

**A STUDY ON PURCHASE OF CONSUMER PRODUCTS IN URBAN AREAS OF TELENGANA****K. Bhaskar****MBA Marketing****Osmania University****Email: bhaskar.kandala@gmail.com****Abstract**

A consumer product is any tangible product for sale that is used by a person or household for non-business purposes. Indian consumer segment is broadly segregated into urban and rural market and is attracting marketers from across the world. The sector comprises of a huge middle class, relatively large affluent class and a small economically disadvantaged class, with spending anticipated to more than double by 2025. The urban consumers are known to earn above average income, have high level of literacy, extreme awareness of local and international brands, asymmetric information, adequate communication and transportation facilities. The urban markets and sub-urban markets are now expanding in telengana with ever greater penetration index, as the growth seems stunted in the rural markets. In this study, urban areas of telengana with a sample size of 400 respondents. The study intends to identify the level of influence of various factors on the purchase of different products among the rural/ semi urban consumers. The study emphasized that urban consumers gave more importance to the quality.

1.0 Introduction:

The whole structure of the urban markets is determined by consumer behavior and its study is a new field in geography. The subject of consumer behavior is an extremely complicated one and geographers have really only just begun to search the surface as their understanding of the detailed composition of individual shopping trips is concerned.

But geographers have studied the various aspects of consumer behavior, and as Stimson stated, "Consumer behavior has traditionally been a fertile area of research in geography. Because of the inherent spatial nature of consumer shopping activity—where the consumer is likely to shop directly affects the location and organization of the retail market system and vice-versa".

The present study is based on data collected from directly from the consumers. The study has been conducted in the different palces of telengana. Hyderabad and secunderabad are well know as twin cities in telengana where which has a population of 7.7 million the sixth most populous urban agglomeration in the country, with 3,985,240 males and 3,764,094 are females.

1.1 Application criteria**Products are classified into three categories':****Durability and tangibility**

Nondurable goods —tangible goods normally consumed in one or a few uses.

Durable goods —tangible goods that survive many uses.



Services —intangible, inseparable, variable, and perishable products.

Consumer products

Merchandise or other item of common or daily use, ordinarily bought by individuals or households for private consumption. Consumer products are classified based on shopping habits of a consumer: convenience goods, Shopping goods, Specialty goods and Unsought goods.

Industrial products

Products bought for use in an organization or to make other products are industrial products. Fuel, raw materials, machines, tools etc. are examples of industrial products.

1.2 Research Objectives

1. To study the similarities and dissimilarities of rural and urban consumers towards the purchase of consumer products.
2. To study the types of media that affect buying behavior of urban consumers.
3. To know the factors influencing the preferences of rural and urban consumers over branded and unbranded consumer products.
4. To observe the behavior of rural and urban consumers regarding the preference towards from where to buy consumer products.
5. To observe the consumption pattern or frequency of purchase of urban consumers regarding consumer products.
6. To study the factors those influence the purchase decisions of urban consumers while buying branded/unbranded consumer products.

2.0 Literature review

FACTORS INFLUENCE TO PURCHASE UPGRADATION

Consumer Behavior

The consumer, The KING of the market is the one that dominates the market and the market trends. Lets us know the King first. A consumer is someone who pays a sum to consume the goods and services sold by an organization. The consumer plays a very important role in the demand and supply chain of every economic system of every nation. The producers of the goods and services would lack the motive of producing as there would be no demand for their products. [1]

**Advertisement**

Advertising has come a long way from campaigns of the past. Now in the digital age, advertisements have taken a new turn and appear in even more places. Painting a trustworthy, authentic picture of your business can help consumers to be more invested in you and more likely to buy. Evoking emotion, talking to your audience on a personal level or involving your consumers' known interests are all successful tactics. Whether you want to entice new customers to take an interest in your product or service, or bring back repeat custom, branded advertising is a proven method. Advertising gives you a specific platform to shout about your brand, product or service. By using it to your advantage, you're able to unlock the full potential of your company and show your target audience what you can do for them. [8]

Online shopping

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among alternative vendors using a shopping search engine, which displays the same product's availability and pricing at different e-retailers. As of 2016, customers can shop online using a range of different computers and devices, including desktop computers, laptops, tablet computers and smart phones. Consumers show interesting in purchasing goods through online shopping because of easy and fast was of Product selection, Easy payment option, and product delivery at door steps. Online shopping paly a major role in the urban areas of telengana.

Brand Name

The brand name is huge – and we're not just talking about brand equity. The way the brand name sounds and the images it evokes both impact the purchase decision. That's why coming up with good company names is such a crucial task when launching a brand or product.

Using the mop example, would you be more likely to purchase a mop sold by the brand name Pure and Clean Solutions or Products Ltd. The first evokes strong imagery, while the latter is boring and non-descriptive – most would choose the first.

Packaging

While some would contend bundling is an item related factor, most would concur it's a non-item factor. On the off chance that you evacuate the bundling and discard it to get to the item, it's not some portion of the item itself. All things considered, you ought to invest a lot of energy and exertion culminating bundling in the event that you need to get consideration and emphatically impact buy choices. As indicated by Yasushi Kusume, the advancement and imaginative administrator for IKEA and other driving brands, item bundling must do three things. To begin with, it needs to emerge and get the crowd's consideration. Second, it ought to energize a buy by passing on an extraordinary and important incentive. Third, it should fit with your image's situating and stay genuine to your general position.

Reputation

In an age where social media is king, word of mouth marketing is the key to promoting and maintaining a positive reputation. "Customers don't give much weight to seller messages anymore," writes business expert Kristin Zhivago. "They talk directly to each other. What your current customers are saying about you will either help you sell more – or drive away business."

If you can develop a positive brand reputation in the marketplace, you'll be able to influence customer purchase decisions more frequently. People will look at your product, recall what others have said, and choose you over the competition. In many cases, a positive reputation can even offset deficiencies in other areas.

Pricing

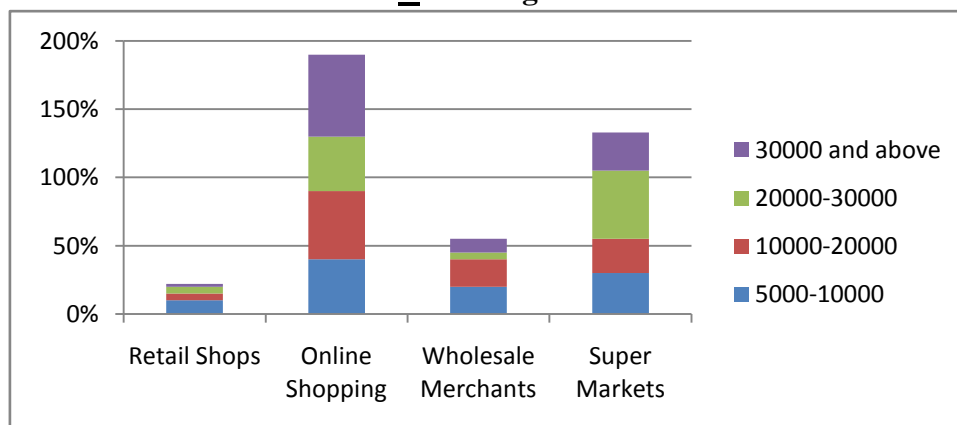
The fifth non-product factor that buyers consider is pricing. The challenge here is determining just how price sensitive your target market is. In some industries, price is the number one non-product factor. In others, it plays a very minimal role. For example, a customer buying a mop may be very price sensitive. If one soap is 9.99 and the other is 24.99, chances are they'll choose the costliest one because the consumers assume that it has good benefits than the less priced soap. Consumer Products' consolidated sales rose by 12% in the 1st quarter, over a year ago. [7]

A study reveals below information from the data collected the consumer in twin cities and other areas of telengana:

1. Customers Like to Research Online but Make Big Purchases in Stores.
2. Majority of Consumers Research Products Online Before Purchase
3. Benefits of online purchase attract consumers to purchase products online
4. Brand name and celebrities play major role in purchasing the products
5. Products are purchased by consumer based on Repeated usage, Everyday, Every week, every month

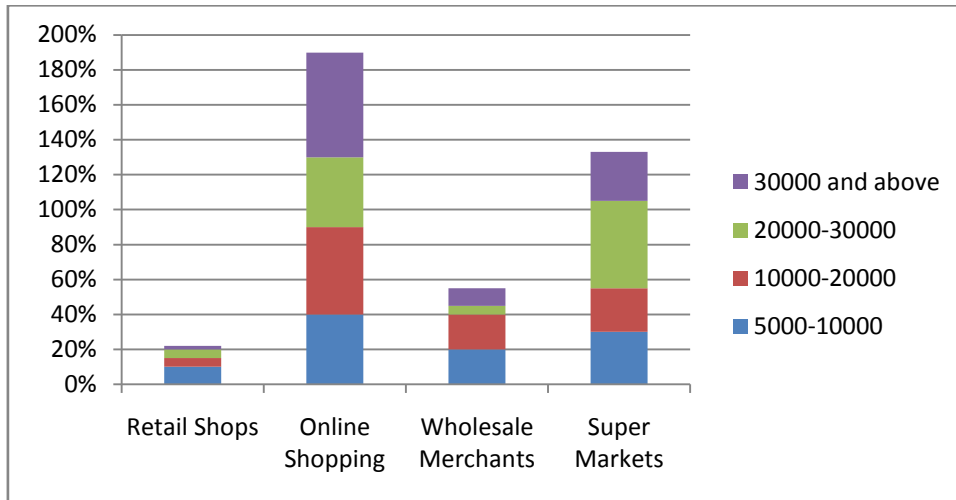
Data Analysis

ECIL Region

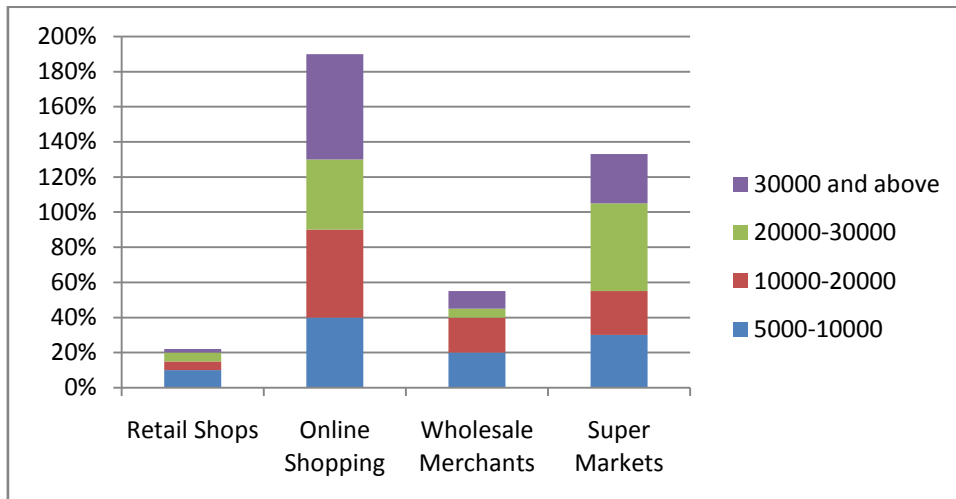




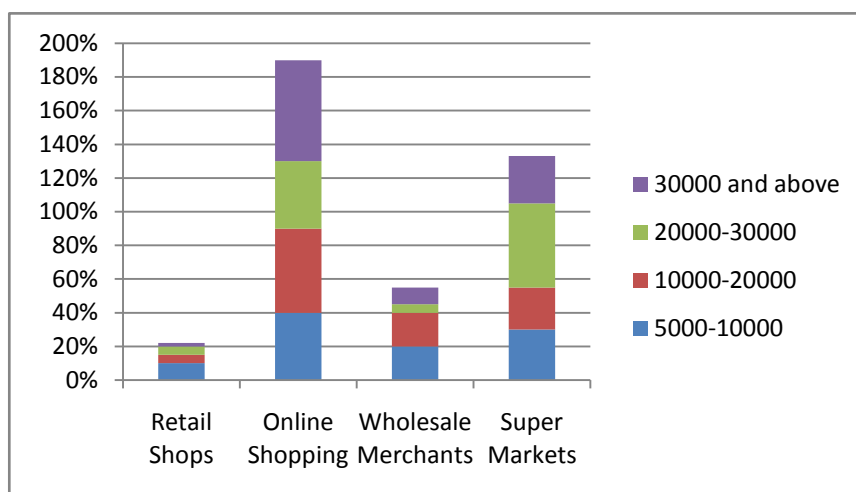
Kukutpally Region



Kesara Region



Ghatkesar Region





Initially, the sample size was 400, and survey was conducted into 4 places between rural and urban areas and with different income level groups follows:

Conclusion:

The research reveals that lack of proper advertisement and knowledge on shopping and super markets rural area people are still depending upon the retail and wholesale merchants, they assume that super markets will provide the products at higher cost than the retail and wholesale merchants. While consumer goods are largely retailed through two primary sales channels - general trade and modern trade, present times are quite interesting as new channels such as e-commerce have emerged quickly to become forces to reckon with; but this space is yet to provide a profitable and sustainable model as things stand today. General trade comprising of the ubiquitous kirana stores is the largest sales channel forming the majority of overall retail sales. However, growth of consumer goods retailed through the newer channels is now outpacing the growth of FMCG products in general trade. Factors such as a comfort, convenience, rising trust factor, modern store experience, access to a wide variety of categories & brands under a single roof and compelling value-for-money deals are attracting consumers to the newer channels in a big way.

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