

A Sociological Study on the Changing Patterns of Consumer Behaviour in India

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Abstract:

In recent years, there has been a shift in how Indian consumers allocate their budgets. Indian consumers' spending habits have shifted as a consequence of the widespread use of the internet and social media. Shifted significantly. Lifestyle choices and consumption habits are being affected by India's ongoing urbanization process. The survey relies on the opinions, shopping habits, and levels of contentment of Indian consumers.

Keywords: *Buying Behaviour of Indian Customers, Urbanization, Perceptions.*

INTRODUCTION

The growth of the middle class and the popularity of urban living have increased disposable money in India's consumer market. Consumers' actions in cities, towns, and even rural regions have been influenced by the public's growing understanding of their options. By 2025, India would have the world's fifth-largest consumer market, according to a research by McKinsey & Co. published in 2010. It's clear that people are spending more money, especially on luxury items, thanks to rising incomes in the hands of a young population, a growing economy, expansion in the availability of products and services, and easy availability of credit. This is true whether we're talking about mobile phones, credit cards, clothing, or organized retail. There has been a meteoric rise in the availability of loans from corporations. This exemplifies the intense rivalry that exists in today's dynamic marketplace. Researchers in the social sciences are paying close attention to the relatively young topic of study of consumer behavior. In every part of the globe, seller's markets have given way to buyer's markets. As a result of this change,

the focus of manufacturers has shifted from their products to their customers, and more specifically, to their habits and preferences. Buyer behavior is now recognized as its own academic field because to the evolution of marketing theory from a simplistic focus on sales to a more nuanced focus on the needs of consumers. Moreover, the rise of both consumerism and consumer law highlights the importance that is now placed on the customer. Research on consumer behavior seeks to provide light on the factors that influence people's choices about the allocation of their time, energy, and money. The following crucial issues are addressed in the context of consumption: The things that people purchase. When will people start buying? How do people make purchases? Furthermore, etc.

Definition: Consumer Behaviour

Consumer behavior is the study of people and businesses, as well as the search, selection, use, and disposal processes consumers use to meet their requirements, and the results of those activities on the consumers themselves and on society as a whole. The evaluation, acquisition, use, and disposal of products and services are all examples of consumer behavior, as defined by Loudon and Della Bitta (Gupta, S.L., Pal Sumitra, 2006). An example of consumer behavior is "observable behaviors selected to optimize happiness via the achievement of economic products and services," as defined by the Dictionary of Marketing and Advertising (Gupta, S.L., Pal Sumitra). There is a wide variety of goods and services to choose from in the malls. A buyer decides to acquire something particular after considering all available options. The term "choice" refers to the shopper's decision to choose one item over another from the many available options at the shopping center. The customer has complete control over every aspect of the shopping experience, including which product to buy, where to buy it, and how much to buy (Patkar, 2011).

One of the biggest drivers of consumer behavior is the ongoing digital revolution, and the web's importance will only grow as more and more people from all walks of life have access to it. Customers are avid internet users, and it's not hard to see a future when they routinely share links to products by text message, Twitter, Facebook, or Pinterest. Every minute, YouTube receives enough new content to fill 72 hours. YouTube's 30 day output is more than that of CBS, NBC, and ABC for the last 60 years put together. By facilitating unrestricted

communication between users, social media sites foster a "culture of involvement." Green marketing tactics are widely used in India because of the pervasiveness of sustainability and associated challenges like pollution and harmful goods. Core green marketing practices adopted by most businesses include: design innovations, responsible sourcing, recycling practices, price setting behavior, ethical standards, responsible advertising, green communication practices, building green product credibility, and consumer engagement practices. Terrorism, compulsive buying, tech addiction, illicit product purchase and usage, theft and fraud by consumers, anti-consumerism, and other negative outcomes are all examples of the darker side of consumer culture. As a result, most manufacturers find it very challenging to keep their existing clientele happy. Notwithstanding the global crisis, India's economy is flourishing, and its wealthy customers place a premium on high-end global brands, despite the fact that half of India's population lives on less than \$1.25 per day. The importance of social media in sustaining the fundamental word-of-mouth process is shown by the fact that we are so eager to share and seek the opinions of others before making a purchase. When PETCO integrated customer feedback in their web advertisements, they witnessed a 500% boost in click through rate. By incorporating aspects of games into everyday settings like stores and offices, companies may make otherwise mundane activities more fun for their customers. The prevalence of mobile communication and computer devices is increasing. Studying how people act when shopping online is very new. Most companies in the categories of necessities, FMCG, and wellness will see a significant decrease in their GTM costs as e-commerce expands. Competition for well-known brands will increase as more companies join the market. The pace of product innovation will be unprecedented. A recent analysis by McKinsey found that "net consumer optimism has fallen." People are prioritizing spending on necessities above treats. Online and digital options, as well as low-touch distribution methods, are gaining popularity among consumers. Customers expect a consistent commitment to sanitation and safety as well. Despite the fact that many nations have relaxed their stances on staying at home, many people still feel drawn to the "homebody economy." Consumers and businesses alike get insight about one another through online browsing. Customers will tell their friends and family about a positive shopping experience if they feel like they got a decent deal, a wide selection, and excellent service after the transaction. Having happy and loyal customers is the ultimate goal of every marketing strategy. Loyal customers are widely acknowledged as the primary factor in a company's

success. According to research by Waterman et al. (2004), "Great organizations are extremely connected to their consumers. Good businesses speak about it, but the best really implement it. By assessing both the product and the brand together, a positive satisfaction-loyalty connection emerges, suggesting a middle ground. Consumers are motivated by a wide range of desires and requirements. The needs of consumers are varied and ongoing. The term "consumer behavior" is used to describe how people choose, buy, and use products and services to fulfill their needs. There are a variety of influences on consumer behavior. A vendor has to learn as much as you can about what drives customer decision-making. In what follows, I'll discuss the most important aspects that shape shoppers' decisions.

Consumer tastes and expectations evolve swiftly in today's market.

Production exists to satisfy consumer demand. What we mean by "demand" for a product is the desire for that item coupled with the financial resources and motivation to purchase it. Want, capacity to pay, and willingness to pay all play crucial roles in determining demand.

A consumer's buying power is the result of a multifaceted set of operations. The consumer's primary efforts are directed at identifying the goods and services he wishes to acquire, and then narrowing his choices to those that would provide him with the most value. The shopper then calculates how much money he has left over after purchasing the goods he wants. Last but not least, the customer considers the market price of goods and makes a choice on the goods he should buy. Consumers' decisions are also influenced by social, cultural, personal, and psychological elements.

Several considerations enter into the decision of which goods to buy. Attitudes towards a product are acquired by repeated exposure, either firsthand via the use of the product or service in question, or secondhand through exposure to other sources of knowledge about the product or service in question (Anilkumar N and Jelsy Joseph, 2014).

Consumers with higher incomes in rural areas were more influenced by advertising and product branding than those with lower incomes. Recommendations from friends and family had a far larger influence on low-income customers' purchasing choices compared to high-income ones.

Low-income shoppers were more influenced by packaging than high-income shoppers (Amreek Singh and Vakil Singh, 2014)

In today's marketing infrastructure, advertisements serve as a common tool². It is widely accepted that advertisements contribute significantly to the success of current marketing strategies. Marketing a product or service via advertising is an effective strategy. In addition, it's a boon to shoppers in a number of ways when they make their purchases.

What people buy, why they buy it, when they buy it, where they buy it, how frequently they buy it, how often they use it, how they assess it after the purchase and the influence of such evaluations on future purchases, and how they dispose of it all fall within the purview of consumer behavior.

Factors Affecting Buying Behaviour of Consumers

The current research found the following elements that are affected by the consumer's ability to pay. While making a purchase, buyers in rural areas examine a variety of criteria, including price, quality, warranty, advertising, brand, friends' recommendations, family members' recommendations, and packaging.

It was discovered that the variables affecting rural consumers change with age and income, and that these variations increase as consumers go through life. There was a rising trend in the importance of all elements in the purchasing behavior of rural consumers as their age and income increased. Increases in age and disposable income have a proportionally larger impact on rural consumers' sensitivity to price and quality.

1. Price of the product Consumers' decisions are heavily influenced by the cost of a product. The price of a commodity is the primary factor in determining its level of demand. If all other factors stay constant, the quantity required of an item rises as its price declines, and vice versa, according to the rule of demand.

2. Quality of the product The product's quality is crucial in determining how customers will respond to it. The vast majority of shoppers choose products depending on how well they perform.

3. **Savings** The amount of money a customer wants to save out of each paycheck has a significant impact on his or her purchasing decisions. A consumer's spending decreases if he makes the decision to save more money.
4. **Income** The capacity to spend may be affected by a person's income. Consumers' ability to spend increases as their income rises. So, there is a correlation between a person's income and their ability to make purchases.
5. **Occupation** A person's purchasing habits are heavily influenced by his profession. As a rule, a person's purchases will reflect the nature of his or her work.
6. **Consumers' anticipated price increases and income gains** A customer is more inclined to make a buy now if he anticipates paying a greater price later.
7. **Age** There may be an age-related difference in customer preferences. It is obvious that customers' tastes in products and services evolve throughout time..
8. **Affirming one's social standing is beneficial.** The state of the consumer's wallet is a major factor in the latter's spending habits. A powerful person's purchasing decisions will be heavily impacted by his position. A customer's purchasing power increases with his income and level of savings.
9. **Product support and guarantees** Most customers in the modern technological era talk about the product's warranty and service. That's why people prioritize a product's support options.
10. **Promotion of the item in the market** It has a significant role in shaping consumer habits. The term "customer perception" refers to the way in which a consumer forms an opinion about a product after learning everything there is to know about it. A consumer forms an opinion of a product based on their exposure to marketing materials, discounts, customer reviews, social media comments, branding, packaging, and other similar materials..
11. **Personal Referrals from Close Associates** A consumer's propensity to buy a new product is greatly affected by the feedback they get from their social circle.

12. Traditions and Values Consumers' purchasing decisions are profoundly impacted by cultural norms and beliefs. Consumers' cultural aspects are shaped by their upbringing and the people closest to them, including their immediate family and significant others..

13. Lifestyle Customers' way of life is a major determinant on their purchasing habits. A person's lifestyle is the sum total of the ways in which they interact with and are reflected by the objects in their immediate environment. According to this research, consumers are most influenced by the following 13 variables: product price, product quality, savings, income, occupation, consumer expectations about future prices and income, age, status symbol good, warranty and servicing of the product, product advertising, recommendations from friends and family, culture and beliefs, and lifestyle. The consumer's behavior was shown to be positively correlated with quality, savings, income, and age. It was also determined that the impact of these elements on the customer varies with age and income, and that this influence grows as people earn more money. High-income customers placed a far higher value on the product's warranty, service, advertising, and brand than did low-income consumers. Lower-income customers were more influenced by recommendations from friends and family than higher-income consumers were. Lower-income customers were more influenced by their culture and values than higher-income consumers when making purchases.

Conclusion

Consumers' actions are complicated and are often not understood. Another challenge will be the vast cultural and linguistic differences between potential customers throughout the world. The frail consumer, who does not always have access to the same variety of products and services as a more affluent buyer. The vast Indian populace may be segmented into several buyer personas according on socioeconomic status. An important and relatively recent shift in India's consumer culture is the expansion of both the rural market and the market for eco-friendly items across a wide range of consumer goods. Considering that 75% of Indians live in rural areas and produce 30% of the country's Economy, these areas should not be disregarded. Lastly, the most important thing is to satisfy and delight the customer. In today's technological world, it's crucial to be abreast of the most recent social media trends.

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