

Rural and Urban Consumer Purchase Behaviour towards DTH- A Comparative Study

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Abstract: *In modern times the consumer is playing a vital role in the context of marketing and business related activities. Every business depends upon the consumers. To attract the consumers and intern to increase the sales every business is making many efforts. It is because; there is a cut throat competition in the market. As the consumer market is a highly diversified segment, the entrepreneurs are formulating different strategies to suit different types of consumers. They include the rural consumer and urban consumer. Our objective is to compare and find out differences in the rural and urban consumer behavior. It is different in the selection, purchase, use and dispose of durable product in both the areas of rural and urban. In this regard, we made an attempt to study about rural and urban consumer purchase behavior towards DTH (Set top Box).*

Key words: *Business, Marketing, Competition, Strategies, Set top Box*

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I. Introduction:

The objectives of marketing are to ascertain consumer needs, convert them into ideas, products or services and move such ideas etc. to the final consumer or user, to satisfy certain needs and wants of specific consumer segments with emphasis on profitability, ensuring the optimum use of the resources available to the organization. The main objective of marketing is to create customer or consumer value. It has an impact on the firm, its suppliers, its customers, and others affected by the firm's choices. Marketing frequently involves enduring relationships between buyers, sellers, and other parties. It involves in the Processes include "creating, communicating, delivering, and exchanging offerings". There are many objectives of marketing. Few of them are increasing the sales, enhancing profitability of business, expanding market, conducting marketing research, direct marketing, target marketing etc., To achieve these objectives a businessman has to satisfy the consumer. The consumers can be satisfied by way of supplying good quality of goods and services at a reasonable price. In order to satisfy the consumer the business enterprise has to conduct several operations. They include buying of raw material, converting them into finished goods and finally to sell them to consumer. Buying of raw material and sale of finished goods are the activities of marketing. Thus, marketing can be defined as an important activity of the business. Every businessman has to satisfy the consumer with the goods and services. In this regard we can say that marketing and consumer are correlated. Marketing can influence the consumer and in turn consumer can give direction to conduct marketing process. In this process the role of the consumer is very important.

We made an attempt to list out the differences between the consumer behaviour in the context of rural consumers and urban consumers. They are discussing below.

i) The rural consumers are more economical in using their money. It is because they have limited earnings. They always plan to purchase the basic goods of cheap price to satisfy their family needs. In contrast urban consumers have higher income and they always prefer to purchase essential goods as well as non-essential goods of the branded companies.

ii) While purchasing the product, all the consumers are more careful and they consult their family members and friends to take buying decisions. However in this context, we find a difference between the rural consumers and urban consumers. The Urban consumers are approaching few important persons for purchasing the goods. It is because the problem of their personal ego and availability of time to consult many people. But the rural consumers always consult as many people as they can take buying decision. It is because they have sufficient time to approach the people.

II. About DTH (Set Top Box):

A set-top box (STB) is an electronic device or an information appliance device which contains an input which is TV tuner and output which is display of television set. The Set Top Box is used for satellite television, cable television and over-the-air television systems. Cisco, Huawei, Pace, Technicolor, Arris, Broadcom, Comcast, and EchoStar are the most popular Set Top Box manufactures in India. These set top boxes are used in cable TV and Satellite Television Broadcasting providers.

In India, the set box demand is growing rapidly with the help of increasing in Set Top Box connections as per the government conditions over the Urban and rural area and introduction of the Conditional Access System (CAS). The important service providers are Dish TV, Tata sky, Airtel, Videocon, Sun direct and Reliance. It offers many advantages and few important among them are as follows

1. The Set Top Box is satellite service which provides direct television service to home. We can get this service anywhere from our country and there is no boundary of area within the country.
2. The Set Top Box service does not require any wires like cable TV connection.
3. With the help of Set Top Box service, everybody get high quality digital signals on the television.
4. The Set Top Box service gives us best sound and picture clarity and due to high quality in sound and picture clarity we cannot get much strain on our eyes and ears.
5. We can choose best channel packages on monthly, quarterly, half yearly and yearly rentals and also we can change channel packages.
6. We can recharge or pay online through net-banking, credit card and voucher recharge. However, the television cannot be viewed in the case of heavy rain because of not getting the signals.

III. Review Of Literature:

Jagwinder Singh (2011)¹. In his article “a comparison of rural and urban buying of consumer durables” has stressed to formulate different marketing strategies for the rural consumers and urban consumers to increase the sales. It is because they differ as regards to their income, purchasing power, the preference of the brand and durability of the goods. They also differ in the context of receiving the commercial message through media. The author also said that there is a difference between the times of purchases of the goods between the two categories of the consumers. **N. Ratna Kishor (2013)**². In his article “a study on rural consumer behaviour towards consumer durable goods in India” has examined about the pre-purchase decision of the rural consumers in the context of durable goods. He concluded that rural people are very cautious before purchasing the durable. They pondered over the issue several times before purchasing the article. It might be due to the fact that they have little scope of earning additional money outside their usual sources. In other words, for them marginal utility of money is very high, so they are very cautious. The author stated that the rural people have more faith on their personal source of information than the impersonal messages about the product. Finally price and quality play a vital role in the buying process in rural areas.

IV. Objectives Of The Study:

1. To compare and analyse the influencing factors of rural and urban Consumer purchase Behaviour towards Mobile Phone

V. Research Methodology:

In order to collect the primary data a structured questionnaire is prepared and distributed to the sample consumers. Further, it is also interviewed the retailers, wholesalers, dealers and other middlemen to collect the information and also the secondary is collected from the reputed journals, books, daily newspapers, and official government websites and published reports. Since, the scope of the study is covering large number of consumers of Warangal rural district. We have selected a sample of 500 respondents from Warangal urban district including both the areas of rural and urban area on convenience sampling method. After collection of data, the data is classified, tabulated and tested with appropriate statistical tool such as chi-square with the help of SPSS.

VI. Data Analysis And Interpretation:

1. Basis for selecting of Set top Box:

The Set top Box and Television are correlated. The TV cannot function actively without Set top Box whereas Set top Box has no meaning without television. In the study an attempt is made to ascertain the views

¹Jagwinder Singh, “A Comparison of Rural and Urban Buying of Consumer Durables”, Global Journal of Management and Business Research, Volume 11 Issue 5 Version 1.0, April 2011.

² N. Ratna Kishor, “A Study on Rural Consumer Behaviour towards Consumer Durable Goods in India”. TRANS Asian Journal of Marketing & Management Research, Vol.2 Issue 3-4, March-April 2013.

of the consumers regarding the basis of selecting this product. Their opinions are collected and presented in the table 1 which is given below:

As per the data of the table, nearly one fifth of the rural respondents have considered Set top Box as a basic product whereas 73.6 percent of the respondents of this area have preferred the quality and brand name of the product for the selection. It is different with the behaviour of urban consumers. As per the data 34 percent have considered it as a basic need and 56.8 percent have considered brand name and quality of the product. The impact of other factors is insignificant in the case of rural consumers and urban consumers.

Testing the Hypothesis:

The hypothesis has been formulated to test the hypothesis that there is any significance difference between rural and urban consumer behaviour with respect to basis for selection. For which the null hypothesis has been setup and tested at 5 percent level of significance. The application of chi-square test reveals that the P value 0.002 is less than 0.05. On this basis, it is found that there is significant difference between the rural consumers and urban consumers for selecting the product.

Crosstab									
Count									
		Basis for selecting the Set top Box							Total
		Basic need	Quality	Brand name	Offers	Price	Guaranty or Warranty	Any Other	
Location of the respondent	Rural	52 (20.8)	92 (36.8)	92 (36.8)	8 (3.2)	2 (0.8)	3 (1.2)	1 (0.4)	250
	Urban	85 (34)	67 (26.8)	75 (30)	18 (7.2)	3 (1.2)	0 (0)	2 (0.8)	250
Total		137 (27.4)	159 (31.8)	167 (33.4)	26 (5.2)	5 (1)	3 (0.6)	3 (0.6)	500

Table-1: Rural and Urban Consumers Basis for selecting the Set top Box

Source: Primary data (data compiled using SPSS)

Note: the figures in the Parenthesis indicates to percentage

Table-1a: Rural and Urban Consumers Basis for selecting the Set top Box

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.990 ^a	6	.002
Likelihood Ratio	22.355	6	.001
Linear-by-Linear Association	2.116	1	.146
N of Valid Cases	500		

a. 6 cells (42.9 per cent) have expected count less than 5. The minimum expected count is 1.50

Source: the data compiled using SPSS

2. Purpose of purchasing of the Set top box:

Set Top Box is an allied product of television. TV cannot function without Set Top Box. The consumers select the product can use and their own preferences. They include quality, channels, service and uninterrupted telecast. The data collected in this regard is presented in the following table 2.

As per the data of the table there is no significant difference in the behaviour of rural consumers and urban consumers regarding the preference are purchasing of the product. Nearly two third of the respondents of both location preferred by quality of the product while purchasing opted qualitative product. Among other options the rural consumers preferred the product having more channels. Their percentage is 7.2. In contrast the percentage of urban consumer is 2.4 percent. It also reveals that a significant percentage of consumers have considered number of factors in order to purchase the product. The factors are quality channels, service and uninterrupted telecast. Their percentage is 20.8 in rural area and 24.4 in urban area.

Table-2: Rural and Urban Consumers Purpose of purchasing of Set top Box

Crosstab								
Count								
		Purpose of purchasing of Set top Box						Total
		Quality in picture & sound	To have more channels	Good service	To get uninterrupted service	All the above	Any other	
Location of the respondent	Rural	163 (65.2)	18 (7.2)	12 (4.8)	4 (1.6)	52 (20.8)	1 (0.4)	250

	Urban	167 (66.8)	6 (2.4)	9 (3.6)	5 (2)	61 (24.4)	2 (0.8)	250
Total		330 (66)	24 (4.8)	21 (4.2)	9 (1.8)	113 (22.6)	3 (0.6)	500

Source: Primary data (data compiled using SPSS)

Note: the figures in the Parenthesis indicates to percentage

Testing of Hypothesis:

The hypothesis has been formulated to test the hypothesis that there is any significance difference between rural and urban consumer behavior with respect to purpose of purchase. For which the null hypothesis has been setup and tested at 5 percent level of significance. On the basis of chi-square test we found that the ‘P’ value is 1.77 is greater the 0.05. Therefore we can say that there is no significant difference in the rural consumers’ behaviour and urban consumer behaviour for the purchase of the product.

Table -2a: Rural and Urban Consumers Purpose of purchasing of Set top Box

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.638 ^a	5	.177
Likelihood Ratio	7.926	5	.160
Linear-by-Linear Association	.467	1	.494
N of Valid Cases	500		

a. 2 cells (14.3 per cent) have expected count less than 5. The minimum expected count is 4.00.

Source: the data compiled using SPSS

3. Brand name of the Set top Box:

Many brands are available in the market. In order to ascertain the opinions of the respondents we have asked a question that which brand of the product they preferred. Their opinions are collected and presented in the table 3 given below.

As per the data of the table, Tata sky is considered a dear product for the urban consumer and Dish TV is popular to attract the rural consumers. 54 percent of urban consumers purchased Tata sky and 41.6 percent of rural consumers have purchased Dish TV. It is because Tata sky is available at higher price at the same time with clarity in telecast. In contrast Dish TV is available at lower price. The product offered by other companies could attract less percentage of the consumers in the both the segments. The sun direct has 19.2 percent rural consumers and the Airtel has 16.4 percent rural consumers.

Testing of Hypothesis

The hypothesis has been formulated to test the hypothesis that there is any significance difference between rural and urban consumer behaviour with respect to Company name of set top box. For which the null hypothesis has been setup and tested at 5 percent level of significance. When we applied chi-square test, we found that the ‘P’ value 0.00 is less than 0.05 which indicates a significant difference between the behaviour of rural consumer and urban consumer.

Table-3a: Rural and Urban Consumers company name of the set top box

Crosstab		Company name of the Set top Box							Total
Count		Airtel digital TV	Dish TV	Reliance digital TV	Sun direct	Tata sky	Videocon	Any other	
Location of the respondent	Rural	41 (16.4)	104 (41.6)	5 (2)	48 (19.2)	38 (15.2)	10 (4)	4 (1.6)	250
	Urban	53 (21.2)	30 (12)	6 (2.4)	21 (8.4)	135 (54)	1 (0.4)	4 (1.6)	250
Total		94 (18.8)	134 (26.8)	11 (2.2)	69 (13.8)	173 (34.6)	11 (2.2)	8 (1.6)	500

Source: Primary data (data compiled using SPSS)

Note: the figures in the Parenthesis indicates to percentage

Table-3a: Rural and Urban Consumers company name of the set top box

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	114.805 ^a	6	.000
Likelihood Ratio	121.946	6	.000
Linear-by-Linear Association	24.880	1	.000
N of Valid Cases	500		

a. 2 cells (14.3 per cent) have expected count less than 5. The minimum expected count is 4.00.

Source: the data compiled using SPSS

4. Occasion of purchase of Set top Box:

It is a related product of TV. To use television, the consumer can have cable connection or purchase Set top Box. In the study, we made an attempt to ascertain views of the respondents for the occasion of purchasing Set top Box. Their views are presented in the table 4 given below. As per the data of the table nearly three fourth of the respondents of both the segments have purchased the product whenever the need is arisen. The data also reveals that 16.4 percent of the rural respondents have purchased the Set Top Box during festival season whereas 12.4 percent of urban respondents have purchased the product during the same period.

Table-4: Rural and Urban Consumer behaviour towards Occasion of purchase

Crosstab		Occasion of purchase of Set top Box					Total
Count		Need	During festival	During discount sales	Extra income of the family	Any other occasion	
Location of the respondent	Rural	187 (74.8)	41 (16.4)	13 (5.2)	8 (3.2)	1 (0.4)	250
	Urban	190 (76)	31 (12.4)	20 (8)	8 (3.2)	1 (0.4)	250
Total		377 (75.4)	72 (14.4)	33 (6.6)	16 (3.2)	2 (0.4)	500

Source: Primary data (data compiled using SPSS)

Note: the figures in the Parenthesis indicates to percentage

Testing of Hypothesis

The hypothesis has been formulated to test the hypothesis that there is any significance difference between rural and urban consumer behaviour with respect to occasion of purchase. For which the null hypothesis has been setup and tested at 5 percent level of significance. On the application of chi-square test we found 'P' value as 0.575 which is much higher than 0.05. It states that there is no significant difference between the behaviour of rural consumers and urban consumers.

Table-4a: Rural and Urban Consumer behaviour towards Occasion of purchase

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.898 ^a	4	.575
Likelihood Ratio	2.913	4	.572
Linear-by-Linear Association	.052	1	.819
N of Valid Cases	500		

a. 2 cells (20.0Per cent) have expected count less than 5. The minimum expected count is 1.00.

Source: the data compiled using SPSS

5. Place of purchase of Set top Box:

It is allied product of television. It can also be purchased from any place of purchase of our study. As per the data of the table 5, we ascertained that the rural consumers and urban consumers of equal in percentage have purchased the product from retail show rooms and company show rooms. It reveals that 77.6 percent of rural respondents and 73.66 percent of urban respondents have purchased the Set Top Box from the retail show room. It also reveals that 16.8 percent of rural respondents and 18.8 percent of urban respondents

have purchased the products from the company show room. Similar to television only few respondents have opted for online purchase. Their percentage is 0.8 which is insignificant.

Table-5: Rural and Urban Consumer behaviour towards Place of purchase Set top Box

Crosstab		Place of purchase Set top Box					Total
Count		Company show room	Retail show room	Shopping malls	Fairs/Exhibition	Online	
Location of the respondent	Rural	42 (16.8)	194 (77.6)	13 (5.2)	0 (0)	1 (0.4)	250
	Urban	47 (18.8)	184 (73.6)	11 (4.4)	5 (2)	3 (1.2)	250
Total		89 (17.8)	378 (75.6)	24 (4.8)	5 (1)	4 (0.8)	500

Source: Primary data (data compiled using SPSS)

Note: the figures in the Parenthesis indicates to percentage

Testing of Hypothesis:

The hypothesis has been formulated to test the hypothesis that there is any significance difference between rural and urban consumer behaviour with respect to place of purchase. For which the null hypothesis has been setup and tested at 5 percent level of significance. On the testing of hypothesis, we applied chi-square test and it is found that ‘P’ value is 0.152 which is higher than 0.05. This denotes that there is no significant difference between the rural consumers and urban consumers in the context of place of purchase of the product.

Table-5a: Rural and Urban Consumer behaviour towards Place of purchase Set top Box

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.712 ^a	4	.152
Likelihood Ratio	8.690	4	.069
Linear-by-Linear Association	.489	1	.484
N of Valid Cases	500		

a. 4 cells (40.0Per cent) have expected count less than 5. The minimum expected count is 2.00.

Source: the data compiled using SPSS

6. Mode of Payment of Set top Box:

Set Top Box is a related product of television. The television in most of the cases cannot function without Set Top Box. Its amount is very small as compared to television. In this context the data is collected and presented in the table given below.

As per the data of the table, 86.8 percent of the rural respondents and 83.6 percent of urban respondents purchase the Set Top Box on cash payments. Similarly 6 percent of the rural respondents paid amount by the cheque and 4 percent of the urban respondents used cheque or cards on the payment of purchase price of the product.

Table-6: Rural and Urban Consumer behaviour towards Mode of payment

Crosstab		Mode of payment Set top Box				Total
Count		Cash payment	Instalment	Online payment	Cheque/ card payment	
Location of the respondent	Rural	217 (86.8)	14 (5.6)	4 (1.6)	15 (6)	250
	Urban	209 (83.6)	22 (8.8)	9 (3.6)	10 (4)	250
Total		426 (85.2)	36 (7.2)	13 (2.6)	25 (5)	500

Source: Primary data (data compiled using SPSS)

Note: the figures in the Parenthesis indicates to percentage

Testing of Hypothesis:

The hypothesis has been formulated to test the hypothesis that there is any significance difference between rural and urban consumer behaviour with respect to mode of payment. For which the null hypothesis

has been setup and tested at 5 percent level of significance. On the application of chi-square test the ‘P’ value is found as 0.183 which is greater than 0.05. It means there is no significant difference between rural consumer behaviour and urban consumer behaviour.

Table-6a: Rural and Urban Consumer behaviour towards Mode of payment

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.851 ^a	3	.183
Likelihood Ratio	4.923	3	.178
Linear-by-Linear Association	.033	1	.857
N of Valid Cases	500		

a. 0 cells (0.0Per cent) have expected count less than 5. The minimum expected count is 6.50.

Source: the data compiled using SPSS

VII. Conclusion:

The marketers have to adopt different strategies to attract the rural consumers and urban consumers. The quality of the product is to be maintained for the products which are to be manufactured for rural consumers and urban consumers. In addition to this, some technical features may be added to the product to attract the urban consumers. The companies have to give special offers to the consumers. There is a need to develop the sales promotional schemes and wide publicity can be given to increase the level of perception of the consumers.

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