

## **Rural consumer preference for mobile phone with reference to villages of Kolar District, Karnataka**

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### **ABSTRACT**

*In this era of globalization, marketers have not just focused on serving urban consumers profitably, but are also focusing at rural markets due to success of HUL, LG, Dabur, ITC, Chick Shampoo and many more brands in FMCG. These brands were successful very early in 2005 by focusing on just 10,000 villages on a total of over 6,30,000 villages. Now, Indian rural market is more potential market due to improved literacy rates and high TV penetration. Indian rural literacy rate is 71% as on 2015, while 86% is the literacy rate of Urban India (The Economic Times of India, 30th June, 2015). Indian rural market is a potential market due to improved literacy rate, improved purchasing power, and better infrastructure. Mobile as a product for communication has become most essential product for rural consumers. There is a change in Indian Telecom industry compared to past 10 years. According to Gartner report, after China, India would be fastest growing mobile telephony market in Asia Pacific. The companies need to make proper assessment while marketing for the rural India and hence the need to understand the value of unique marketing mix in retailing for rural areas which again is not uniform based on geography, infrastructure, etc. This research is an attempt to understand buying behavior of rural consumers of Kolar district.*

**Keywords:** rural & urban consumers, literacy rate, telecom industry etc.

### **INTRODUCTION:**

Government agencies from IRDA & NCAER define 'Rural' as "a village with a population of less than 5,000 with 75% of the male population engaged in agriculture etc" <sup>1</sup>

The Census of India defines any habitation with a population density less than 400 per sq.km, where at least 75 per cent of male working population is engaged in agriculture and where there exists no municipality or board, as a rural habitation <sup>2</sup>.

### **Indian Rural Market:**

Rural India comprises around 840 million people; around 70% of population, with over 600,000 villages and 56 per cent of national income. The Indian rural market with its vast size and demand base offers greater opportunities to many marketers.

It accounts for around 55 per cent of the manufacturing GDP; rural areas were host to nearly 75 per cent of new factories built in the last decade, and rural factories account for 70 per cent of all new manufacturing jobs.

In incremental terms, spending in rural India during this period, increased by US\$ 69 billion, significantly higher

than US\$ 55 billion by urban populations. (IBEF, November 2013, <http://www.ibef.org/industry/indian-rural-market.aspx>). Literacy is rising, and exposure to the same commercials as urban consumers has created a demand for typically urban products and services. Villagers are willing to adopt new products or services if they can clearly see the benefits that accrue. Better road infrastructure has led to increased mobility; with people travelling, more often further a field in search of entertainment in the form of cinema, and not just for visiting family or pilgrimages. A survey by the National Council for Applied Economic Research (NCAER), India's premier economic research entity, recently confirmed (2014) that rise in rural incomes is keeping pace with urban incomes. From 55 to 58 per cent of the average urban income in 1994-95, the average rural income has gone up to 63 to 64 per cent by 2001-02 and touched almost 66 per cent in 2004-05. The rural middle class is growing at 12 per cent against the 13 per cent growth of its urban counter-part. According to CMR's India Monthly Mobile Handsets Market Review, CY 2013, February 2014 release, India recorded 247.2 million mobile handset shipments for CY (January-December) 2013. During the same period, 41.1 million smartphones were shipped in the country. India has approximately 700 million mobile phone users, out of which 320 million are rural mobile users ( How smart phones are penetrating deeper in rural India, 25<sup>th</sup> May 2015, The rural Marketing Journal). The penetration of mobile phone in rural market has increased from 22% to 38% in the last four years.

### REVIEW OF LITERATURE:

Tao Sun and Guohua Wu, (2004), conducted research on Consumption pattern of Chinese urban and rural focused on understanding product purchase preference for 16 different products, while phone was one among them. The rural and urban consumers of China were found to be different in attitudes towards the marketing mix and thus were found to be different in preferring and using products which could enhance the living standards. This was a generic study and not specific to a particular product, thus the gap.

In a study conducted by Shashi Prabha Singh, (2005), it is observed that the information and communication has a vital role to educate Indians in various territories to become an information society. This research study is focused more on the need for ICT to be called as a developed India with the co-operation and involvement of government of India, but is not focused particularly on rural market.

Pradip Thomas, (2007), in his paper titled; Telecom musings: public service issues in India, has suggested that in India access and affordability are the important words that define the provision of ensuring a 'phone in each village'. The availability of mobile phone would cut the role of middlemen and gatekeepers so that villagers or farmers can enjoy a better earnings, computerization as a tool to eliminate corruption and thus connecting urban-rural India at better pace of development in many areas.

Chirag V. Erda (2008) did comparative study of rural and urban buyers in Jamnagar district of Gujarat in buying mobile phones, India. This comparative study was conducted to understand the similarities and differences while buying a mobile phone by rural and urban consumers. Quality, Brand, Price, Style and Functions were considered as factors under study to compare rural and urban buyers. The rural consumers /respondents were less quality, function and brand conscious when compared to urban consumers. The study suggested that companies need to strategies according to the consumers of rural areas. The study is a comparative study between rural and urban consumers of Gujarat only, not on different states or rural consumers in particular.

Ajith Paninchukunnath, March 2010, in 3P framework: Rural Marketing in India suggested that the 3P, i.e., the Push Marketing, the Pull Marketing and the Pull up Marketing, in Rural Marketing has to be adopted in totality for achieving sustainable success in rural marketing. The Push marketing mainly aims at market penetration. Products sold in urban markets are made available to rural consumers without any modification. Push approach also involve partnering with many partners (Both for technology and logistics) to reach the remotest part of the country.

The Pull marketing mainly aims at communicating with the rural consumers and reduce disconnect between what marketing firms offer and what rural consumers want. Vernacular advertisements, local opinion leaders and ambassadors are used to communicate with rural consumers. Majority of the modifications are at the packaging level (smaller packs). Pull marketing use media, melas and haats as the focal approach to target rural consumers - to attract, educate and make them brand loyal. Pull up strategy uses both in addition to innovation, green marketing, to attract rural consumers.

In a study conducted by C. Samuel Craig and Susan P. Douglas, (2011), "Empowering rural consumers in emerging markets", found out that marketers strategy must be based on a thorough understanding of rural consumers, enhancing rural consumer's ability to consume, and developing ability to market to rural consumers particularly their multiple roles as producers and consumers. They also mentioned in their study that by using mobile phones, the fishermen were able to identify the best ports to take their catch to, resulting in an increase in their average income by 8 percent, thus increasing the purchase power of rural consumers to buy more is a symbol

of business prospect.

Ratika Rastogi and Sonia Chaudhary, (2012), in their research titled Psychology and Buying Behavior of Rural Consumers with Special Reference to Television, Washing Machine and Refrigerator in the Rural Areas of Meerut Region focused on understanding purchase motivators on the bases of necessity, status symbol, marketing influence, brand reputation in the rural areas of Meerut region. This study would help manufacturers to understand beliefs, perception and behavior of consumers to introduce new strategies to enhance sales. The study was conducted in 6 villages nearby Meerut. The study concluded that rural consumers prefer buying a new product of the same brand due to their earlier use, while price being the next priority, followed by offers and after sales service n discount. The study also mentions that men are more aware of the brand than women. The respondents were more aware of the brands like, Samsung and LG. Since the study focused on shopping goods; like Television, Washing Machines and Refrigerators which are a part of shopping goods along with mobile phones, but have missed on considering rural response towards mobile phones, the gap.

In a study conducted by Rajesh K. Aithal, (2012), on the study titled Marketing channel length in rural India, mentioned that channel length varies in regions based on variation in the external environment and is also based on the rural retailer buyer preference since rural retailer with his unique buying preferences also influences the distribution channel. The study focused more on two product categories, convenience goods and not shopping goods and thus the gap.

Aniruddha Akarte, and Dr. Amishi Arora, (2012), Indian telecom market in transitive economy: A comparative study on buying behavior of rural and urban buyers on mobile phones was conducted in Vidarbha region, Amravati district, Maharashtra State, aimed at understanding buyer behavior of rural and urban consumers of Amravati district on factors like price, quality, style, function, brands and current trends. While the other factors being source of information, brand preferred and role of family members in influencing buyer behavior. The study concludes that rural consumers are not similar when it comes to giving priority to brand, and functionality while shopping a mobile phone, but are similar to prioritizing price. The companies need to understand the dynamics of rural consumers to formulate marketing strategies specifically for rural consumers.

Buying behavior being dynamic may not be same in all states, especially with rural areas. Hence state wise study has to be conducted to devise customized marketing strategy.

Dr. Pratyush Tripathi & Prof. Satish Kr. Singh, (2012), in their study titled Consumer Behavior towards the preference and usage of mobile phones service in Bhopal, focused on understanding the factors leading to consumer satisfaction on using a mobile phone, and to understand the effectiveness of activities of promotion incorporated by companies to have any impact on purchasing the same. The study revealed that the service of mobile phones was used by men more than women, irrespective of being educated or uneducated. Maximum cell phone users being students, 55%. The service provider, Airtel (35%) was most preferred followed by Vodafone (20%) and Reliance (20%). The study concluded that product features and their benefit, free SMS, would attract a customer and customer satisfaction can be enhanced by offering better schemes by the marketer.

Richard Kipkemoi Ronoh, (2012), in the research titled Usage patterns of mobile phones amongst university students in Kenya concluded that the technology which would fit their lifestyle and individual needs would be the reason for choosing a particular mobile phone amongst university students. The research was focused on understanding the influence of intrinsic and extrinsic motivational factors driving the usage of mobile phones. The study reveals that the technology is not just used for simple purpose but is used according to their lifestyle and individual needs.

Mesay Sata (2013) researched on paper titled factors affecting consumer buying behavior of mobile phone devices, found correlation between 6 factors like, price, social influence, durability, brand, product features and after sales service with the decision to buy a mobile phone device. Ethiopia being a developing country with wide increase in usage of mobile phone has attracted international brands. Study does not mention about rural respondents Due to the competition that is existing in mobile phone manufacturers, this study helps marketers understand the factors influencing purchase of mobile phones to increase the sales of their brands. Every marketer should update technology in their mobile phones along with focus on brand personality, positioning, differentiation and design. Mridanish Jha (2013) studied on A comparative study of the buying behavior of rural and urban consumers towards mobile phone in Bihar, was a comparative study. The study also concluded on saying that rural consumers give priority to local languages in their phones, while price being the next priority and advertisement being the 3<sup>rd</sup> important factor influencing the buying behavior.

Dr. Kanakaiah Madasi and Ch. Raghupataiah, (2014), in their study titled Buying Behavior towards mobile phone: A comparative analysis of rural and urban consumers focused on understanding the motivational factors influence mobile purchases by rural consumers and comparing with that of urban consumers. The study focused on

understanding rural purchase decision based on examining the source of information, role of family members and customer satisfaction. This study also focused on understanding motivators like quality, function, price, style, brand and quality impacting purchase decision. Since the respondents were from Warangal district, the study says that this could be a limitation since other states differ in socio-cultural component. This study is similar to the study conducted by Aniruddha Akarte and Dr. Amishi Arora focused at Vidarbha, Amaravati district in 2012, has similar objectives under study. Similar studies if conducted in different districts of all states can to greater extent predict rural buyers of India.

Dr. R. S. Mishra, (2014), in his research titled Mobile phone usage patterns among Indian consumer, focused on understanding factors influencing the consumers for brand preference, and to study relationship between the availability of brands and consumer buying behavior towards mobile phones. The sample for the study was Varanasi and Allahabad district. The study was conducted to understand factors influence mobile phone usage pattern on like, brand, price, quality, style and functions among respondents/ youth or college students suggests that service providers must focus on improving network connectivity. The rural market should be tapped with strategies influencing purchase decision-making.

Agago, Tirfe and Nittala, (2015) in their study titled, Personal factors influencing consumers buying decision of mobile phone: A case of Ethiopia, Dilla City, chose age, education, income and occupation of consumers as factors influencing buying decision of mobile phones. The study surveyed on respondents from business, government employees, teachers as well as students. Customers were studied on the basis of pre-purchase evaluation, post purchase evaluation and personal factors. The research concluded on stating that the consumers make purchase decision on basis of factors like product evaluation and personal factors. The gap of the study would be to understand the aspects of personal factors like personality and self-concept influencing purchase decision-making. The other gap would be that the study was conducted in dilla City and not rural area.

According to Dr.Sathya Swaroop Debashish and Dr. Nabaghan mallick, (2015) consumer Behavior towards mobile phone handsets-a study in Odisha, observed that companies need to develop specific marketing strategies and action plans taking into account the complex set of factors that influence consumer's behavior. The study is similar to the study on the basis of 5 factors like, price, quality, style, brand and function as motivators, while in a different state, Odisha. This study is similar to the study conducted by Dr.Kanakaiah Madasi and Ch.Raghupataiah, (2014).

Saurabh S. Desai and S.K.Sharma, (2015), in their study titles A study of consumer behavior exhibited by the college-going students, in purchasing mobile handset; with special reference to Pune region, focused on understanding consumer behavior of young college going customers' for mobile handsets. The study was restricted to Pune region only, could be carried forward to understand youth's buying behavior in different parts of India as well as rural areas.

Dr.M.Malathy, (2015), in her research titled Consumer Buying Behavior pattern towards the choice and usage of mobile phone in Chennai City, focused on mobile phone features, buying motives and their effect of purchase decision of consumers in Chennai city . it can be observed that the work was focused at urban region only and not on rural region.

Shweta (2016) in her research titled Buying Behavior of rural consumers and their psychology with special reference to mobile focused on purchase motivation of respondents of rural area of Dehradun. The study conducted on understanding purchase motivators is helpful to the manufacturers to understand perception of consumers and their behavior for improving them to introduce new strategies and increase in sales.

#### **RESEARCH METHODOLOGY:**

This research is an attempt to understand buying behavior of rural consumers to enhance retail opportunities for mobile phones. To be able to solve this research problem, as it was very important to know the buying behavior of rural consumers, a simple random sampling was considered.

#### **List of variables under study:**

**Independent variable:** Age, Income, Gender, Key Opinion Leader, Brand preference, and advertising

**Dependent Variable:** Consumer Behavior

## **RESEARCH OBJECTIVES:**

### **Primary Objective:**

- To understand and analyze the rural consumer buyer behavior towards mobile phones of with special reference to villages of Kolar District, Karnataka

### **Secondary Objectives:**

- To understand the influence of advertising as variable on rural consumers while purchase decision making.
- To study the influence of brand preference on purchase decision-making
- To understand the impact of KOL (Key Opinion Leaders) on purchase decision-making
- To analyze the influence of demographic factors like age (15-25 years, 25-35 years, 35-45 years, and 45-55 years), income, occupation, gender (men and women) and qualification on purchase decision-making
- To give suggestions based on findings.

### **Research Population and Sampling:**

To select the samples, a simple random sampling, preferable convenient sampling was considered. The respondents for the questionnaire were selected from two villages of Kolar district (Araleri and Medahatti) as the main focus but factors influencing rural consumers while purchasing Mobile phones were considered.

### **Data Collection:**

With reference to the research objectives, the data was collected with the help of a structured questionnaire. A questionnaire comprises of several questions printed or typed in a particular form supporting the objectives of the research study. Closed ended questions, few with multiple choice options were used to understand respondents.

### **Sources of Data:**

This study utilized data from both the primary and secondary sources.

- The primary data was collected by interviewing rural consumers with the help of questionnaire. A sample of 228 from Kolar district villages) was considered for the study. The research took into consideration Demographic factors like; AGE (15-25 years, 25-55 years (25-35 years, 35-45 years and 45-55 years) of the respondents, men and women chosen randomly as GENDER, Occupation, QUALIFICATION. Also, demographic factor INCOME is also considered along with other factors like KOL, BRAND PREFERENCE due to awareness as well as availability and ADVERTISING as a reason to impact on awareness are chosen as independent variables under study.
- Secondary data: Since the study is focused at rural consumers, also due to the availability of several research studies conducted on rural consumers, several journals have been referred for finalizing the topic and framing of hypothesis. The theory aspects from book and journals have helped in establishing the variables to be studied or researched.

### **Hypothesis:**

- Age has impact on buying behavior of rural consumers while shopping a mobile phone.
- Brand has influence on buying behavior of rural consumers while shopping a mobile phone.
- Key Opinion Leaders influence buying behavior of rural consumers while shopping a mobile phone.
- Advertising has impact on buying behavior of rural consumers while shopping a mobile phone.

Kolar District: as per the census of 2011, the population of Kolar district is 15,36,401 with literacy rate of 74.33%. Kolar has 3<sup>rd</sup> highest number of villages, 1,797. Araleri population 1650 and Medahatti population is 554.

**Hypotheses 1:** Age has impact on buying behavior of rural consumers while shopping a mobile phone.

**Table 3.3.1a: Descriptive for Impact on buying behavior**

		N	Mean	Std. Deviation	Std. Error
Which of the following mobile phone do you own?	15 - 25 YEARS	75	3.83	3.265	.377
	25 - 35 YEARS	91	5.74	3.729	.391
	35 - 45 YEARS	45	7.47	3.634	.542
	45 - 55 YEARS	14	12.00	4.297	1.148
	<b>Total</b>	<b>225</b>	<b>5.84</b>	<b>4.128</b>	<b>.275</b>
Is it a new or used mobile phone?	15 - 25 YEARS	75	1.00	.000	.000
	25 - 35 YEARS	91	1.00	.000	.000
	35 - 45 YEARS	45	1.24	.435	.065
	45 - 55 YEARS	17	2.00	.000	.000
	<b>Total</b>	<b>228</b>	<b>1.12</b>	<b>.329</b>	<b>.022</b>
Did you buy the mobile phone due to the following reasons	15 - 25 YEARS	75	1.47	.723	.083
	25 - 35 YEARS	91	2.40	.492	.052
	35 - 45 YEARS	45	3.27	.447	.067
	45 - 55 YEARS	17	3.76	.437	.106
	<b>Total</b>	<b>228</b>	<b>2.36</b>	<b>.945</b>	<b>.063</b>

**Table 3.3.1b: Anova for Impact on buying behavior**

ANOVA					
		Sum of Squares	df	Mean Square	F
Which of the following mobile phone do you own?	Between Groups	955.299	3	318.433	24.592
	Within Groups	2861.617	221	12.948	
	<b>Total</b>	<b>3816.916</b>	<b>224</b>		
Is it a new or used mobile phone?	Between Groups	16.250	3	5.417	145.992
	Within Groups	8.311	224	.037	
	<b>Total</b>	<b>24.561</b>	<b>227</b>		
Did you buy the mobile phone due to the following reasons	Between Groups	130.501	3	43.500	134.804
	Within Groups	72.284	224	.323	
	<b>Total</b>	<b>202.785</b>	<b>227</b>		

Considering the factor of Age on one side and other variables like ‘Mobile phone of Brand owned’, ‘owned mobile being used one or new one’, ‘If it’s a used mobile phone, would you prefer buying a new one’, ‘Did you buy the mobile phone due to the following reasons’ factors being on the measuring side, it was observed clearly as shown in ANOVA Table, The value of F being 24.592, 145.992, 204.7 & 134.804 respectively. At 5% Level of Significance with 95% confidence intervals it can be said that Age has impact on buying behavior of consumers while shopping a mobile phone.

**Hypotheses 2:** Brand has influence on buying behavior of rural consumers while shopping a mobile phone.

**Table 3.3.2a: Descriptive for Influence on buying behavior**

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
						Lower Bound	Upper Bound
Were you aware of the brand of mobile phone before buying it?	APPLE	2	1.00	.000	.000	1.00	1.00
	SAMSUNG	37	1.00	.000	.000	1.00	1.00
	KARBONN	28	1.00	.000	.000	1.00	1.00
	MICROMAX	16	1.00	.000	.000	1.00	1.00
	NOKIA	89	1.00	.000	.000	1.00	1.00
	HTC	7	1.00	.000	.000	1.00	1.00
	GIONEE	7	1.29	.488	.184	.83	1.74

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		
					Lower Bound	Upper Bound	
VIVO	4	1.00	.000	.000	1.00	1.00	
OPPO	7	2.00	.000	.000	2.00	2.00	
REDMI	0	.	.	.	.	.	
LAVA	17	1.00	.000	.000	1.00	1.00	
MTS	1	2.00	.	.	.	.	
ONE PLUS TWO	1	2.00	.	.	.	.	
<b>Total</b>	<b>216</b>	<b>1.05</b>	<b>.220</b>	<b>.015</b>	<b>1.02</b>	<b>1.08</b>	
How were you aware of the mobile phone you own?	APPLE	2	1.00	.000	.000	1.00	1.00
	SAMSUNG	37	1.16	.374	.061	1.04	1.29
	KARBONN	28	2.00	.000	.000	2.00	2.00
	MICROMAX	16	2.00	.000	.000	2.00	2.00
	NOKIA	89	2.55	1.454	.154	2.24	2.86
	HTC	7	3.43	2.440	.922	1.17	5.68
	GIONEE	7	4.86	2.673	1.010	2.39	7.33
	VIVO	4	2.00	.000	.000	2.00	2.00
	OPPO	11	5.36	2.693	.812	3.55	7.17
	REDMI	2	2.00	.000	.000	2.00	2.00
	LAVA	17	1.88	.332	.081	1.71	2.05
	MTS	3	3.67	2.887	1.667	-3.50	10.84
	ONE PLUS TWO	2	4.50	3.536	2.500	-27.27	36.27
	<b>Total</b>	<b>225</b>	<b>2.40</b>	<b>1.648</b>	<b>.110</b>	<b>2.19</b>	<b>2.62</b>
	Did you buy the mobile phone due to the following reasons	APPLE	2	1.00	.000	.000	1.00
SAMSUNG		37	1.19	.397	.065	1.06	1.32
KARBONN		28	1.64	.488	.092	1.45	1.83
MICROMAX		16	1.81	.403	.101	1.60	2.03
NOKIA		89	2.78	.420	.044	2.69	2.86
HTC		7	3.00	.000	.000	3.00	3.00
GIONEE		7	3.14	.378	.143	2.79	3.49
VIVO		4	3.75	.500	.250	2.95	4.55
OPPO		11	4.00	.000	.000	4.00	4.00
REDMI		2	4.00	.000	.000	4.00	4.00
LAVA		17	1.71	.470	.114	1.46	1.95
MTS		3	4.00	.000	.000	4.00	4.00
ONE PLUS TWO		2	4.00	.000	.000	4.00	4.00
<b>Total</b>		<b>225</b>	<b>2.34</b>	<b>.932</b>	<b>.062</b>	<b>2.22</b>	<b>2.46</b>

Table 3.3.2b.: ANOVA Results for Influence on buying behavior

ANOVA					
		Sum of Squares	df	Mean Square	F
Were you aware of the brand of mobile phone before buying it?	Between Groups	9.011	11	.819	116.982
	Within Groups	1.429	204	.007	
	<b>Total</b>	<b>10.440</b>	<b>215</b>		
How were you aware of the mobile phone you own?	Between Groups	235.098	12	19.591	11.132
	Within Groups	373.098	212	1.760	
	<b>Total</b>	<b>608.196</b>	<b>224</b>		
Did you buy the mobile phone due to the following reasons	Between Groups	159.465	12	13.289	80.071
	Within Groups	35.184	212	.166	
	<b>Total</b>	<b>194.649</b>	<b>224</b>		

Considering the factor of Brand owned on one side and other variables like, Were you aware of the brand of mobile phone before buying it? How were you aware of the mobile phone you own? Did you buy the mobile phone due to the following reasons, factors being on the measuring side, it was observed clearly as shown in ANOVA Table, The value of F being 116.982 , 11.132 & 80.071 respectively. At 5 % Level of Significance with 95% confidence intervals it can be said that Brand has influence on buying behavior of rural consumers while shopping a mobile phone

**Hypotheses 3:** Key Opinion Leaders influence buying behavior of rural consumers while shopping a mobile phone

**Table 3.3.3a: Descriptive for Influence Key opinion Leaders on buying behavior**

Descriptives					
		N	Mean	Std. Deviation	Std. Error
Did you buy the mobile phone due to the following reasons	Price was Lesser	62	1.23	.493	.063
	TV Advertisement	60	2.50	.504	.065
	Newspaper Advertisements	2	3.00	.000	.000
	Due to Friends Opinion	67	2.63	.624	.076
	Due to Family Members Opinion	13	3.23	.439	.122
	Others	2	4.00	.000	.000
	<b>Total</b>	<b>206</b>	<b>2.22</b>	<b>.872</b>	<b>.061</b>
Did you buy mobile phone for	Price Was Lesser	62	1.00	.000	.000
	TV Advertisement	60	1.00	.000	.000
	Newspaper Advertisements	2	1.00	.000	.000
	Due to Friends Opinion	67	1.78	1.112	.136
	Due to Family Members Opinion	13	3.23	.439	.122
	Others	2	4.00	.000	.000
	<b>Total</b>	<b>206</b>	<b>1.42</b>	<b>.911</b>	<b>.063</b>

**Table 3.3.3b: ANOVA for Influence Key opinion Leaders on buying behavior**

ANOVA					
		Sum of Squares	df	Mean Square	F
Did you buy the mobile phone due to the following reasons	Between Groups	97.910	5	19.582	67.737
	Within Groups	57.818	200	.289	
	<b>Total</b>	<b>155.728</b>	<b>205</b>		
Did you buy mobile phone for	Between Groups	86.308	5	17.262	41.124
	Within Groups	83.949	200	.420	
	<b>Total</b>	<b>170.257</b>	<b>205</b>		

Considering the factor of Opinion Leaders on one side and other variables like ‘Did you buy the mobile phone due to your prior awareness?’ & Did you end up buying a different mobile phone than what you had initially planned for?, factors being on the measuring side , it was observed clearly as shown in ANOVA Table , The value of F being 67.737 & 41.124 respectively. At 5 % Level of Significance with 95% confidence intervals it can be said that Key Opinion Leaders influence buying behavior of rural consumers while shopping a mobile phone.

**Hypotheses 4:** Advertising has impact on buying behavior of rural consumers while shopping a mobile phone

**Table 3.3.4a: Descriptive for Impact of Advertising on buying behavior**

		N	Mean	Std. Deviation	Std. Error
How were you aware of the mobile phone you own?	Price was Lesser	62	1.58	.497	.063
	TV Advertisement	60	1.97	.551	.071
	Newspaper Advertisements	2	5.50	2.121	1.500
	Due to Friends Opinion	67	3.30	2.250	.275
	Due to Family Members Opinion	13	3.15	2.193	.608
	Others	2	7.00	.000	.000
	<b>Total</b>	<b>206</b>	<b>2.44</b>	<b>1.718</b>	<b>.120</b>



		N	Mean	Std. Deviation	Std. Error
To what extent have the following influenced you to buy a mobile phone – TV	Price was Lesser	30	5.00	.000	.000
	TV Advertisement	30	5.00	.000	.000
	Newspaper Advertisements	0	.	.	.
	Due to Friends Opinion	48	5.00	.000	.000
	Due to Family Members Opinion	0	.	.	.
	Others	0	.	.	.
	<b>Total</b>	<b>108</b>	<b>5.00</b>	<b>.000</b>	<b>.000</b>

**Table 3.3.4b: ANOVA RESULTS for Descriptive for Impact of Advertising on buying behavior**

ANOVA					
		Sum of Squares	df	Mean Square	F
How were you aware of the mobile phone you own?	Between Groups	175.549	5	35.110	16.359
	Within Groups	429.252	200	2.146	
	<b>Total</b>	<b>604.801</b>	<b>205</b>		
To what extent have the following influenced you to buy a mobile phone – TV	Between Groups	.000	2	.000	.
	Within Groups	.000	105	.000	
	<b>Total</b>	<b>.000</b>	<b>107</b>		

Considering the factor of Advertising on one side and other variables like ‘If yes, did you decide to buy a different mobile phone due to the following reasons’, ‘To what extent have the following influenced you to buy a mobile phone – TV’ & ‘To what extent have the following influenced you to buy a mobile phone - RADIO’, factors being on the measuring side, it was observed clearly as shown in ANOVA Table, The value of F being 17.359 consolidated. At 5 % Level of Significance with 95% confidence intervals it can be said that Advertising has impact on buying behavior of rural consumers while shopping a mobile phone

**Research Findings and Analysis: Based on the questionnaire, here are few findings:**

Majority of the respondents were men with 83.33% while the remaining respondents were women. 178 of the respondents were married. Married respondents represent 78.07 percent while unmarried represent 21.93 percent. A greater percentage, almost 40.35 percent are qualified only till high school/ tenth standard. There are a few qualified percentages that have got graduation (almost 35%) and post-graduation (2.1%). Analysis: Literacy rate is good and helps marketer to understand that the expenses incurred in creating advertising does not go waste. Majority of the respondents 91 (39.91%) belong to 25- 35 years, while 75 (33%) belong to 15-25 years, 45 respondents belong to 35-45 years (19%), and only 17 (3%) belong to 45-55 years age group. Analysis: India has 65% youth, the statistics holds good here as well.

A majority were agriculturist 61.4%, 8.7% self-employed, 14.4% employed. These two categories, say, self-employed and employed constitute 23.24%. Analysis: A potential market for targeting to sell more through EMI facilities. While 12.2% working in farms and others constitute 10.96%, may be being student or home makers. Nokia is the leading brand, 38.59% as ‘owned’ or ‘possessed’ by the rural respondents, followed very closely by Samsung 17%, Karbonn, 12.2%, Lava and Micromax at 7.4%. Analysis: Thus, the most available brand in villages being Nokia, Karbonn, Samsung, Lava and Micromax. Oppo at 5.2%, followed by very few brands like Moto G, MTS, Lyf, Celkon and Swipe. Greater number of respondents, 87.7% own a new mobile phone while 12.2% own used mobile phone. On a total of 28 respondents having a used mobile phone, 79% (22) replied that they wanted to have a new mobile phone. Thus, a potential market too. While the remaining, 21% (6) respondents did not want to go for a mobile phone since they were satisfied with the existing one. On 28 respondents using a used mobile phone wanted their next mobile phone to be: 10 respondents wanted to have Samsung mobile, 7 Oppo, 3 Karbonn, Gionee 1 and Vivo one. 78% of the population purchased mobile phones from Malur village, 10% (22) from Bangalore and only one got it through others. From the response collected, it was found that highest awareness was due to FRIENDS, followed by Family, Relatives, TV advertisements and Newspaper advertisements

A greater number of respondents, 100 respondents (73.5%) changed their decision while choosing a mobile phone due to influencers like friend’s opinion, 28.50%, due to price a 21% were influenced due to price, 11.84% due to family member, 8.7% due to TV advertisement, 4.3% due to newspaper advertisement, 1.7% were influenced by village head, 1.3% were influenced by village teacher’s opinion and remaining due to other reasons. Rural respondents preferred other mobile phone due to the reason being a better brand, preference of user and to similar

extent better features. The extent of influence the factors had on purchase decision-making; 228 of the responses from Kolar District are 'not at all' influenced by radio, Village head and Banker, while 17 responses with newspapers as influencing them to 'great' extent, 2 responses as influenced by school teacher to 'good' extent while relatives as influencer to 'greater extent' were 14 responses. (MCO), Maximum were influenced by TV Advertisements & Friends. A majority of 54 respondents preferred Samsung, 38 preferred Oppo, 26 preferred Vivo, 24 preferred Nokia, 11 preferred Apple, while 5 preferred Moto G, and 3 preferred HTC. All the hypotheses framed in this research failed to be rejected (were accepted).

### **SUGGESTIONS:**

- Rural market for mobile phones is lucrative, especially in Karnataka, due to the findings of this research titled 'Rural Consumer Buyer Behavior Towards Mobile Phone'. Thus, it is required by a marketer to understand the affordability of majority of rural respondents who constitute as agriculturist, have varying income due to the fluctuations in the price and the harvest.
- Marketers need not provide the kind of technology or more features in their mobile phones as they offer for urban consumers. Urban consumers need higher and better features, since their needs are different and income is higher compared to rural consumers. Rural buyers need a mobile phone majorly for speaking, listening to music, and capturing pictures. This stands for acceptability of 4A of rural market. By focusing on most important and few features, cost of manufacturing such acceptable products by rural consumers may bring down the cost of manufacturing and price it less, and thus provide affordable mobile phones.
- Marketers should note that even small villages have very few retailers, as was noticed in Medahatti, thus reach them to reach many. Since the respondents trust these retailers as they also belong to the same village, it would be easier for a retailer to sell a particular brand of mobile phone. Thus accessibility of 4A is found relevant in this study too.
- The main purpose of advertisement is to create awareness about the products and should aim to sell more. Thus, advertisements should be crafted in such a manner that creating awareness and inducing sales could be achieved through it. For this, a marketer must understand the most viewed channels/language channels, kind of show, reality or serials or movies or sports if watched more to book slots for advertisement during such shows in regional languages. The advertisements should focus on the offers that they provide during its slots.
- Marketers can sponsor some awareness programmes/event in schools and colleges for creating awareness and induce sales too. They can also add their product with other electronic goods and show how much a customer is saving.
- These kinds of studies conducted at state level or at national level can benefit academicians and marketers to understand consumer buying behavior of rural market better.

### **GAP OF THE STUDY:**

Similar work can be conducted in other districts of Karnataka to understand the rural market of Karnataka better. Many more factors like social and cultural, can also be considered while conducting similar research. Similar work can be conducted in different states of India to understand rural market of India better.

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