and is now even bigger than the urban market. The saving to income percentage in rural area is 30% higher than urban area. At present 53% of all FMCGs and 59% of consumers durables are being sold in rural area. Major opportunities available in rural market are as follow:

Increase in Literacy Rate: Literacy rate is increasing in rural areas. According to census 2011 it stood at 68.9% (2001 census 58.7%).

Table: 1 Increase in literacy rate

	2001	2011	Difference
Overall India	64.8	74.0	+9.2
Rural	58.7	68.9	+10.2
Urban	79.9	85.0	+5.1

Source: census of India 2011

There are more graduates in rural than in urban India. This brings social and cultural changes in buying behavior of the rural customers and more aware about national and international brand. Due to increase in literacy rate they get jobs in nearby towns. They earn urban salaries but continue to live in self owned homes in the villages, they have high purchasing power and prefer to buy branded product.

Increasing in disposable income and purchasing power:

Projects from private companies and the rural employment initiatives by the Government like MNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) schemes have given the rural population an opportunity to meet their daily needs. Government decided to expand the agriculture loan at lower rate of interest and distribute million of Kisan Credit Cards, has given a boost to the income level to the rural sector. According to advanced estimates of national income released by center statistic organization “The Per Capita income at current prices during 2011-12 is estimated to be Rs. 60,972 compared to Rs. 53,332 during 2010-11 showing a rise of 14.3%. Companies have the opportunity to enter in this new market and take the advantage of increased disposable income.

Reduction of Risk during Recession:

It has been observed that companies which cater both urban and rural markets tackle the recession in the better way. The demands for goods in the urban market often follow a cyclic whereas in the rural market it is steady. So companies can safeguard themselves from the harmful effects of recession after entering in the rural market.

IT Penetration in Rural India:

Today’s rural children and youth will grow up in an environment where they have information access to education opportunities, job opportunities, government schemes, worldwide news and mandi prices. Rural areas offer a great potential for growth in internet usage with the number of claimed internet users in these spaces to be reached at 45million by Dec. 2012, according to the recent IMRB survey, conducted jointly with internet and Mobile Association of India (IMAI). The number of claimed internet users has witnessed a compounded annual growth rate of 73% since Dec. 2010. As the electronic ethos and IT culture moves into rural India, the possibility of change are becoming visible.

Infrastructure improving rapidly:

In 50 years only, 40% villages have been connected by roads, in next 10 years another 30% would be connected. Rural telephone density has gone up by 300% in the last 10 years. Government of India is planning its most ambitious national program in Jan.2013 to facilitate electricity through decentralized renewable energy sources. The government aims to provide LED lights to around 400million homes that do not have an electricity connection by 2017. Rapid development of rural infrastructure is also major attraction for marketers.

Low Penetration Rate

Table 2: Penetration rate in rural India is very low.

Durables	Urban	Rural	Total(%of rural HH)
CTV	30.4	4.8	12.1
Refrigerator	33.5	3.5	12.0
FMCGs	Urban	Rural	Total(%of rural HH)
Shampoo	66.3	35.2	44.2
Toothpaste	82.2	44.9	55.6

Source: Business today April 5 2009.

Above table shows the rural and urban share in stock of consumer durables like: color T.V and refrigerator and in stock of FMCGs like shampoo and toothpaste. It is clear from the table that 30.4% urban population have color T.V and 33.5% have refrigerator on the other hand only 4.8% rural population have color T.V and 3.5% have refrigerator. Other table shows that 66.3 urban population use shampoo and 82.2% use toothpaste, while 35.2% rural population use shampoo and 44.9% use toothpaste. It is clear that penetration rate in rural market is low as compared to urban market; low penetration indicates the existence of unsaturated markets, which are likely to expand as the income level rise as well as awareness increases. It provides an excellent opportunity for the industry players in form of vastly untapped market.

Increase Population so as Demand:

The rural market in India is vast and scattered and offers a plethora of opportunities in comparison to the urban sector. It covers the maximum population and regions and thereby, the maximum number of consumers. More than eighty percent of rural markets in India still do not have access to any sort of organized marketing and distribution.

So there is a sea of opportunities for retailers to serve the consumers in rural and semi urban India. CRISIL study estimates that over 60% of India's population would be residing in rural area in 2026.

Literature Review

Various researches have studied the impact of advertising in the past. Competition, the urge of getting the space in the consumers mind, Advertising itself has evolved a lot and used by companies to promote their product and services. Advertisement techniques have significantly changed from last decades with the advancement of technology online and mobile advertisements have been successful to reach the targeted audience. Dr. D. Prasanna Kumar [1] found that Advertisements are the powerful means of communication media to convey the information to the target group of customers. Advertisements should be able to attract customer's attention to involve in the advertisement. Ali Hassan [2] found that there is a positive relationship of emotional response between consumers buying behavior and Television Advertisements. It was found that television advertisements impact on behavior of consumers is related

toresidential backgrounds whether urban or rural and gender groups. Advertisements on television have a significant impact on the trial of the services or product by the customers but at the same time these advertisements create irritation among all age group people.

Events like different festivals and different games and sports competitions actually have a high participation level in the rural India as other sources of entertainment have a very less in those areas. Different brands sponsor different events and shows in villages, which are actually a cost-effective way to advertise with the participatory strategy said by Kanjilal [3]. Advertisements touching the emotions of the rural folks could drive a quantum jump in sales. Marketers would do well to first understand this and then design and launch products accordingly found by Thakker and Bhagag [4].

Objective of the study:

1. To study the impact of television advertising on the rural people of Jabalpur district.
2. To analyze the relationship between television advertisement and buying decision.
3. To study the opportunities in the FMCG sector in the rural market.

HYPOTHESES OF THE STUDY

The hypotheses of the study framed are:

1. There is no impact of Television advertising on rural consumers of Jabalpur district.
2. There is no relationship between television advertising and consumer buying decision.

RESEARCH METHODOLOGY

The study was descriptive in nature. A dip stick survey was done to understand and take on the objective of the study. Data was collected through both primary and secondary data.

AREA OF STUDY: The study is carried out in the rural area of Jabalpur district in Madhya Pradesh; A few nearby villages have been identified and carried out the research with.

Data Collection: Various books written by marketing gurus, Government websites, Rural Marketing Association of India, Advertising websites were of great help to get the Secondary data. The primary data was collected through a structured questionnaire with the help of convenience sampling method.

Sample Size: The questionnaire was put up to as many as one hundred villagers irrespective of their Gender, Income or Age.

Limitations of the Study:

Since the study was carried out to check the impact of television advertising on rural consumer of Jabalpur district only the viewers of television were kept as the sample population for the study, any other medium of

communication/advertising were not considered. Location is also one of the major limitations for this study, only villages nearby Jabalpur city were considered.

Data Analysis and Interpretation:

Demographic study

Table: 1.1

Gender	
Male	64
Female	36

Table: 1.2

Age	
20-25	36
26-30	20
31-35	15
36-40	15
40 and above	14

Table: 1.3

Income	
0,000-50,000	15
50,000-100,000	32
100,000-150,000	20
150,000-200,000	13
200,000-250,000	10
Above-250000	10

Table: 1.4

Profession	
Agriculture	35
Govt Employee	10
Students	36
Home maker	19

The above tables suggest the demographic structure of the sample population, table 1.1 suggest the gender classification of the respondents 64% of the respondents were male while 36% of them were female.

Table 1.2 indicates the age groups of the population where 36% of the population were between 20-25 years, 20% were 26-30 years, 31-35 and 36-40 were 15% and 14% of the respondents were of 14%

Table 1.3 denotes the income level the respondents belong 15% belong to 0-50000, 32% belong to 50-1lacks, 20% belong to 1lackto1.5lack, 13% were of 1.5-2 lack, 2 -2.5 lacks and 2.5 lacks and above were 10% respectively.

Table 1.4 suggest their profession, 35% of the respondents were related to farming or agriculture, while 10% of them were having Govt. Employments, the major part of the respondents were students which was 36% and 19% were house wives or home makers.

Impact of Television Advertising on Rural Consumers

Table 2.1

Impact of Television Advertising	Yes	Sometimes	No
Does Advertising Impact your buying decision	64	24	16
Does Advertisement motivate you to buy products	56	32	12
Do you try new products based on Ads	62	26	12
Did advertising affect your attitude towards any FMCG product	62	18	20
Do you think advertising enhances your knowledge about products and their usage	76	13	11

Table 2.1 attempts to check that how advertisements have impacted the buying decision, Motivation and attitude towards FMCG products. A huge proportion of respondents agreed that advertisements add to the knowledge about new products and brands. 64% of the population think that advertising impacted their buying decision while 24 % have said it did sometimes and 16% of them were unaffected by the advertising. When it comes to derive motivation from the advertisement to purchase a product 56% were motivated by the advertising while 32% of them were motivated only sometimes and 12% of them thought otherwise and did not get motivation at all. When asked about trying a new product after watching and advertisement 62% of them have said they did try new products, 26 % have done it sometimes but 12% have never tried after watching an advertisement.

For change in the attitude towards any FMCG product 62% felt the attitude change towards a particular product, 18% felt it sometimes but 20% of the respondents never felt any attitude change towards any product.

Knowledge enhancement is another aspect of advertising 76% of the respondents thinks so 13% have felt it sometimes while 11% of the respondents never experience any knowledge enhancement about any product.

Table 2.2**Consumer Preference on Toothpaste brands after watching the Television Advertisement**

Colgate	32
Dantkati	34
Close Up	13
Dabur Lal dantmajan	9
VicoVajradanti	12

The above table indicate that 34% of rural population would choose Dantkanti as their preferred brand followed by Colgate32%, Closeup 13%, Vicovajradanti 12% and Dabur laldatmanjan 9%.

Table 2.3**Consumer Preference on Shampoo brands after watching the Television Advertisement**

Sunsilk	11
Clinic plus	37
Head & Shoulders	8
Patanjali Sampoo	26
Vatika	18

Table 2.3 suggest that Clinic Plus has become first choice after watching it's Television advertisements with 37% rural consumer preference followed by Patanjali shampoo with 26% and Dabur Vatika, Sunsilk, Head & Shoulders, 18%, 11%, 8% respectively.

Table 2.4**Consumer Preference on Bathing soap brands after watching the Television Advertisement**

Lux	38
Patanjali	33
Lifebouy	9
Cinthol	8
Nirma	12

Table 2.4shows that Lux is the first choice after watching it's Television advertisements with 38% rural consumer preference followed by Patanjali soaps with 33% and Lifebouy, Cinthol, Nirma, 9%, 8%, 12% respectively.

Table 2.5**Consumer Preference on Detergent Powder brands after watching the Television Advertisement**

Ghadi	42
Rin	16
Surf Excel	18
Patanjali	15
Tide	9

The above table indicate that 42% of rural population would choose Ghadi detergent as their preferred brand followed by Surf Excel 18%, Rin 16%, Patanjali 15% and Tide with 9%.

Table 2.6**Elements of an advertisement influencing rural consumer buying decision**

Product features detailing	39
Brand Ambassador	11
Price oriented ads	13
Faith developed by the ad	31
Punchline of the Ad	6

The Above table indicate various elements of an advertisement which changes the rural consumer behavior, Product detailing done in an advertisement changes buying decision to a great extent said by 39% of the respondents while 31% of them think that Advertisements developed faith changed their attitude towards the product/brand, 13% of the respondents gives importance to price oriented advertisements, 11% of the rural population gets influenced by the Brand ambassador and 6% thinks punchline of the advertisement changes their buying behavior.

Conclusion:

The study was done under lot of limitation one of them was the number of respondents which in this research was 100, of the rural areas of Jabalpur district. Males were in higher side of the respondents. All the age group starting from 20 year till above 40 years have participated in the survey. The respondents were from varied professional background be it famers, students, Govt. servants, house wives etc. having income starting from 50000 till 2.5 lacks.

After the study we can conclude that Advertising plays an important role in changing rural consumer behavior, with various categories of the products studied in this research we can say that Patanjali dantkati, Clinic Plus shampoo, Lux soap and Ghadi detergent powder are the leaders in their respective segments. Their success through advertisements lies in cracking the code of success which is the elements liked by rural consumer in their advertisements.

Therefore all the advertisers must be aware of the elements liked by Indian rural consumers while making an advertisement.

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