

CHAPTER - I

RESEARCH REPORT

CHAPTER-I

MARKETING .

- 1] Introduction
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- 5] Meaning of consumer durable goods,
- 6] Objectives and Methodology,
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CHAPTER - IMARKETING INTRODUCTION :1] INTRODUCTION :

The American Marketing Association defined as, "The performance of business activities that direct the flow of goods and services from producer to consumer or user".<sup>1</sup>

" Marketing is the managerial process by which products are matched with markets and through which transfer of ownership are effected."

"The set of human activities directed at facilitating and consummating exchanges." -- Philips Kotler.

" Marketing is the delivery of standard of living to society." --

Paul Mazur.

Marketing is a process of satisfying human needs and wants through exchange process --

The old concept

<u>Focus</u>		<u>Means</u>		<u>End</u>
Products	-- >	Selling & Promoting	- >	Profits through Sales volume

The new concepts -

Customers	-- >	Integrated marketing	- >	Profits through Customer satisfaction
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## 2] What is Marketing ?

Marketing is more than the set of activities undertaken by a company to sell its products.

Marketing is the analysing, organising, planning and controlling of the firms customer-impinging resources, policies and activities with a view to satisfying the needs and wants of chosen customer groups at a profit .

- (1) It suggests integrated marketing ...  
to create customer satisfaction at a profit.
- (2) It suggests the marketing mix idea and market-segmentation idea.
- (3) It specifies that marketing comprises the administrative activities of analysis, organisation, Planning and Control --

Marketing Management

Philip Kotler.

Marketing is a transaction an exchange - intended to satisfy human needs or wants. Marketing consists of all the activities designed to facilitate that exchange.

Marketing is the creation and delivery of a standard of living.

Marketing involves -

- (1) Finding out what consumers want
- (2) Then planning and developing a product or service that will satisfy those wants.

- (3) and then determining the best way to price, promote and distribute that product or service

So

Marketing is a total system of "business activities" designed to Plan, Price, Promote and distribute want Satisfying goods and services to present and potential customers.

Marketing is a System designed to Something of value to the benefit of of business activities Plan, Price, Promote and distribute want satisfying goods and services the market present and Potential household customers or industrial users.

Sometimes marketing is confused or misunderstood in relation to some other terms, especially selling, merchandising and distribution, but marketing is the Comprehensive concept the others are each only one Part or one activity in the total marketing system. So we shall see that other parts of defination.

Marketing - > implies -> exchange  
 consists of -> activities  
 applies to -> goods, Services ideas  
 and People

- (1) Marketing is -> the total of what we are talking about  
 (2) Selling is -> one part of promotion and  
 (3) Promotion is -> one part of the total marketing system

- (4) Merchandising is -> Product Planning - the internal company planning to get the right product or service to the market at the right time and at the right price and in the right sizes
- (5) Distribution is -> Market coverage - the retailing and wholesaling structure the channels used to get the product to its market.
- (6) Physical distribution is -> materials flow activities such as transportation, ware housing and inventory control.

#### The Marketing concept -

Marketing concept is based on 3 fundamental beliefs

- (1) All planning and operations should be customer oriented,
- (2) Profitable Sales volume should be the goal,
- (3) All marketing activities should be Co-ordinated.

#### Criteria of Successful Business

##### Marketing Concept



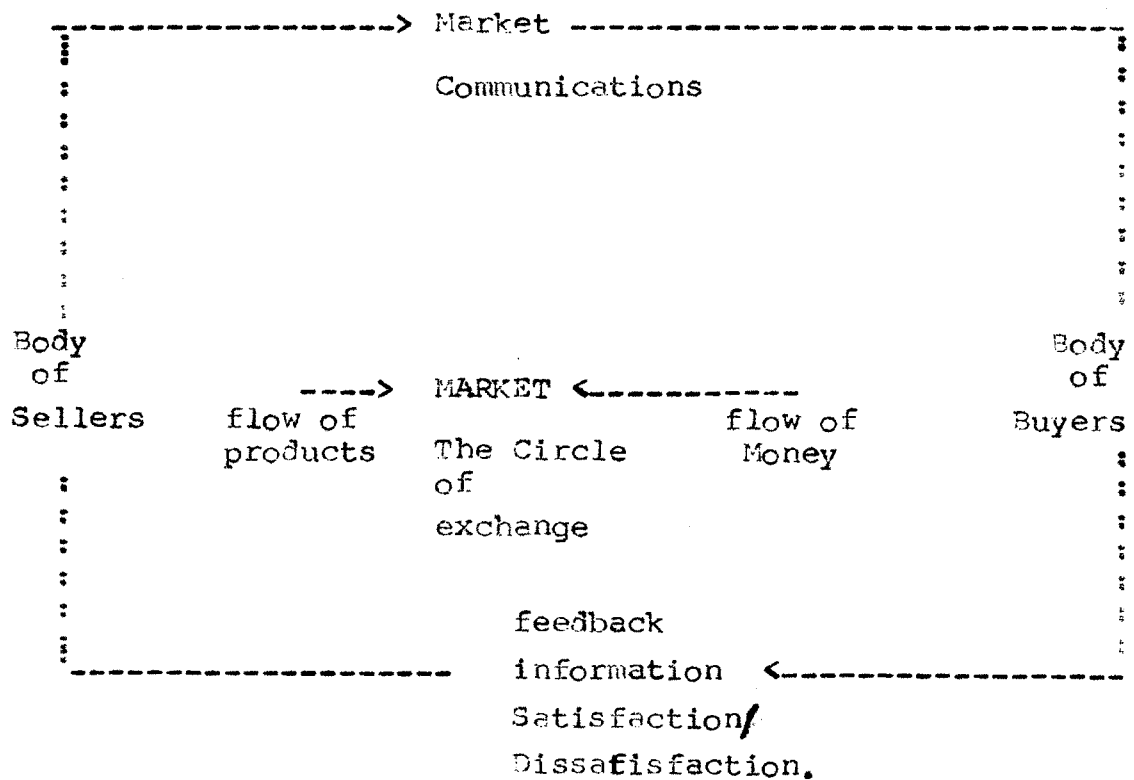
- |                                     |                                 |   |
|-------------------------------------|---------------------------------|---|
| (1) Profitable<br>Sales-<br>Volume. | (2) Market<br>Orienta-<br>-tion | (3) Co-ordination<br>Marketing activities |
|-------------------------------------|---------------------------------|---|

#### What is Market and Types -

A market as an area for Potential exchange.

A market is a group of buyers and sellers interested in negotiating the terms of purchase/sale of goods/services.

Place concept, area concept and demand concept these are the parts of the market



### The Market ( exchange Process )

The following are the types of markets and kinds of goods.

- (1) On the basis of selling area -  
Local, National and International.
- (2) On the basis of article of trade -  
Product and Cotton market
- (3) On the basis of exchange -  
Spot/cash and future or forward market
- (4) On the basis of nature of goods -  
Consumergoods and Industrial goods market.

(5) On the basis of period -

Short-term and Longterm market

(6) On the basis of nature and magnitude of selling

Wholesale and retail markets.

Convenience goods, Shopping goods and Speciality goods are available in these markets.

Marketing has been defined in many ways. A close study of the above definitions makes it clear that the concept of marketing has changed radically.

Traditionally, marketing was viewed as an activity involving flow of goods from Producer to Consumer or ultimate user. Though a number of activities are included in this process, this definition suffers from a serious drawback that it is based on the assumption that goods are sold in the market. This definition is based on Production orientation and fails to present a complete picture of marketing.

A recent view about marketing is that, it is a process of satisfying human needs and wants through exchange process. The production orientation believes that Products that are ready to enter the market will enjoy the same as people have a tendency to buy what is available in the market.

The satisfaction of human needs require a complete understanding of customers and their requirements. It is, therefore, defined as the process of matching Products with the markets. This represents a change in marketing thinking.



Another important change that has taken place in marketing thought is about the scope of marketing.

The traditional view about marketing believes that it is concerned with tangible products only with the acceptance of the idea that marketing is concerned with the satisfaction of human needs, the scope of marketing got widened. For satisfaction of human needs tangible goods as well as intangible goods required. Intangible includes services and other marketable things. The list of the above discussion is that marketing is no longer considered as an activity of business field only. It has many applications and it is useful for all organisations whether profit or non-profit business or nor business. In shortly, exchange means marketing.

### 3] Marketing in India -

The concept of marketing discussed above is originated and developed in affluent countries like. U.S.A. The question is often raised whether marketing is relevant to developing country like India. Just as it is relevant to affluent countries. It is felt that this question is based on misconception about marketing.

It we look into the defination of marketing. We find that it is concerned with the satisfaction of needs of target market. The organisation desirous of marketing something has to define its market and identify its requirements. The market so

defined may represent a group of economically rich or it may represent a group of economically poor, less advanced people. The job of the marketing organisation is to offer what is needed by its target market. Therefore, if the target market constitute a developing nation, organisation are supposed to plan their marketing mix in terms of the requirements of market in question . If they think of developed countries their marketing maxim is bound to be different .

Therefore, it may be concluded that marketing is a equal importance for both developed as well as developing nations like India.

Marketing creates demand for various goods and services. This encourages production activity and provides gainful employment to many thereby improving their standard of living. Thus marketing is an effective instrument to reach the goals of economic develop.

"The role of marketing in developing countries is quite as essential and fundamental to them as to the developed societies, because without effective marketing there can be little commercial progress". It is through the pressures of marketing more than any other factor that the developing countries of the world will materially increase their export earnings and thus reach nearer to viability. It is by effective marketing that long term and worthwhile business relationships can be built. In this connection a fundamental aim of marketing must lie in achieving long term customer satisfaction together with that

volume of repeat orders without which most business will wither and die"

By - J.N. LaPraik.

Peter Drucker writes in the under developed countries of the world, the more glamorous fields, such as manufacturing or construction are generally high lighted while marketing is treated with neglect, if not with contempt. Yet marketing holds a Key position in these countries.

Marketing not only helps people in raising standard of living but it is useful for achieving the overall objectives of economic development. The neglect of marketing keeps these objectives far from achievement .India is the best example of this type .

Indian Planners laid emphasis on production, marketing did not receive proper attention. As a result india has only few production centres that are developed into marketing centres also. These are urban pockets of the country, Naturally benefits of economic development were largely shared by urban sector and the rural counter part representing the largest portion of the population remained undeveloped.

The adoption of marketing approach would have resulted in a different picture and the problem of inbalanced economic growth might not have appeared at all.

To conclude, marketing helps in accelerating the process of economic development and therefore it is a greater significance to developing countries like India.

#### 4] Rural Marketing in India :

Take the example of the rural market in India.

- (1) Do marketing opportunities exist ?
- (2) What is the potential ?
- (3) Can we well Profitably in such markets ?

These are some of the questions marketing men in India are required to answer in the interest of maintaining a steady growth in their company's sales and Profits in the coming years.

e.g - (1) The L.I.C. of India, Selling a Service, has tried to develop the rural markets and sell life assurance policies in rural areas

(2 ) Philips India Ltd., have pushed their one band radio in rural areas.

(3 ) Hindusthan Levers have attempted to sell their soaps in the rural markets. It helps to raise the standard of living of the people in the rural areas.

India being a vast country Populated by people of different cultural historical and traditional background. Each state is like ahuge market in itself. There is tremendous Potential for radios in rural areas. Besides, cities were getting saturated and therefore it was necessary to penetrate the rural markets.

Rural markets offer great Scope for a concentrated marketing effort because of the recent increases in rural

incomes and the likelihood that such incomes will increase faster because of better production and higher prices for agricultural commodities. The rural consumer is not so discriminating. However once he is induced to buy and use a particular product he becomes a staunch supporter and loyal consumer of that brand if he is satisfied with it.

The % of total income in cash is still very much low in rural areas.

The per capita income in the rural areas has not increased substantially.

The transport facilities are very meagre.

Distribution becomes a colossal problem as one has to tackle over 5,00,000 villages.

In rural areas nearly Rs 70 to 80 out of every Rs.100/- generated extra are spent on food initially.

In rural area there is a traditional habit of buying gold.

The rural consumer does not care much for cheap products and wants his products to come to him neatly packed and of good quality.

Marketing is working with markets for satisfying human needs and wants. It is therefore essential for all marketing men to understand the market in all its dimensions organisations interested in marketing in India, therefore, need to improve their understanding about Indian market. For

convenience India can be divided into 2 Sectors,  
namely, the rural market &  
the urban market.

Basically, the urban area is industry based, whilst the rural area is predominantly agricultural. Although 40 % of the rural population live at the low poverty level, it still constitutes a population of 220 millions which is double the size of the urban population.

Despite this, the market has been neglected by companies in India, mainly because of the lower per capita disposable income and the belief that the people are tradition bound and mostly illiterate. Selling to the rural population would be more time consuming and relatively expensive.

The total national market was estimated for 70-71 at Rs.30,550 crores and the share of the rural market at 73 %. By 80-81 it is estimated that the rural market would account for Rs.12,480 crores as against Rs.6,800 crores for the urban markets. From these estimates it is clear that the rural market offers more than double the size of the urban market.

Geographically of the 547 million people 20% of the population live in 2,921 urban locations, whilst the rural sector representing 80% of our population is distributed over more than 5,00,000 villages.

The existence of 16 major languages poses another problem to the marketing men. Besides, there are variations in the type of products demanded in different areas due to climate conditions, attitudes towards living level of literacy etc.

Yet several companies like India Tobacco, Union Carbide, Britannia Biscuits and Hindustan lever attempt to reach the rural areas through their vans. The literacy rates over the years is increasing and is likely to increase still further. Besides banking facilities have been extended more and more into the rural areas.

It is very recently that people in industry have started talking about the importance of rural market e.g. Mr. L. N. Birla, a noted industrialist has said, " I believe that the stage is now set for the rural sector to play an increasingly important role as a consumer force. Both government and industry must gear themselves to this new challenge and meet the emerging demand in the country side for consumer goods including semidurable and durable."

Rural area poses problems and is relatively more expensive than entering the urban areas, there are huge potentials at present and in the future. In fact, the rural sector today accounts for the sale of 53% of toilet soap, 80% of bicycle, 55% of books and stationery, 59% of silk clothing 53% of woollen clothing, 42% cigarettes, 46% of biscuits and confectionery share of market.,

There is also a gradual spread of literacy and education. Radio, T.V. and the Cinema are fast bringing, the city to village fastions and norms spread fast. The Transistor radio is ubiquitous. Even a poor man aspires to own one. The

aspiration of the rural people are heightening. We have now new types of Socio-economic and cultural conditions, new types of motivations, attitudes and behavioural patterns. There is coming up a huge mass market which calls for a few marketing efforts. These efforts must be aimed at locating the existing and new needs of the people and catering to them.

The farmer has already demonstrated his willingness to try out new products as we see from the increase in demand for agricultural inputs and consumer goods. Such as fertilizers, tractors, new high yielding Seeds, transistors, readymade clothes, furniture, clocks, etc. goods cosmetics and a variety of households goods.

With the increase in farmer's income, the farmer is also changing the manner in which he spends his disposable income. Besides spending on food and things required for farming farmers have now started buying consumer durables like by cycles, motor-cycles, Scooters, radios, transistors etc.

Farmers are accepting new agricultural inputs. They are looking upon their occupation as a business. Their outlook is no more traditional. They are showing enthusiasm to improve their material well being. This changing attitude is a unique opportunity to businessmen to expand the market for their goods in rural areas.

"For successful marketing in rural areas traditional methods of selling will not be of any help. To communicate effectively with prospective customers in rural areas, to



ensure effective distribution and prompt delivery of goods firms have to develop suitable marketing strategy based on their study and understanding of the specific needs of the villagers. In order to ascertain the changing income levels of consumers and to find out their preference for different types of products.

By Neelamegham

### Marketing

Marketing is a special function. The marketing function is closely related to the basic objectives of business. In marketing consumer satisfaction is very important, it only means that profits should be made by satisfying the consumers. Consumer is a last chain of marketing.

Marketing depends upon the economic maturity of the nation and the nature of the economy. There may be many reasons for neglecting marketing in the less developed countries.

Reasons are as under - >

- (1) Firstly, due to heavy dependence on agriculture, backward methods of production, over population, lower income and standard of living. As a result the market is limited and confined to limited number of goods.
- (2) Secondly, the economy is characterised by many shortages or in other words there is an excess of demand over production. It is a 'Seller's market. Selling effort is not needed much. As a result, business firms do not feel the need for changing their past.

marketing methods and practices.

- (3) Thirdly, the business is often finance-oriented i.e. control of business is in the hands of those who finance and professional managers have not developed to try new methods.

But now there are many public sector enterprises for examples, the nationalised Banks, Hindustan Photo Films, HMT, LIC, Air India, which adopt consumer oriented modern techniques of marketing.

### Marketing :

Marketing is the performance by an enterprise of all the activities required in order to create, promote, and distribute products in accordance with the present or potential customer's demand and the firm's ability to produce.

This above mentioned definition is explained under the following headings ----->

- (1) Marketing Activities.
- (2) Principles of Marketing Mgt.
- (3) Marketing Techniques.
- (4) Marketing strategy.
- (5) Creating a market.

Marketing Activities -->

as under.

- (1) Market Research.
- (2) Product Planning
- (3) Pricing.
- (4) Advertising.
- (5) Sales Promotion.
- (6) Distribution.

(1) Market Research -

Activities concerned with obtaining marketing information. It is necessary to find out the facts about the market so that decisions can be based on factual information and not on guesswork.

(2) Product Planning -

In this activities concerned with developing a product so that it satisfies the customers and enables the enterprise to use its productive capacity fully.

(3) Pricing -

Activities concerned with determining the price of the product on the basis of costs as well as market factors such as distribution channels used, discount structure applicable, level of prices of competitor's products, ability or willingness of customers to pay and so on.

(4) Advertising -

Activities concerned with making the product known to the customers and creating demand for it. Really speaking advertising brings the customer to the product.

(5) Sales Promotion -

Activities covering all aids to sales other than advertising. Sales promotion stimulates demand and increases sales. Usually sales promotion moves the product towards the customer.

(6) Distribution -

Activities concerned with distributing the product from the manufacturer to the customer, making the product available and easy to buy.

Market research will permit the management to determine its sales objectives. For example a radio manufacturer will decide what percentage of the country's radio market he will want to supply in two to three year's time. This will be his sales objective. Product planning must take into account the company's productive capacity, including the type and quality of product it can best turn out.

### Marketing in the Developing Countries:

The need for modern marketing comes with the development of industrial operations. One fact which demonstrates the usefulness of marketing in developing countries is the extensive marketing activities of international firms operating in them. These companies apply modern marketing techniques as much in their overseas operations as they do in their home markets.

Secondly, there is a strong social need for marketing. It is necessary to stimulate mass consumption and to develop new products specially designed for the country.

Lastly, the developing countries are in the process of change. In most cases, their social needs are indeed the businessman's opportunities. Economic development brings a rise in income and income redistribution and increases purchasing power and demand.

Underdeveloped marketing is a sign of underdeveloped economies. Marketing facilities can inspire innovators or entrepreneurs to take up new activities.

Marketing enables a country to improve the standard of goods and services and consequently business values.

Marketing helps in improving the standard of living. Poorer the marketing services, poorer the standard of living will be.

### Definition of Marketing -

Marketing has been defined in many ways.

A popular definition is that, 'Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user.'

( American Mgt. Association )

In other words, all activities that are undertaken to facilitate the flow of goods and services comes under marketing.

Another important definition is that marketing is the managerial process by which products are matched with markets and through which transfers of ownership are affected.'

(Edward W. Cundiff )

The importance of producing and selling goods with a view to satisfy the demands of consumers is also revealed here.

Another notable definition is 'Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user in order to satisfy customers and accomplish the firms objectives.

Yet another definition is 'marketing is the management task of strategically planning, directing and controlling the application of enterprise effort to profit making programmes which will provide customer satisfactions a task which involves the integration of all business activities ( including manufacturing, finance and sales) into a unified system of action.

Irrespective of a definition, however satisfactory, it may be there are different approaches to the study of marketing. But before considering these approaches, the functions of marketing may briefly be discussed first.

So let us see, the functions of marketing briefly.

#### Functions of Marketing -

Marketing functions of a firm begin with planning the product to suit the needs of its customers.

Selling is successful when the consumer is satisfied with the product that he buys, with the price paid and other services and courtesies provided. Between product planning and consumer satisfaction after selling a number of other activities are performed that aid the whole process of marketing. In any case, there must be continuity in the chain of activities; information flowing back to the producer and products flowing toward to the ultimate consumer.

Accordingly a list of marketing activities would consist of the following -

- (1) Buying and assembling,
- (2) Product Planning,
- (3) Standardising, grading,
- (4) Storage,
- (5) Transportation,
- (6) Marketing financing,
- (7) Marketing risk bearing,
- (8) Advertising and selling,
- (9) Collecting and analysing marketing information for marketing research.

Now the different marketing activities may be considered briefly -

1) Buying and Assembling -

Buying may be done directly or through middlemen, Manufacturers buy for processing or converting into other products and in this process there will be a change in form or content of the product before it is sold. The quality, cost and timely supply of the finished products depend on an efficient buying programme. Assembling follows buying as what may be bought from different sources must be assembled together.

2) Product Planning and Development -

Many manufacturers bring out a product which is already in the market. But for successful marketing product differentiation ( to show that it is different from what is already in the market ) and product development ( by making necessary changes in the existing product or by bringing out an entirely new product ) are helpful.

3) Standardising and Grading -

These activities involve establishment of certain basic characteristics/qualities/measures/limits to goods purchased or sold. Standard is used in providing certain basic qualities to the goods for their use. Grading is applying certain qualitative specifications.

(4) Storage -

Most of the mass consumption products are produced in anticipation of demand and this requires storage, for at least some time at the production centres and also at strategic distribution points. Manufacturers wholesalers and retailers hold sufficient stock to meet anticipated demand and to manage the smooth flow of goods to buyers.

(5) Transportation -

Since markets are geographically separated from production areas, transportation is an essential marketing activity. Transportation gives place utility to the product, making it available at the place where it is demanded or consumed.

(6) Marketing financing -

Finance is needed for keeping sufficient stocks in anticipation of demand and also to finance the middleman.

(7) Marketing Risk-Bearing -

Risks are involved at almost all stages in the marketing process. Right from the product policy, risk is possible due to reasons like changes in demand and supply conditions, loss in storage and transport and other natural hazards.

(8) Advertising and selling -

The contribution of advertising to marketing is significant. Sometimes advertisement is also considered as part of the selling function - a way of impersonal selling



or as a part of the 'Promotional mix - also known as promotional strategy.

Selling is the actual point where transfer of ownership occurs as such crucial.

#### (9) Collecting Marketing Information and Marketing Research -

There must be sufficient information and data which may be analysed interpreted and used for making marketing decisions. Managements knowledge about marketing depends very much on the information it possesses. Collection of data and research based on such data may be done by having a separate department if the company can afford to do so or they may be taken up along with other activities also.

Let us we shall see features of Industrial and Agricultural Goods marketing.

#### Features of industrial and agricultural goods marketing -

##### (1) Agricultural Marketing -

Market for agricultural produce in India is the largest of all markets by its volume in terms of number of producers and consumers and the area of its operation. Transport and storage problems are still common in the whole of India. Another feature is that producers and consumers have no direct connection.

##### (2) Industrial Goods Marketing -

Industrial goods are those which are produced by and sold to industries. The demand for industrial goods is a

derived demand.

Industrial selling is normally backed by technical details and usually done by people with some technical back ground.

These is a marked difference in the channel of distribution for industrial goods.

### The Marketing Concept -

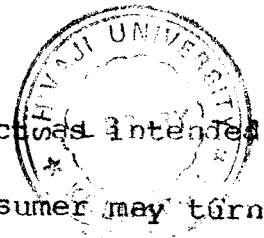
The importance of marketing after an evolutionary process has been crystallised in the marketing oncept. The firm or company can serve its shareholders, management and workers only when it is successful in its marketing. The objectives of the firm or company will be achieved by success in marketing.

Marketing success in turn depends on the company's ability to find a customer and to satisfy him.

In other words, the recognition of the importance of marketing leads to the acceptance of the marketing concept. It is also referred to as customer oriented approach to business.

Consumer dissatisfaction may result when the anticipated satisfaction is not realised. Consumer anticipation is usually built up on the

- (1) inherent ability of the product to perform as anticipated,
- (2) Promises made in the advertising
- (3) Promises of salesmen,
- (4) Customers use ( or misuse ) of the products intended by the manufacturer one dissatisfied consumer may turn



others too in his neighbourhood. In the other hand the satisfied customer telling about the product to others and in the process, in effect, advertises the product. Consumer advertising improves the effectiveness of the manufacturers advertising and other sales efforts.

When the marketing concept is recognized, there is a total change in the basic Philosophy of business. Instead of trying to sell what can be produced, such managements produce what is really needed by the consumer. Though profit criterion is there, the element of service and keeping the customer satisfied are equally important.

The company recognizes that it is not merely selling a particular product but providing satisfaction to a particular want of the customer. Constant feedback from the customer and appropriate change in the product and distribution policy is the accepted way of such a business. The recognition and acceptance of the marketing concept is also a symbol of a socially responsible business. The concept is conspicuous by its lack of recognition by most of business houses in India.

The first advantage is that management understands recognises and appreciates that customer needs are of basic importance.

The products produced or sold are relevant only in relation to satisfaction of consumer needs. They

find need for a new and fairly broad definition of the uses of their products. For instance, a radio fulfils entertainment needs and an automobile fulfils transportation needs.

#### Understanding the consumer -

The objective of a customer oriented company is to satisfy the potential customer's needs so perfectly that they will become regular or permanent satisfied customers.

Behaviour pattern of the consumer to achieve the goal is still another phenomena.

To understand the potential consumers means to understand the consumers goals which may be long-term or shortterm in nature. Once the goals are identified, the company can decide as to how best its products can help the consumer to reach such goals or design the products that way and carry an advertisement message explaining how the product can help to reach the goal.

#### Buyer Behaviour -

Every marketer must have a complete knowledge about his customers or the buyers behaviour in general.

After understanding human needs and the innate desire to fulfil these needs, another general phenomenon to be understood is the customers behaviour in the process of buying. Various motives based on Psychology, Sociology and economics can be attributed as explanations to buyer behaviour. But in a buying

process, the buyer's activity - mental as well as physical can be divided into certain distinct stages.

These stages are known as :-

- (1) Feeling the need,
  - (2) Pre-purchase activities,
  - (3) Final decision on purchase and actual buying,
  - (4) Using the product
- and
- (5) Post-purchase feeling.

These logical sequences are helpful to marketers and their appeal begins with appealing to or arousing or activating the need, they must help in the pre-purchase decisions by right approaches and rationalisation needed. In other words the product must be under consideration right from the first stage. The marketer's strategy is to make sure that the product is actively considered at every successive stage. For a marketing oriented company aiming at customer satisfaction. The satisfaction derived from the use of the product is equally important and hence such companies also want a feedback by way of post-purchase feelings.

Psychological approach to understand the buyer -- >

First of all psychology of learning explains the process of recognition, recall and habitual response by consumers. In other words, Psychology can explain how a consumer learns about a product how the learning is stored in and recall from memory and how the remembering and regular buying habits develop.

Repetition helps learning. In the first instance, an advertisement message may create an 'awareness' and not more.

Motivation to learn and act upon it is another factor. The human being must have interest in the knowledge/information available and one is not likely to be interested unless the knowledge/information has some use for him. This is apparently a rational behaviour.

Conditioning in a learning process means, by a long process of association, symbols are associated with objects. For instance the inverted red triangle is associated with Family Planning.

Human behaviour is always directed toward satisfying certain basic needs. These basic needs are also explained in an order of priority as follows -

- 1) Physical needs - like hunger thirst and sleep. The satisfaction of these needs is essential before one can try to satisfy the next or the rest of the needs.
- 2) Safety needs - like security for one's self and secured social life.
- 3) Belongingness and Love needs - like family relations, companionship, social discourses.
- 4) Esteem needs like self respect, desire for independence, popularity and fame in a narrow or wider circle.
- 5) Need for self-actualisation - like rising to one's full capabilities and to achieve the maximum.

- 6) Desire to know and understand like the quest for knowledge, creativity or intellectual pursuits.
- 7) Aesthetic needs like the love of beauty in its finer forms in every thing in and around one.

As one basic need is fulfilled, the individual proceeds to fulfil the next higher needs. This is however a generalisation.

Marketing success depends on explaining to the prospective buyer how best the product can satisfy a particular need ( or more needs ) But before doing that the marketer must know whether his prospect is in a position to fulfil that particular need.

#### Buyer Behaviour - Brand Loyalty :

It is an important aim of the marketing strategy to increase the number of buyers who are 'loyal' to the particular brand of the marketer.

To be truly brand loyal the consumer must hold ' a favourable attitude towards the brand in addition to purchasing it repeatedly'.

One may be forced to purchase a particular brand repeatedly because other brands may not be available or because other brands may be much worse but he does so without any favourable attitude and if a better brand is available he will immediately shift over to the better one.

Measuring buyer behaviour in terms of brand loyalty or patronage is a related task of market segmentation. In fact

brand loyalty is one way of segmenting the market. Brand loyalty cannot be directly related to number of buyers or sequences in purchasing. The classification of loyalty may be made under four groups -

- 1) Undivided loyalty,
- 2) Divided loyalty,
- 3) Unstable loyalty and
- 4) No loyalty.

If a buyer repeatedly buys brand X every time he needed that product for 3 months and then buys brand Y, it may also mean that the store from where he buys has stopped stocking brand X.

#### 5] Meaning of consumer durable goods :

Consumer Goods - Goods destined for use by ultimate consumer or house holds and in such form that they can be used without commercial processing and Durable means which lasting a very long time.

These goods have unique features, unusual stopping behaviour is needed special purchasing effort is required. These goods acts as important life styles and images. These goods are costly and luxury. These consumer durable goods available in speciality shops e.g. Radio, TV Sets, Taperecorders etc.

#### 6] Objectives and Methodology -

Objectives of present study may be listed as below :-

- (1) To study the buying process of rural buyers in respect of consumer durable goods.



- (2) To analyse the buying process.
- (3) To study the marketing system for consumer durable goods,
- (4) To study the usefulness of consumer durable goods,
- (5) To provide directions for further Res.

#### Selection of Village -

Convenience in data collection was a major factor that guided the selection of village.

So the village 'Bambavade' was selected for the purpose of study.

#### (2) Survey of Customers -

##### (A) Selection of Sample -

There are 150 families in the village under study the village has the population of 5,023 in which 1,023 is a earning population. This population represents different types of occupations while selecting the sample for study due care has been taken to see that all the sectors get representation in the sample.

##### (B) Composition of sample -

In order to get proper representation on occupational basis a list of household available in gram - Panchayat was consulted and the following structure of sample selected on random basis.

Table 1:1: Occupational Structure of Sample Population.

Sr.No.	Occupation	Frequency
1	Business	35
2	Service	59
3	Farming	56
		150

**(C) Questionnaire -**

The sample population was contacted in person with the help of the structural questionnaire .The questionnaire contained questions regarding Name,Family size,occupation, income,buying - when,where,what price, what purpose etc,etc.

**7] Analysis and Organisation of report -**

The data collected by using the techniques mentioned above was analysed with the help of simple statistical techniques like - Classification,

Tabulation measures of central tendency etc. The findings of the study are presented in this report as per the following chapter scheme.

The second chapter describes the village environment. Third Chapter deals with Sellers. In the fourth Chapter findings of the study of owners/consumers(owner Survey ) in Bambavade market are presented.

Observation and conclusions are presented in Fifth Chapter. In the end areas for future research are also given.

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