

Emerging Trends of Electronic Goods Market in Bihar

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Abstract: *The purpose of this paper is to investigate the buying behavior of consumers in Bihar and compare the consumers' behavior of urban and rural consumers in Bihar with regard to mobile phone, Computer and Television. The mobile phone, Computer and Television market has witnessed a tremendous growth in the last ten years. With the presence of all major cellular and Electronics companies providing its services in Bihar there has been an exponential increase in the mobile phone, Computer and Television subscriber base. Rural consumers are basically different from their urban counterparts. Poor literacy levels and limited exposure to product and services account for differences in buying behavior affecting the dynamics of rural consumer behavior. The rural market calls for extra efforts to ensure timely supplies, user training and the entire gamut of pre-sale services. Rural distribution is considered a nightmare because of the six-lakh odd villages in the country plus low off-take per retailer, high distribution cost because of the geographical spread and low volume of purchase. This paper attempts to draw attention towards different buying behavior of urban and rural market in Bihar. The paper examines the preferences of rural and urban consumers towards the mobile phone, Computer and Television. It also tries to understand the factors which influence the consumers for making the purchase decision and compares the buying behavior of urban and rural consumers in Bihar.*

Key Words: *Buying behavior, decision making, literacy level, empowerment, rural, satisfaction.*

1. INTRODUCTION:

The Indian rural market is very unique and distinctive. Over the past few years' rural market has witnessed an enhancement in the buying power of consumers, supplemented by their aspiration to upgrade their standard of living. Making sure that a product is available is not the only aspect for success in the rural market. A marketer should keep in mind that the rural market functions in highly complex environment, hence it is important for them to formulate customized strategies for rural areas. The formulation of strategies depends upon several factors like product category, target segment, accessibility, availability, affordability and awareness. The buying behavior of a rural consumer is quite different from that of an urban consumer therefore the marketing strategies which worked in the urban market may not work in the rural market. Kashyap and Raut (2006) have listed three distinct phase in the evolution of rural marketing during which the term change its meaning and connotation.

Today India is the fastest growing telecommunications market and the second largest in the world with more than 855 million subscribers. A huge chunk of this growth is contributed by rural markets, which have witnessed exponential growth. In spite of the challenges of distribution, service, product knowledge and affordability, marketers of mobile phone handset, Computer and Television have successfully devised ways to reach the hinterland by converting a perceived luxury product into a utility product through relevant and attractive mobile phones such as Nokia's made for India & asha phones with hindi settings and tools. Jio's made for India speak phones with hindi settings and tools. Micromax's long battery backup proposition. Bharti Airtel, India's largest mobile service provider has got to where it is today on the back of its rural growth, Airtel entered into a crucial partnership with Nokia to bundle handsets with connections and other alliances for distribution. Bihar has now started the process of moving from a chiefly agrarian economy to an industrial and service economy. Owing to several trends like rising rural incomes, growing literacy levels, locales and rising penetration of audiovisual mass media, the rural markets are showing interesting changes at overall, aggregate levels. The population of Bihar remains primarily rural. In recent years the rural consumer of the state has been empowered considerably to demand a transformed expression of the strategies that they could employ to trim down poverty and get better comfort. Rural telephony has seen a dramatic transformation with the opening of the telecom sector, which has witnessed tremendous growth in teledensity in the last ten years. As per the cellular operators association of India (COAI) the total mobile subscriber base of Bihar in February 2014 was almost fifty million. So the demand for mobile phone is ever increasing. With mobile connectivity, economic activity in villages has changed tending towards growth in high value agriculture, traditional services and even manufacturing. The contribution of agriculture in the economy of Bihar is very high and with the use of mobile phone it can straightforwardly contribute in commercialization and increasing value added services within the sector which ultimately tends to empower the rural market. The progress of infrastructure has led to better connectivity by road, by phone and access to mass media through

television and electrification of households has opened up the rural markets. Bihar economy has undergone some structural changes over the years. One of the prime reasons for this is the growth of rural market. Rural incomes have been growing at a faster pace over the past few years, helping to account for almost forty percent of Bihar's total consumption of goods and services. The flow of information from and to the rural consumers is a critical prerequisite for the development of the rural market in Bihar. The growth of mobile phone is contributing in the flow of information and knowledge, beyond the boundary of social and economic status. Bihar is experiencing a very successful model of connecting with the rural consumer through mobile phone service. In the present scenario mobile phones has become one of the most important tools for individual communication. From an auto driver to an executive and from a farmer to a landlord everyone is having a mobile phone but their buying behavior is different. Hence it is important to differentiate the buying behavior of consumers living in urban areas and the consumers living in rural areas. In the present scenario computer has become one of the most important tools not only for education system but also for every step of human life. Computer play important rule in business education and health care. It was become so much a part of our lives that even imagining a day without it was out of question. It can be regarded as the greatest contribution of science computer market in rural Bihar has witnessed a tremendous growth since last 15 years, so the demand for computer system is ever increasing today Bihar is the fastest growing computer market in India. After 2014 government has expanding computer market in Bihar. With the connectivity of computer system in rural area of Bihar economic activity villages has tending to change towards growth in light value agriculture traditional scurvies and even manufacturing number of computer shop in rural area of Bihar has exploded in last ten years. HCL, Dell, HP, Lenevo and Toshiba is the largest service provider in rural Bihar as well as in all even India, Computer market has got even more crowded and fragmented in the lower and mid-market segment with the development of new model of computer system at attractive price point in rural in Bihar. Matt McDowell, the marketing director of Toshiba states that Social media has provided a platform where organizations can give more contents about the product and answer more questions raised by the traditional media, specifically the TV. Today television market is undergoing a seismic shift. Television is now almost a necessity of every house "for education, for daily soap serials, for news, for sport. The main purpose of this study is to compare the buying behavior of rural and urban consumers and find out their priorities while making a purchase decision regarding mobile phone, computer and Television.

2. LITERATURE REVIEW: Ratna Kishor. Namburu (2011) has emphasized on rural marketing, marketing of consumer durable industry in India and consumer behaviour towards durables in rural areas. He has touched pre purchased behaviour or rural consumers and their usage rate of consumer durable goods. Giridhar K.V and Rajeev.D (2011) also Studies on Influencing Factors". Internet users are increasing day by day. In that process online shopping is also increasing.

Rani.J and Maran.K (2011) explained behavioral aspects of consumers. Mrs. Prakash Pooja (2011) said that Mass media also plays a very crucial role in promoting different product strategies in the backward areas. The know-how of agricultural input industry can act as a rule for the marketing efforts of consumer durable and non-durable companies. Dr. T. Srinivasa Rao (2011) state that in India too it is legal and the increasing number of comparative advertisements appearing both in the print and TV media is the testimony that it has the nod of the consumers. Gopal Das and Rohit Vishal Kumar (2009) explained that In the Global Context of Open Market Economics of today, the consumer has become the king.

A consumer is in the Position to influence the manufacturer or the marketer regarding, size, quality, content of the product, price, post sales service, among other things. Kashyap pradeep said these markets require a little bit of investment and infrastructure and provide enormous opportunities for marketing of products and services to the rural consumers. About 40% stalls at these places deal with manufactured goods, which may further increased through promotion and marketing strategies. However, others view consumer behavior as independent of marketing or any particular discipline. In 1976 Jacoby defined the consumer behavior as "the acquisition, consumption and disposition of goods, services, time and ideas by decision making units. Cellular phones and digital televisions got more attention of marketing researchers as look upon the acceptance procedure (Saaksjarvi, 2003). Arndt (1976) suggested that consumer behavior encompasses the problems encountered by members of society in the acquisition and realization of their standard of living. They are keen to experiment with new products, new services and new process. Gupta (1987) studied the factors which motivates the consumer when they buy durables. He found that brand choice, source of information, role of family members and customer satisfaction play a significant role. Mahto R. K. (2020) explained the purchasing power of the rural people has increased due to increase in productivity and better price commanded by the agricultural products and purchasing power remains unexploited and with the growing reach of the television.

3. OBJECTIVES:

- To understand the buying behavior of the rural & urban consumers towards mobile Phone, Computer and Television.

- B. The factors which influences the buying behavior and play an important role in buying decision
- C. To explain the conditions required to improve the awareness towards Electronic goods in Bihar.

4. METHOD: The present study was undertaken to understand the buying behavior of the rural & urban consumers towards mobile phone, Computer and Television to know the factors which influences the buying behavior and how these factors play an important role in buying decision. The data required for the study were collected from the selected respondents of Patna and rural areas of Darbhanga district of Bihar by personal interview method using well-structured questionnaire & schedule. The total sample selected was 320 which included the urban and rural consumers. In order to understand the purpose behind the purchase of mobile phone Likert scale was used in the questionnaire. The respondents had to mention, on a five-point Likert scale, a statement explaining the degree of their perceived importance of a factor ranging from “extremely important” to “extremely unimportant”. To prioritize these factors AHP (Analytical hierarchy process) was used. Analytical Hierarchy Process is used to know the factors that have impact on the consumer buying behavior.

5. RESULTS AND DISCUSSION: Descriptive analysis of the results of varying consumer behavior of rural and urban consumers was done with the help of SPSS 17 and to measure the significance of different motivating factors in the mind of consumers AHP (Analytic Hierarchy Process) was used. Results from descriptive analysis and AHP are shown in the tables below.

5.1. Emerging trends of Phone market in Bihar: The mobile revolution is extensive and has high visibility in Bihar. Its use has added to the extraordinary development in the various domains such as rural markets, growth of small business, improving health care amenities and information to the rural farmers and the rural businessmen who have been benefited from it.

Table: 1. Preference of factors influencing Urban Consumers

| Factors | Preference Index |
|---------------------|------------------|
| Brand | 0.321175 |
| Feature | 0.260134 |
| User Friendly | 0.227451 |
| Quality | 0.196892 |
| Price | 0.161935 |
| Advertisement | 0.120263 |
| After sales service | 0.080433 |

The most important factors which influences the urban consumer for making a purchase decision are brand, feature, user friendly, quality, price, advertisement and after sales service of the mobile phone. In the above table these factors are ranked according to their preference given by the urban consumers while making a purchase decision for mobile phone. From the above table (1) it is very clear that an urban consumer of Bihar gives first preference to the brand name (0.321175) when purchasing a mobile phone. The feature (0.260134) of mobile phone like dual sim stands at second position while making a purchase decision. Moreover the user friendly (0.227451) of the mobile phone is ranked at third place as a factor influencing the consumer buying behavior.

Table: 2. Preference of factors influencing Rural Consumers

| Factors | Preference index |
|---------------------|------------------|
| Feature | 0.321175 |
| Price | 0.260134 |
| Advertisement | 0.227451 |
| User friendly | 0.196892 |
| Brand | 0.161935 |
| Quality | 0.120263 |
| After sales service | 0.080433 |

Source: Dept of IT, Govt. of India, Annual report, 2015

The most important factors which influences the rural consumer for making a purchase decision are brand, feature, user friendly, quality, price, advertisement and after sales service of the mobile phone. In the above table these factors are ranked according to their preference given by the rural consumers while making a purchase decision for mobile phone. From the above table (2) it is very clear that a rural consumer of Bihar gives first preference to the feature (0.321175) like dual sim, hindi settings when purchasing a mobile phone. The price (0.260134) of mobile phone stands at second

position as a factor influencing purchase decision. Moreover advertisement (0.227451) of the mobile phone is ranked at third place as a factor influencing the consumer buying behavior. The rural consumers have also become value conscious as reflected by their buying behavior. The success of micromax, Karbon and Jio mobile in rural market of Bihar highlights the fact that a marketer has to focus on the unmet needs of the consumer and then build its value proposition. Advertising in the rural areas is costly as the villages are far-off, generally unreachable and the target audience is mostly illiterate. Hence advertising strategy, message and media vary with respect to positioning of the product and the target segment. The phenomenal changes that the rural market has undergone are to be kept in mind while taking decisions regarding the communication strategy for rural markets. The behavioral aspect of the rural consumer is the focal point of rural marketing strategy. Speedy expansion of television in the last decade has significantly increased the awareness levels regarding availability of convenience products to the rural consumers. Infrastructure is critical for markets to grow and flourish. The current trends in rural markets have displayed economic growths higher as compared to the urban markets and overall GDP growths are higher in the last few years, which promise well for marketers eyeing this market.

5.2. Emerging trends of Computer market in Bihar: In rural area of Bihar computer market falls different kenos of problems which acts as a major obstacles in its proper growth these problems are proper availability of transportation lack of knowledge about electronics goods, low level of literacy, low per capita income dispersed market, Ineffective distribution channel and spurious brand. Due to low income only counted numbers of people are able to purchase computer system in rural area of Bihar. Computer market in rural area of Bihar heeds proper advertising to attract people towards it. At present tie for proper establish-mint of market in rural area of Bihar government should be necessity of financial assistance to the shopkeeper and cooperatives store. There should be necessity of financial assistance to the shopkeeper for proper function of marketing of computer system rural in Bihar.

Table: 3. Comparison of popular Computer brand user in Bihar

| Brand | Urban | Urban | Rural | Rural | Total | Percentage |
|--------|-------|--------|-------|--------|-------|------------|
| Apple | 03 | 0.93% | 00 | 00% | 03 | 0.93 |
| Dell | 30 | 9.3% | 19 | 5.89% | 49 | 15.19 |
| Acer | 27 | 8.37% | 16 | 4.96% | 43 | 13.33 |
| Lenovo | 18 | 5.52% | 07 | 2.17% | 20 | 7.75 |
| HP | 12 | 3.72% | 23 | 7.13% | 35 | 10.85 |
| HCL | 9 | 2.79% | 17 | 5.27% | 28 | 8.06 |
| I-Ball | 05 | 1.55% | 11 | 3.41% | 16 | 4.96 |
| Others | 04 | 1.24% | 12 | 3.72% | 12 | 4.96 |
| Total | 105 | 32.55% | 105 | 32.55% | 210 | 100 |

Source: Dept of IT, Govt. of India, Annual report, 2015

From the above table: 3. some important points can be deciphered The above table shows that 9.3% of the urban consumer uses Dell Computer and it is very closely followed by Acer (8.37%). Lenovo with 5.58% is at third position in the urban market. If we look at the rural market then the above table shows that HP with 7.13% is at the top and with 5.89% Dell is at the second position. HCL with 5.27% is at number three. From the above table it can be concluded that the choice of Computer varies between the urban and rural consumers of Bihar. In case of urban market Dell and Acer have a very close competition as majority of the urban consumers prefer to buy either of these two brands. However the buying preference of the rural consumer is different from their urban counterpart. The rural Consumer prefers to buy HP for its simple features and user friendliness while he buys Dell for its long battery backup value for money proposition.

Table: 4. Preference of factors influencing Urban Consumers

| Factors | Preference index |
|---------------------|------------------|
| Brand | 0.4321 |
| Feature | 0.3142 |
| User friendly | 0.2413 |
| Quality | 0.2133 |
| Price | 0.1936 |
| Advertisement | 0.1521 |
| After sales service | 0.0936 |

Source: Dept of IT, Govt. of India, Annual report, 2015

The most important factors which influences the urban consumer for making a purchase decision are brand, feature, user friendly, quality, price, advertisement and after sales service of the mobile phone. In the above table these factors are ranked according to their preference given by the urban consumers while making a purchase decision for Computer. From the above table 4 it is very clear that an urban consumer of Bihar gives first preference to the brand name when purchasing a Computer. The feature of Computer like i5 stands at second position while making a purchase decision. Moreover the user friendly of the Computer is ranked at third place as a factor influencing the consumer buying behavior.

Table: 5. Preference of factors influencing Rural Consumers

| Factors | Preference index |
|---------------------|------------------|
| Feature | 0.5322 |
| Price | 0.4135 |
| Advertisement | 0.3456 |
| User friendly | 0.2739 |
| Brand | 0.2249 |
| Quality | 0.1937 |
| After Sales Service | 0.09736 |

Source: Dept of IT, Govt. of India, Annual report, 2015

The most important factors which influences the rural consumer for making a purchase decision are brand, feature, user friendly, quality, price, advertisement and after sales service of the mobile phone. In the above table these factors are ranked according to their preference given by the rural consumers while making a purchase decision for mobile phone. From the above table: 5 it is very clear that a rural consumer of Bihar gives first preference to the feature when purchasing a Computer. The price of Computer stands at second position as a factor influencing purchase decision. Moreover advertisement of the Computer is ranked at third place as a factor influencing the consumer buying behavior.

Table: 6. The role of influencers in decision making

| Influencers | Urban | Urban | Rural | Rural | Total | Percentage (%) |
|-------------|-------|--------|-------|--------|-------|----------------|
| Family | 32 | 9.92 | 29 | 8.99 | 61 | 18.91 |
| Friends | 58 | 17.98 | 37 | 11.47 | 95 | 45 |
| Retailer | 18 | 5.58 | 31 | 9.61 | 49 | 15.19 |
| Media | 35 | 10.35 | 34 | 10.54 | 69 | 21.39 |
| Others | 17 | 5.27 | 29 | 8.99 | 46 | 14.26 |
| Total | 160 | 49.997 | 160 | 49.998 | 320 | 100 |

Source: Dept of IT, Govt. of India, Annual report, 2015

The above table: 6 highlights the important factors like family, friends, retailer, media and others (reference group, purchase situation etc) which influence the rural and urban consumer in making the decision of buying a Computer. From the above table it is very clear that for both urban (17.98%) and rural (11.47%) consumer’s friends play an important role as influencers in decision making. However when it comes to urban consumer the second most important role as influencers is played by the family members (9.92%).In case of rural consumer retailer (9.61%) plays the second most important role in influencing the consumer for making a purchase decision. Both the urban (10.85%) and rural (10.54) consumers are influenced by the media (print, electronic & out of home) as it is the third most important influencing factor for purchase decision making.

5.3. Emerging trends of T.V. market in Bihar: The most important factor which intelligent the rural consumer for making a purchase decision are brand, feature, user friendly, quality, price, and advertisement. For purchasing a television rural consumer of Bihar gives first preference to the features of the television. Prices of television stand at second position as a factor influencing purchase decision. Television market of rural Bihar forms small part of the Indian television market, However, in the recent years the television market in rural Bihar has witnessed a robust growth driven by several factor such as manufacturing growth, ICT penetration, rising disposable income, retail boom attractive finance scheme.

6. CONCLUSION / SUMMARY:

It has been concluded that the rural Electronic goods market of Bihar has gained significance in the recent times as the overall economic growth of the country has led to an improvement in the living standard of the rural people. Every consumer as an individual is different from others. Across the country the rural consumer buying behaviour is considerably different from the urban consumer. Rural consumers vary not only in their behaviour and practices but also

in their conviction and beliefs. The rural Electronic goods market is quite different in terms of the price-value equation, product usage pattern etc. because the meaning of convenience differs with market segments. It is proved that in rural market the awareness & knowledge of consumers regarding electronics products is low and their purchase decision is highly influenced by retailers' recommendations. Unbranded companies are pushing their product through the channel partners by offering them lucrative offers. In urban market presence organized retail shops and malls is low hence customers are preferring to purchase electronics products from unorganized retail stores also rural consumers rely more and find it convenient to purchase from retailer from whom they are purchasing frequently.

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