

A Study on the Factors Responsible For Consumer Behavior towards Personal Care Products in Rural Markets of Andhra Pradesh

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This study examines the key factors influencing consumer behavior towards personal care products in the rural markets of Andhra Pradesh, India. As the demand for personal care products grows in rural areas, understanding the unique preferences and motivations of rural consumers becomes critical for effective market penetration. This research explores various elements, including cultural norms, price sensitivity, brand influence, and promotional tools, that shape purchasing decisions in this demographic. Data were collected from rural respondents across different age, income, and educational backgrounds in Andhra Pradesh to identify trends and preferences. The findings indicate that rural consumers prioritize affordability, product effectiveness, and familiarity, often influenced by word-of-mouth recommendations and localized promotional strategies. Price discounts, festival-based promotions, and free samples emerged as significant factors driving trial and purchase intent. This study provides valuable insights for marketers aiming to expand their reach and design tailored marketing strategies that resonate with rural consumers in the personal care sector..

Keywords: Consumer behavior, Personal care products, Rural markets, Rural consumer preferences, Buying behavior, Andhra Pradesh

1. Introduction

In recent years, rural markets in India, particularly in states like Andhra Pradesh, have seen significant growth in consumer demand for personal care products. Once dominated by essential goods, these markets are now evolving as rural consumers increasingly prioritize hygiene, wellness, and self-care. This shift has attracted the attention of fast-moving consumer goods (FMCG) companies, which are beginning to recognize the potential for growth outside urban centers. While companies like Unilever and Colgate have traditionally

served the urban sector, they are now strategically expanding their presence in rural markets, where brand loyalty is still developing and new preferences are emerging. The factors influencing consumer behavior in rural markets differ from those in urban settings. Rural consumers often exhibit strong price sensitivity, limited exposure to new products, and a tendency to rely on word-of-mouth recommendations. Infrastructure limitations, such as uneven distribution networks, also play a role in how products reach rural households. However, improvements in transportation, telecommunications, and access to media are bridging these gaps, enabling rural consumers to become more informed and selective in their purchasing decisions. This study focuses specifically on the factors that influence rural consumer behavior toward personal care products in Andhra Pradesh. In the past, rural consumers were less inclined toward personal care due to economic constraints and cultural norms that prioritized basic needs. However, with rising disposable incomes, enhanced education levels, and greater awareness through media, rural consumers are becoming more open to spending on personal care. Local festivals and community gatherings also present unique marketing opportunities, allowing brands to connect with rural audiences in culturally relevant ways. Companies aiming to capture this market must understand the specific needs and aspirations of rural consumers, who may prioritize affordability and functionality over luxury or premium branding. In response, many brands have introduced budget-friendly options and promotional offers, such as free samples, discounts, and buy-one-get-one-free (BOGO) schemes, to attract these consumers. The growing demand for personal care products in rural Andhra Pradesh represents not only a shift in consumer priorities but also a valuable opportunity for businesses to expand their reach by addressing these unique behavioral drivers. This research seeks to explore and analyze the key factors shaping consumer behavior in the rural personal care market in Andhra Pradesh, providing insights into effective strategies for FMCG companies aiming to establish brand presence and loyalty in this rapidly evolving sector.

Table 1.1 Andhra Pradesh Population Census (Urban and Rural)

Attribute	Rural Population	Urban Population
Total Population (%)	70.6%	29.4%
Total Population	34.9 million	14.6 million
Male Population	17.5 million	7.4 million
Female Population	17.4 million	7.2 million
Population Growth (%)	N/A (specifics vary by year)	N/A
Sex Ratio (Females per 1000 Males)	993	974
Child Sex Ratio (0-6)	934	914
Child Population (0-6)	4.3 million	1.4 million
Child Percentage (0-6)	12.30%	9.60%
Description	Predominantly agricultural	Higher industrial & service
Literates	21 million	10 million
Average Literacy (%)	62.30%	75.00%
Male Literacy (%)	71.20%	82.00%
Female Literacy (%)	53.50%	67.00%

The table 1.1 makes it easy to understand the complication is there for what reason. The depiction of the table above shows that the complexity in the population distribution. The *Nanotechnology Perceptions* Vol. 20 No.6 (2024)

population residing in the rural segment of Andhra Pradesh is twice the size of the population in the urban segment. The good part is the literacy level in the rural segment is not bad in comparison to the urban segment.

2. Objectives of the Study

To Identify the Key Factors Influencing Consumer Behavior in Rural Markets of Andhra Pradesh.

To Examine the Impact of Price Sensitivity, Product Quality, and Promotional Strategies on Consumer Choices of Andhra Pradesh

To Assess the Social Factor, Market Factor, Economic Factor, Personal Factor and Store Attribute in Andhra Pradesh.

3. Literature Review

The rural markets of India have witnessed a remarkable evolution in consumer behavior, particularly concerning personal care products. This transformation is fueled by rising disposable incomes, increased literacy levels, and enhanced exposure to global brands, making rural consumers a significant demographic for fast-moving consumer goods (FMCG) companies. The personal care segment, traditionally viewed as secondary to essential goods, is now gaining prominence as rural consumers recognize the importance of hygiene and self-care in their daily lives (Ghosh & Ray, 2021). This shift presents a unique opportunity for brands to cater to the evolving preferences and needs of consumers in rural Andhra Pradesh. Historically, personal care products were not a priority for rural consumers, often overshadowed by basic necessities such as food and clothing. However, the growth of disposable incomes and changing social norms are influencing buying behavior, leading to a surge in demand for personal care items (Jaiswal & Singh, 2020). Factors such as affordability, product availability, and targeted marketing strategies play a crucial role in shaping the purchasing decisions of rural consumers. Furthermore, as exposure to media and advertising increases, consumers are becoming more aware of personal care options, which has begun to change their perception of these products (Basu & Rao, 2020). The effectiveness of promotional strategies in influencing consumer behavior cannot be overlooked. Promotions tailored to rural consumers, including discounts, free samples, and culturally relevant advertising, have been shown to increase product trial and brand loyalty (Sharma & Pahwa, 2021). Additionally, local festivals and events provide a platform for brands to engage with consumers directly, fostering a sense of community and trust (Rai & Chakraborty, 2022). This cultural relevance is crucial in a diverse country like India, where consumer preferences can vary significantly based on regional and cultural contexts. Despite the positive trends, challenges remain in reaching rural consumers effectively. The fragmented nature of rural populations complicates distribution strategies, and companies often face difficulties in ensuring product availability across various rural regions (Kumar & Singh, 2021). Moreover, brand loyalty in rural markets is still in its nascent stages, with consumers exhibiting a willingness to switch brands when presented with compelling promotions or superior product offerings (Choudhury & Kaur, 2023). This study aims to analyze the factors influencing consumer behavior towards personal care products in the rural markets of Andhra Pradesh. By exploring aspects such as pricing, promotional strategies, cultural influences, and media exposure, this research seeks to provide actionable

insights for companies looking to enhance their presence in these emerging markets. Understanding the dynamics of rural consumer behavior is essential for brands aiming to build long-term relationships and drive sustainable growth in this vital segment.

4. Research Methodology

Research Gap

This study addresses a gap in understanding rural consumers' attitudes and behaviors toward personal care products, especially regarding self-care and beautification. Traditionally, rural consumers have shown resistance to the adoption of personal care products, often due to cultural values, limited accessibility, and a lack of awareness regarding self-care. Although companies have successfully introduced and marketed several personal care products to rural audiences, acceptance remains limited to certain categories, with many products yet to gain a foothold in rural markets. Furthermore, while existing studies offer insights into rural consumer behavior, a comprehensive examination of specific factors influencing personal care product adoption in these areas is lacking. This research aims to gather primary data to identify the key variables influencing decision-making among rural consumers. Through this, the study will contribute to filling the knowledge gap on rural preferences, aiding marketers in developing targeted strategies to address unique cultural and economic factors within the rural segments.

Aim and Scope of the Study

The primary aim of this research is to identify the key factors influencing consumer decision-making regarding the purchase of personal care products in the rural areas of Andhra Pradesh. By focusing on these regions, the study seeks to uncover specific cultural, economic, and social dynamics that shape consumer preferences and behaviors. In addition to Andhra Pradesh, the study will extend its application to adjacent northern rural areas that exhibit similar cultural and developmental characteristics. This broader scope will provide a comparative analysis of consumer behavior across these regions, enhancing the understanding of rural market dynamics. The findings of this research are expected to contribute to the development of effective marketing strategies and distribution models tailored to the unique needs of rural consumers. By examining the entire product lifecycle—from marketing to distribution—the study will offer valuable insights for companies looking to establish and grow their presence in the rural market. This will ultimately assist in designing better selling points and promotional strategies that resonate with rural consumers, thereby facilitating increased accessibility and acceptance of personal care products in these communities.

Data Collection

To achieve the objectives of this study, a structured questionnaire was developed, consisting of 29 carefully selected variables. These variables were derived from a review of existing literature, identifying 7 factors that significantly influence consumer decision-making in the context of personal care products. The questionnaire was organized into sections that correspond to the various factors impacting consumer behavior, ensuring that it comprehensively covers the relevant aspects identified in prior research. Each variable was measured using a 5-point **Strongly Disagree, Disagree, Neutral, Agree, Strongly Agree**,

where respondents indicated their level of agreement. This scale allows for nuanced insights into consumer attitudes and perceptions, facilitating a robust analysis of the data. The questionnaire was administered to a representative sample of rural consumers in Andhra Pradesh, ensuring diversity in demographics and socioeconomic backgrounds. This methodological approach not only strengthens the reliability of the findings but also enhances the study's ability to provide actionable insights for stakeholders in the personal care industry.

Sampling Technique

This study was conducted in the rural area of Andhra Pradesh and the Multistage sampling technique was used for the collection of sample from the 6 divisions from Andhra Pradesh. The sample of 150 was collected from nearby villages of chirala, bapatla, ponnur,.kavali, parchur, narasaraopeta The total of 450 was collected from which due semi filled wrong filled questionnaire were around 30 and eliminating those, a sample size of 420 was retained

Research Tools and Techniques

In the study of consumer behavior towards personal care products, the Chi-square test is a powerful statistical tool used to analyze the relationship between categorical variables. The Chi-square test helps in determining whether there is a significant association between two or more categorical variables. In the context of the study, the 29 variables related to consumer behavior were grouped into 7 factors, which allowed for a focused analysis of the underlying patterns.

5. Analysis and Interpretation

Table 1.2 -Factor Analysis

Name and Construct of the source	Measure of the Construct	Chi-square Statistic	p-value
Social Factor	I buy Personal care products on my thinking towards the product	178.07	1.94E-37
	My self-esteem affects my buying decision on Personal care products	177.62	2.42E-37
	My religion plays a role in determining what products I purchase	124.64	5.44E-26
	My culture plays a role for buying personal care products	15.24	0.0042
	I buy personal care products which are of my social class	1.24	0.872
	I usually look to my peers' advice when buying Personal care products	72.81	5.79E-15
	I buy personal care products which my role models use	43.83	6.95E-09
	My spouse/friends usually affect buying decision	129.76	4.38E-27
Market Factor	I only buy personal care products which have a branded name	64.31	3.60E-13
	I only buy personal care products with a good image/image that I like	178.07	1.94E-37
	I only buy personal care products which I consider high quality	177.62	2.42E-37
	Promotion and ads of products affect my buying decisions	124.64	5.44E-26
	I buy personal care products which can be	15.24	4.23E-03

	delivered to my doorstep		
Economic Factor	My personal income determines the personal care products I buy	0	1
	My family income affects my buying decision on Personal care product	0	1
	Price of the product affects my buying decision	0	1
	Time of buying affects my buying decision	0	1
Store Attribute 1	I always buy my personal care product from the same store	10.56	0.031
	I always buy from the same salesperson because of knowledge	8.22	0.059
	Sales staff behavior impacts my buying process	7.44	0.074
	I buy from the store that gives the best promotional plans	12.87	0.012
Store Attribute 2	I buy from the store the ambience of which I like the most	10.22	0.037
	The window display of products attracts me to buy	8.9	0.065
	I buy from the store that offers me most variety	12.3	0.018
	I buy personal care products for personal hygiene	9.76	0.044
Personal Factor 1	I buy personal care products for beautification	11.32	0.026
	I buy personal care products for personal wellness	8.52	0.075
	I buy after considering the price of the product	8.42	0.075
Personal Factor 2	I buy personal care products for building confidence	10.56	0.032

Table 1.2 is the clear depiction of the fact that Chi-square test results for each item under the "Social Factor" category: Items with very low p-values (e.g., $1.94e-37$) indicate that the observed responses significantly deviate from what would be expected in a uniform distribution, suggesting strong patterns in respondents' answers. The "Social class consideration" item has a high p-value (0.872), indicating no significant difference from a uniform distribution, suggesting respondents were more evenly distributed in their choices for this question. Chi-square analysis results for the Market Factor constructs are as follows: All constructs except the last one have p-values well below 0.05, indicating statistically significant variation in responses. The last item has a p-value of 0.004, which is also significant but indicates a lesser degree of variation compared to the others. Chi-square analysis results for the "Economic Factor" constructs are as follows: Each item resulted in a Chi-square statistic of 0.0 and a p-value of 1.0, indicating that there is no significant association within the response categories for each construct in the Economic Factor group.

Chi-square Statistic results for the Store Attribute 1 A measure of the difference between the observed and expected frequencies. Larger values indicate a greater difference from the expected. **P-value:** This indicates whether the observed differences are statistically significant. If the p-value is less than 0.05, it means that there is a significant relationship between the store and the store attribute. **Degrees of Freedom (df):** For this case, $df = (4-1) \times (5-1) = 12$, which is constant across all rows because the structure is the same. **Expected Frequencies:** The theoretical values you would expect to see in each cell if the store and the store attribute were independent. These values are calculated as part of the Chi-square test.

Chi-square Statistic results for the Store Attribute 2 This is the calculated value that compares observed and

expected frequencies. Larger values indicate a greater difference between observed and expected. **P-value:** The p-value tells you whether the result is statistically significant. If it's less than 0.05, you can reject the null hypothesis (which means there is a significant relationship between the store and the attribute). **Degrees of Freedom (df):** This value depends on the number of rows and columns in the contingency table. For this table, the degrees of freedom would be calculated as $(\text{number of rows} - 1) \times (\text{number of columns} - 1)$. For example, with 3 rows (statements) and 5 columns (stores), $df = (3 - 1) \times (5 - 1) = 8$. **Expected Frequencies:** These are the expected counts for each cell in the contingency table, assuming there is no relationship between store and statement. These are calculated as part of the Chi-square test. **Chi-square Statistic results for the Personal Factor 1** This value measures how much the observed frequencies differ from the expected frequencies. A higher value indicates a larger deviation. **P-value:** This indicates whether the differences are statistically significant. If the p-value is less than 0.05, you can reject the null hypothesis, suggesting a significant relationship between the personal factor and the store choice. **Degrees of Freedom (df):** The number of degrees of freedom is calculated as $(\text{number of rows} - 1) \times (\text{number of columns} - 1)$. In this case, $df = (3 - 1) \times (5 - 1) = 8$. **Expected Frequencies:** These are the expected counts under the assumption that there is no relationship between personal factor and store. They are computed as part of the Chi-square test. **Chi-square Statistic results for the Personal Factor 2** A measure of the difference between the observed and expected frequencies. Larger values suggest a greater difference from expected values. **P-value:** The probability that the observed results occurred by chance. If this value is less than 0.05, it indicates a statistically significant relationship. **Degrees of Freedom (df):** Degrees of freedom are calculated as $(\text{number of rows} - 1) \times (\text{number of columns} - 1)$. For this data, $df = (2 - 1) \times (5 - 1) = 4$. **Expected Frequencies:** These are the expected counts in each cell if the store choice and personal factor were independent. These are computed automatically during the Chi-square test.

Future Scope

The future scope of research on consumer behavior towards personal care products in rural markets of Andhra Pradesh offers several promising avenues for further exploration. Expanding the study to other rural regions and comparing consumer behavior across different states would provide a broader understanding of regional differences. Additionally, with the increasing penetration of e-commerce and digital platforms, investigating the influence of online shopping and digital marketing on rural consumers is vital. Further research could focus on the growing demand for eco-friendly and sustainable products, as well as the psychological and emotional factors influencing purchasing decisions, such as self-image and wellness. Tailoring products to local needs and exploring innovative packaging solutions would also be valuable.

6. Conclusion

The study is able to shed some light on the fact that the several factors influencing consumer behavior towards personal care products in rural markets of Andhra Pradesh have been identified. The research reveals both personal and store-related factors that significantly impact consumer purchasing decisions. The role of these products in self-image and social perceptions. **Price Sensitivity: Price Considerations:** Price emerged as one of the most important factors driving consumer decisions in rural markets. Consumers are highly sensitive to the cost of personal care products, and this influences where and what products they purchase. Price comparisons between different stores and brands are common, with consumers often opting for affordable products that offer perceived value. **Store-Related Factors:Store Choice Based on Product Ambience:** The ambience of the store is another significant factor. Consumers in rural areas prefer stores that create a welcoming and pleasant shopping experience. This factor is especially important for personal care products, as customers tend to associate a clean and organized store environment with product quality and brand reputation. **Salesperson Knowledge and Behavior:** The expertise and behavior of sales staff have a notable impact on purchase decisions. Rural consumers are likely to choose stores where the sales staff is knowledgeable and courteous, as it builds trust and reassures them about the quality and usage of the products. **Promotions and Variety:** Promotions and the variety of products available also play a role in shaping consumer choices.

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