

The Purchase Pattern of Poor for Fast Moving Consumer Goods: An Empirical Study of Poor in India

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ABSTRACT:

Despite possessing the adequate purchase potential for the fast moving consumer goods (FMCGs), the poor are not reckoned as a viable market by the FMCG marketers and as a result, the purchase preferences of poor are largely unexplored for the concerned products. The present paper bridges the gap subsisting in the pertinent literature by exploring the purchase behavior of poor consumers in the realm of FMCGs. In-home interviews of 360 below poverty line (BPL) families of Delhi, India unveils poor as price conscious, quality conscious, brand conscious and brand loyal consumers. The price consciousness, brand consciousness, quality consciousness, and brand loyalty for the FMCGs do not vary across different age groups, family sizes, genders, and occupations of the poor. Poor prefer to purchase the FMCGs from local retail shops and pay in cash. They purchase well known national brands in FMCGs and their main information sources of these brands are TV advertising and family members. As far as the post purchase behavior aspect is concerned, poor not only repurchase the FMCG brands they are satisfied with, but also revisit the store they purchased the FMCG brand from.

Keywords: *Shopping style, Purchase decisions, Poor, FMCG, Post purchase behavior*

INTRODUCTION

In this 21st century, more than half of world's population is poor. Though each of them may have mere ten dollars to spend in a year but collectively these ten dollars per head becomes a substantial purchasing power (Emmons, 2007). Subrahmanyam and Gomez-Arias (2008) aggregate the purchase potential of world's poor to be US\$ 5 trillion a year. But, despite the fact that the poor are a feasible business opportunity for the firms (Silverthorne, 2007), the poor have been largely ignored as a potential market (World Economic Forum, 2009).

Poor Defined

Poor are the people whose income level

“falls short of some arbitrarily predetermined poverty line” (Bourguignon, 2006). The magnitude of the poverty line varies from country to country as each country has its own methodology of calculating the poverty line. To standardize the poverty lines, The World Bank anchors US\$ 1.25 per day, on PPP (purchasing power parity) basis, as the per capita poverty line for the whole world (Haughton and Khandker, 2009).

Fast Moving Consumer Goods and Poor

Fast moving consumer goods (hereafter FMCGs), with a worth of \$570.1 billion, is one of the largest industries of the world. FMCGs, also known as consumer packaged goods

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(CPGs), are relatively low cost products and are within the range of purchase potential of poor. Still, their purchase preferences are ignored by the marketers and poor are left with no choice but to purchase the products that are especially made to cater the purchase preferences of the non-poor. But, mere availability of the products can't satiate the needs of the poor as their requirements may not be similar to that of the non-poor. Further, FMCGs are considered to be the low involvement purchases (Hamlin and Welsh, 1999; Pinya and Mark, 2004; Hanzae et al., 2011) but in the case of the poor, the impoverished who spend a substantial amount of their income on the FMCGs (Karn et al., 2003: more than 50 percent; Banerjee and Duflo, 2007: more than 56 percent; Boston Consulting Group, 2012: more than 42 percent), FMCGs are bought cautiously and purchases of FMCGs no longer remain the low-involvement ones. So, to better explore this potential but largely unexplored market, the marketers should understand the purchase preferences of the poor for the FMCGs.

Marketers' Approach towards Poor

The marketers do not consider the poor as a viable market (Prahalad and Hart, 2002) and irresistibly keep on serving the demands of the riches. Their ignorance of poor keeps them unfamiliar with the purchase drivers of poor consumers. As a result, they are little mindful of their purchase pattern and are not able to tap this untapped market.

Though, in the last years, the attention to the exploration of the buying pattern of poor for FMCGs has been increased but they are still to be unveiled on a number of aspects of their buying pattern like post purchase behavior, shopping styles, and purchase decisions. Present paper bridges these gaps and analyses the purchase pattern of poor on these aspects with a special reference to the poor of a developing country like India.

This paper is organized as follows:-next section discusses all the consumer behavior studies that have been carried out on poor for FMCGs. Third section attempts to the research hypotheses. Fourth section discusses the research methodology adopted in the current research. Fifth section analyses the data and discusses the findings. The sixth section draws the conclusions and the paper finale with it.

Literature Review

Present section reviews all the existing consumer behavior literature on poor and is subdivided in five parts – shopping styles, sources of information, purchase decision, post purchase behavior and demographic variables.

Shopping Styles

The shopping styles are the characteristics by which the consumers approach their purchases. They not only assist the researchers in developing an understanding of the consumers' purchase behavior but also provide insights to the marketers in segmenting the consumers on the basis of these traits. The shopping styles of poor are reviewed under four sub headers – price consciousness, quality consciousness, brand consciousness and brand loyalty. All of these four are explained as follows -

Price Consciousness

Price consciousness is the degree to which the customers are "sensitive to differences in price between alternative choices" (American Marketing Association, 1995). It is the shopping predilection of buyers towards the buying of products at "sale prices and lower prices in general" (Sproles and Sproles, 1990, as cited in Bearden et al., 2011). Price conscious buyers make their purchases solely on the price factor (Burton et al., 1998). They may even refrain from buying a product if they find the price to be greater than what is acceptable to them (Monroe and Petroshius, 1981). Price consciousness is negatively related to the income (Batra and Sinha, 2000) i.e. people with low income tend to be more price conscious than the high income people are.

Poor people, in U.K., are found antiphonal to the groceries' sales promotions and they do compare the promotional offers of their neighboring grocery stores (Gbadamosi, 2009). But the poor in India are not price conscious consumers for their FMCGs purchases (Kumar et al., 2013).

Quality Consciousness

Not all the consumers purchase products solely on their prices. Some make their purchases after evaluating the quality of the products. More meticulously they purchase the quality products more quality conscious they are.

The quality consciousness is the degree to which the customers make efforts in purchasing “products perceived to be of the highest quality” (Bruner II, n.d.).

Poor households in USA economize their food purchases by purchasing lower quality food products (Leibtag and Kaufman, 2003). Contrary to it, Kumar et al. (2013) find Indian poor to be the quality conscious consumers for their FMCG purchases. Logically, a customer, who does not have much money with him/her, will purchase low quality products as they shall be cheaper for him/her.

Brand Consciousness

Brand consciousness is the tendency of a buyer to purchase the products of well known brands (national brands) rather than the brands owned by the distributors (store brands) (Bruner II, n.d.).

Parents in poor families try their best to downplay the negative effect of poverty on their children (Kochuyt, 2004, Hamilton and Catterall, 2006, Hamilton and Catterall, 2007) and most of them do it by buying branded products for their children (Hamilton and Catterall, 2007). Prahlad (2008) also claims poor to be the brand conscious consumers and Raju (2010), agreeing to it, cites the showing off of their care for their families as the main reason behind their branded purchases in FMCGs. On the same lines, Kumar et al. (2013) reveal that Indian poor are the brand conscious consumers for their FMCG purchases, but Boston Consulting Group, (2012) reveals that one third of Indian poor do not even pay attention to brands during their food and grocery purchases.

Brand Loyalty

Brand loyalty is the “degree to which a person expresses loyalty to a specific brand” of a product (Bruner II, n.d.). Poor people in U.K. are not brand loyal in their grocery purchases (Gbadamosi, 2009). On the same lines, mere five percent poor in India are brand loyal for their food and grocery purchases (Boston Consulting Group, 2012). Contrary to it, Kumar et al. (2013) find Indian poor to be the brand loyal consumers in their FMCG purchases.

Sources of Information

In present research, the sources of information are subdivided in marketer

dominated sources of information and non marketer sources of information. Marketer dominated sources mean the information sources that are largely controlled by the marketers i.e. newspaper, TV, radio, hoardings, pamphlets etc., while the non marketer dominated sources are the information sources that are not in the control of marketers i.e. family members, friends, seller etc.

Marketer Dominated Sources of Information

For poor senior citizen in USA, newspaper is the most reliable source of information for food & beverage purchases (Mason and Smith, 1974). The impact of marketer dominated sources of information is also significant on minors. In Canada, children from poor families, even with the minimal exposure, germinated a favourable attitude towards the advertised products (Gorn and Goldberg, 1977).

Non-Marketer Dominated Sources of Information

The purchases in the poor households are structured in accordance to their kids’ demands (Kochuyt, 2004: Belgium; Hamilton and Catterall, 2006: UK; Hamilton and Catterall, 2007: UK; Hamilton, 2011: UK). The children, in poor households of UK, want to buy branded shoes and peer group act as one of the primary motivators for buying a particular brand (Elliott and Leonard, 2006). On the same lines, minors in the poor families of UK are highly motivated by branded clothing and they don’t shop at discount stores as it can malign their reputation among their friends (Hamilton, 2009). In UK, to cope up with the peer pressure & fear of social difference, the poor families purchase brands in public sphere consumed goods and make up for it in private sphere consumed goods (Hamilton and Catterall, 2006). So, peers, family members etc. affect the purchase decisions of poor families.

Purchase Decisions

The consumers execute their purchase intention through five sub decisions regarding brand, store, quantity, timing and payment method (Kotler et al., 2007) and out of these five, store selection is the most important (Assael, 2004). These sub decisions are known as the purchase decisions. The purchase decisions of poor are reviewed as follows -

Purchase Size

In USA, the package sizes purchased by low-income households are smaller than the ones purchased by middle income households (Kunreuther, 1973). Of all the income groups in USA, the low-income households have the lowest proportion of large-package purchases in food products (Leibtag and Kaufman, 2003). The poor households mostly purchase in small amounts (Attanasio and Frayne, 2006). Small and medium sizes are preferred by Indian poor during their FMCG purchases (Kumar et al., 2013).

Purchase Frequency

Poor households in USA, with an average purchase frequency of 2.75 weeks, purchase grocery more frequently than their non-poor counterparts do (Kunreuther, 1973). Most of the poor households in UK do their fruits & vegetables shopping weekly (Dibsdall et al., 2003).

Mode of Payment

The low-income families in UK avoid credit because they do believe that the debt will go out of their hold (Hamilton, 2009).

Purchase Point

The poor families in Philadelphia, USA prefer supermarkets over small local stores for their principal food purchases but the local convenience stores are mostly visited for frequently used perishable items (Goodman, 1968). Poor households in Connecticut, USA visit the small local grocery stores for their packaged food shopping (Kunreuther, 1973). The Canadian low class respondents do their major grocery shopping from the nearest available centres (Gayler, 1980). Most of the poor households in UK incline to shop the food and grocery products nearer to their home and they mostly visit the district centres for their grocery purchases (Guy, 1985). For retailed products, the poor consumers in England prefer the local supermarkets followed by the post office and the local shop/convenience store (Robinson et al., 2000).

Post Purchase Behavior

Post purchase behavior is an important part

of any kind of consumer behavior research. It not only covers repurchase intention of the buyers but also attempts whether the buyers recommend the products to others or not. Till the date, the post purchase behavior of poor stands unexplored.

Repurchase Intentions

It is hypothesized that customers' satisfaction has a positive association with their repurchase intentions (Oliver, 1980; Fang et al., 2011). Tsai and Huang (2007) theorize that satisfaction of customers determine their future intentions to condescend or not to condescend the purchase point. It depicts that the repurchase intentions can be subdivided in the two aspects - repurchase intentions regarding the product (brand) and repurchase intentions regarding the purchase point and can also be applied in the context of the poor.

Recommendations to Others

Poor people are relatively less educated and are mostly unemployed. They have enough time to discuss their purchase behavior - point of purchase, brand, quality etc. - with others to save on their next purchases and FMCG purchases are not an exception to it.

Demographic Variables

Demographic variables play a pivotal role in consumer behavior. Less educated consumers are more inclined on price as a quality cue than the highly educated consumers are (Shapiro, 1973). It implies poor people, being less educated, are expected to take more price conscious purchase decisions and their education, one of the demographics, acts as one of the main reasons to it. The empirical researches on poor have a mixed response on demographics role on their purchase pattern. The employment status of disadvantaged households in UK does not affect their expenditure on food and groceries but their family sizes strongly do (Guy, 1985). Contrary to it, Dibsdall, Lambert, Bobbin, and Frewer (2003), in their research on UK's low income households, revealed that age, marital status, employment status, and gender do affect the purchase decisions for fruit and vegetables.

Research Hypotheses

The discussion carried out in the last section, literature review, led us to form the following hypotheses in the context of Indian poor.

H₁ is subdivided in four sub-hypotheses:

H_{1(a)}: Poor are price conscious consumers for their FMCG purchases.

H_{1(b)}: Poor are not quality conscious consumers for their FMCG purchases.

H_{1(c)}: Poor are brand conscious consumers for their FMCG purchases.

H_{1(d)}: Poor are not brand loyal consumers for their FMCG purchases.

H₂: The price consciousness, quality consciousness, brand consciousness, and brand loyalty of poor remains same across the FMCGs.

H₃: Poor utilize both - marketer dominated as well as the non marketer dominated -sources of information for their FMCG purchases.

H₄: The utilization of marketer dominated and non marketer dominated sources of information do not vary across the FMCGs.

H₅: The purchase decisions i.e. purchase size, purchase frequency, mode of payment and purchase point do not vary across FMCGs.

H₆ is subdivided in two sub-hypotheses

H_{6(a)}: If satisfied with a FMCG brand, poor repurchase it and revisit the same store for its purchase

H_{6(b)}: Poor recommend the FMCG brand to others.

H₇ is subdivided in two sub-hypotheses –

H_{7(a)}: If satisfied with a FMCG brand, both - repurchasing the brand and revisiting the same store to purchase the brand – remain same across the FMCGs.

H_{7(b)}: Recommendations to others do not vary across FMCG brands.

H₈: The shopping styles of poor for FMCGs remain same across the different categories of each of the demographics (age, gender, occupation, years of education, family size).

H₉: To the poor, the sources of information utilized for FMCGs purchases remain same across the different categories of each of the demographics (age, gender, occupation, years of education, family size).

H₁₀: The post purchase behavior of poor for FMCGs remains same across different categories of each of the demographics (age, gender, occupation, years of education, family size).

All the hypotheses framed above are presented in the research framework (See figure 1) as follows.

RESEARCH METHOD

A two stage research design was used for the present research. In the first stage, an exploratory research design was used to understand and define the research problem through extensive literature survey, in-depth interviews & the focus group discussions. It helped in getting an insight of the purchase pattern of poor which further helped us in identifying the variables on which the consumer behavior of poor was largely depending upon. In the second stage, a descriptive research design (single cross sectional) was used to describe the purchase behavior of poor on the identified variables.

Sample Plan

The sampling frame for the present research was the below poverty line (hereafter BPL) family list of Delhi, India, available at the webpage of Food and Supplies Department, Government of Delhi, Delhi, India, and the sample size was 360. Multi-stage cluster sampling was endeavored as the sampling technique and a BPL family member responsible for his/her family's FMCG shopping was taken as the sample element.

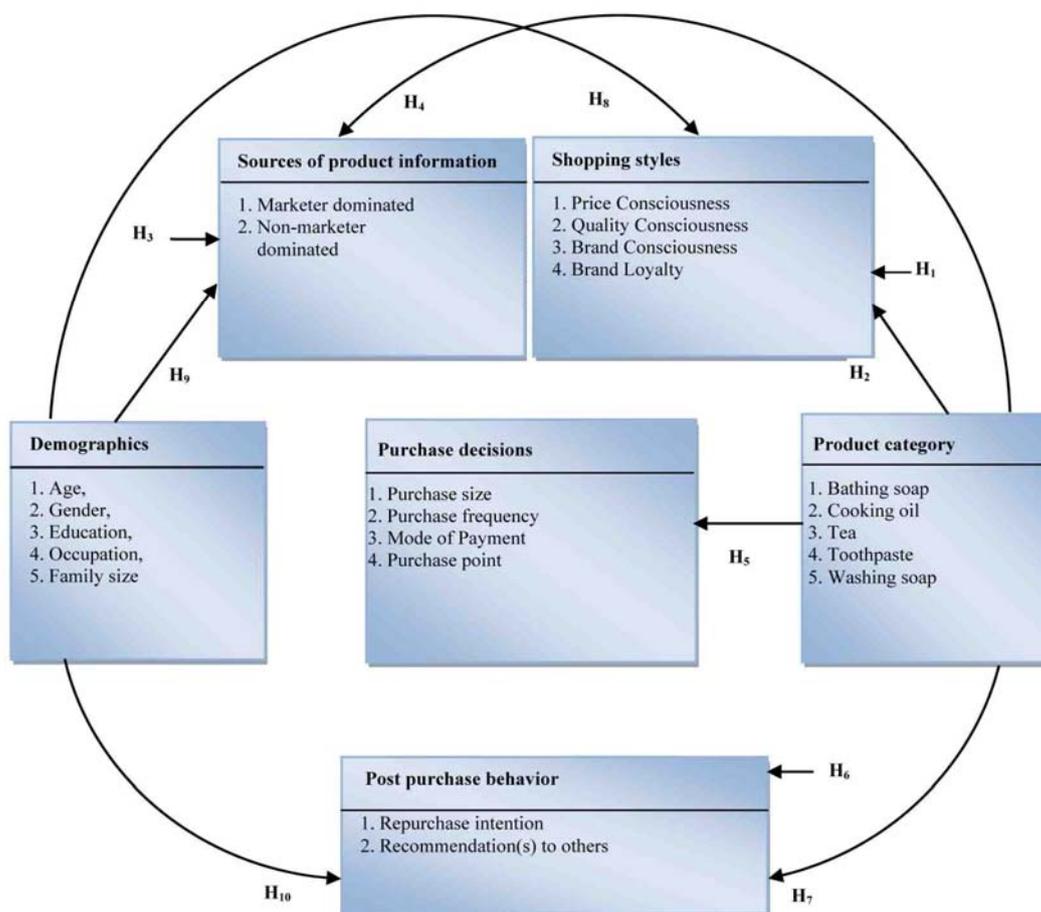


Figure 1: Research framework

Research Instrument

The questionnaire used in this study was on a five point Likert scaled (5 = strongly agree and 1 = strongly disagree). Cronbach's alpha score was used for reliability analysis and it was above 0.7 for each scale. Further, to have a better understanding of the respondents, the schedule was developed in regional language (here Hindi).

Data Analysis

The descriptive analysis was performed by using central tendency and dispersion measures, while the inferential analysis was performed through one way ANOVA, one sample t-test, and chi-square. As far as statistical tool is

concerned, the data analysis was carried out on IBM® SPSS® 16.0.

RESULTS AND ANALYSIS

Demographic Profile of the Respondents

The demographic profile of the respondents is presented in table 1. In a little more than half of the BPL families (56.1 percent), the purchase decisions are taken by females. Majority of the respondents are in the age group of 21-40 years (50.5 percent). The data collected in present research shows that most of the decision makers are illiterate and as far as family size is concerned, most of the surveyed families are large size families i.e. family with a size of 6-10 family members.

Table 1: Profile of the respondents (n=360)

Variable	Categories	Frequency	Percent
Age	up to 20 years	51	14.2
	21-40 years	182	50.5
	41-60 years	105	29.2
	61-80 years	22	06.1
Gender	Male	158	43.9
	Female	202	56.1
Education	Illiterate	117	32.5
	1st-primary	54	15.0
	6th to high school	114	31.7
	11th to senior secondary	46	12.8
	undergraduate to post graduate	29	07.7
Occupation	Housewife	147	40.8
	Labor	50	13.9
	Student	45	12.5
	Shopkeeper	34	9.4
	Private job	28	7.8
	Sewing work	12	3.3
	Housemaid	15	4.2
	Hawkers	18	5.0
	Others	11	3.1
Family size	Small size family (1-2)	15	4.2
	medium size family (3-5)	152	42.2
	Large size family(6-10)	163	45.3
	very large size family (11-20)	30	8.3

Shopping Styles

Price Consciousness

The mean of the price consciousness for each FMCG was more than 3 (table 2). On one sample t test, the results of price consciousness for each FMCG are found statistically significant ($p < .01$). So, the hypothesis $H_{1(a)}$, which states that poor are price conscious consumers for their FMCG purchases, is supported.

Quality Consciousness

For each of the five FMCGs, the mean of quality consciousness was more than 3 (table 2). The results are statistically significant ($p < 0.01$) on one sample t test. So, $H_{1(b)}$, which states that poor are not quality conscious consumers for

their FMCG purchases, is rejected. It approves that poor are quality-conscious consumers.

Brand Consciousness

The mean score of brand conscious for each FMCG, except cooking oil, was found to be greater than 3 (table 2). On one sample t test, the scores were statistically significant ($p < .05$). So, the authors are failed to reject $H_{1(c)}$, which assumes that the poor are brand conscious for their FMCG purchases, for all the five FMCGs except cooking oil. It evidences poor to be significantly brand conscious for bathing soap, tea, toothpaste and washing soap. Their brand unconscious for cooking oil is mainly because of affordability issue as unbranded/loose cooking

oil is cheaper than the well known brands and the highest score of price consciousness for cooking oil, among all the products, also goes along with it.

Brand Loyalty

On brand loyalty scale, the mean score of more than 3 for every FMCG approves poor to be the brand loyal consumers for each FMCG and the results are statistically significant ($p < .01$) on one sample t test (table 2). It rejects $H_{1(d)}$, which states that the poor are not brand loyal in their FMCG purchases, and proves that poor are significantly brand loyal consumers for their FMCG purchases.

To evaluate the variance of shopping styles among FMCGs, the scores were tested on one way ANOVA and the hypothesis H_2 , which assumes that price consciousness, quality consciousness, brand consciousness and brand loyalty remain same across FMCGs, was rejected for all the shopping styles except the price consciousness (table 2). In price

consciousness, it seems that it is largely due to the price awareness among the poor i.e. poor are largely aware of the prices of each FMCGs and they also perceive that the prices of FMCGs don't vary across the shops. Further, on applying the post-hoc analysis in quality consciousness, brand consciousness and brand loyalty, it was revealed that it was the cooking oil whose quality consciousness, brand consciousness and brand loyalty was different to that of all other FMCGs. It appears that it was mainly because of the affordability issue. Cooking oil of well known brands is perceived to be relatively costlier than the local brands and is not available in loose form. So, the poor economize their cooking oil purchases by purchasing the small quantities, as per their needs, of local cooking oil brands while other FMCGs are bought in packets. It is why the quality consciousness, brand consciousness and brand loyalty for cooking oil is different to that of the other four FMCGs.

Table 2: Shopping styles

Facet of Consumer Behavior	Construct/ Variable	FMCG	N	Mean*	Standard deviation	t test**		One way ANOVA
						T	p	
Shopping styles	Price Consciousness	Bathing Soap	360	3.373	0.802	08.818	0.000	F = 1.461 p = 0.212
		Cooking Oil	360	3.252	0.826	05.796	0.000	
		Tea	360	3.342	0.816	07.950	0.000	
		Toothpaste	360	3.373	0.802	08.836	0.000	
		Washing Soap	360	3.367	0.800	08.713	0.000	
	Quality Consciousness	Bathing Soap	360	3.193	1.087	04.483	0.000	F = 8.182 p = 0.000
		Cooking Oil	360	3.471	1.039	11.738	0.000	
		Tea	360	3.217	1.091	04.980	0.000	
		Toothpaste	360	3.193	1.087	04.483	0.000	
	Brand Consciousness	Bathing Soap	360	3.694	0.916	19.077	0.000	F = 66.245 p = 0.000
		Cooking Oil	360	2.888	1.150	-02.469	0.014	
		Tea	360	3.575	1.039	14.156	0.000	
		Toothpaste	360	3.673	0.942	18.194	0.000	
		Washing Soap	360	3.451	1.104	10.317	0.000	
	Brand Loyalty	Bathing Soap	360	3.781	1.014	16.731	0.000	F = 29.902 p = 0.000
		Cooking Oil	360	3.167	1.195	02.928	0.004	
Tea		360	3.749	1.048	15.454	0.000		
Toothpaste		360	3.779	1.015	16.701	0.000		
Washing Soap		360	3.774	1.025	16.382	0.000		

*On a scale of 1 to 5, where 1 = strongly disagree and 5 = strongly agree. **one sample t-test on test value=3

Sources of Information

Among the marketer dominated sources of information, TV advertising, with n = 346/360, is not only the most favorite information source among the poor but also the only statistically significant (p<.01) information source that affects the purchase decisions of poor for FMCGs. In non marketer dominated sources, poor people, with a statistically significant (p<.01) mean of more than three (table 3), are found trusting their family members only. So, H₃, which states that poor utilize both - marketer dominated as well as the non marketer dominated - sources of information for their FMCG purchases, stands rejected for all the

sources except TV advertisement and family members.

The variance was evaluated on one way ANOVA and H₄, the utilization of marketer dominated and non marketer dominated sources of information do not vary across the FMCGs, was rejected for TV advertising and seller but the authors were failed to reject H₄ for radio advertising, hoarding advertising, family and friends. On applying the post hoc test for TV advertising and seller, it was found that the utilization of both these sources in cooking oil purchases was different to that of other four FMCGs' purchases.

Table 3: Sources of information

Facet of Consumer Behavior	Construct	FMCG	n	Mean*	Standard deviation	t test**		one way ANOVA
						T	p	
Marketer dominated Sources of information	TV Advertising	Bathing Soap	346	3.675	0.5163	24.316	0.000	F = 34.715 p = 0.000
		Cooking Oil	346	3.263	0.5350	9.145	0.000	
		Tea	346	3.603	0.5613	19.984	0.000	
		Toothpaste	346	3.672	0.5145	24.277	0.000	
	Radio Advertising	Bathing Soap	127	2.871	0.5977	-2.425	0.017	F = 0.471 p = 0.757
		Cooking Oil	127	2.786	0.5074	-4.751	0.000	
		Tea	127	2.850	0.5777	-2.919	0.004	
		Toothpaste	127	2.870	0.5950	-2.461	0.015	
	Hoarding Advertising	Bathing Soap	228	2.985	0.6065	-0.364	0.716	F = 0.693 p = 0.597
		Cooking Oil	228	2.910	0.5430	-2.501	0.013	
		Tea	228	2.981	0.6060	-0.474	0.636	
		Toothpaste	228	2.984	0.6053	-0.401	0.689	
Family	Bathing Soap	360	3.550	1.0504	9.935	0.000	F = 0.024 p = 0.999	
	Cooking Oil	360	3.533	1.0511	9.628	0.000		
	Tea	360	3.549	1.0515	9.900	0.000		
	Toothpaste	360	3.536	1.0437	9.746	0.000		
Non-marketer dominated Sources of information	Friend(s)	Washing Soap	360	3.551	1.0507	9.957	0.000	F = 0.001 p = 1.00
		Bathing Soap	360	2.479	.8032	-12.304	0.000	
		Cooking Oil	360	2.479	.8032	-12.304	0.000	
		Tea	360	2.479	.8032	-12.304	0.000	
		Toothpaste	360	2.478	.8019	-12.357	0.000	
	Seller	Washing Soap	360	2.481	.8037	-12.264	0.000	F = 11.243 p = 0.000
		Bathing Soap	360	2.524	.8296	-10.896	0.000	
		Cooking Oil	360	2.860	.8578	-3.103	0.002	
		Tea	360	2.546	.8444	-10.205	0.000	
		Toothpaste	360	2.524	.8296	-10.896	0.000	
Washing Soap	360	2.524	.8296	-10.896	0.000			

*On a scale of 1 to 5, where 1 = strongly disagree and 5 = strongly agree. **one sample t-test on test value=3

Purchase Decisions

Mode value of purchase frequency and mode of payment indicate that the poor make most of their FMCG purchases in cash and bathing soap, cooking oil, tea, and toothpaste are mostly purchased weekly, weekly, monthly, and bimonthly respectively (See table 4). As far as purchase point and purchase sizes are concerned, to the poor, local retail shops are the most favoured shops for their FMCG purchases and FMCGs are mostly purchased in small & medium sizes.

Further, to check the variance in each of purchase decisions, H₅ which states that the purchase size, purchase frequency, mode of payment and purchase point do not vary across, was tested on chi square and H₅ was rejected for

all the purchase decisions except the purchase point and mode of payment. Very high values of p, 1.00 for mode of payment and .982 for the purchase point, shows that each of the five FMCGs is bought on the same payment mode (here cash) and each of the five FMCGs is bought from the same purchase point (here nearby grocery shop). It seems that it is because of the fear and availability. The poor pay in cash for all the FMCGs they purchase because they are afraid that if they purchase on credit then they shall not be able to pay it later. In the case of purchase point, it is because of the availability of all the FMCGs at a shop i.e. all the FMCGs are available at a shop and the poor do not need to visit different shops.

Table 4: Purchase decisions

Facet of Consumer Behavior	Construct/ Variable	FMCG	N	Mode		Crosstab
				Modal value	freq.	
	Purchase size	Bathing Soap	360	76-100 grams	231	$\chi^2 = 6.741E3$ p = 0.000
		Cooking Oil	360	0.5-1 litre	218	
		Tea	360	101-250 grams	197	
		Toothpaste	360	51-100 grams	145	
		Washing Soap	360	201-300 grams	136	
	Purchase frequency	Bathing Soap	360	4-7 days	235	$\chi^2 = 9.468E2$ p = 0.000
		Cooking Oil	360	4-7 days	176	
		Tea	360	16-30 days	157	
		Toothpaste	360	8-15 days	114	
		Washing Soap	360	1-3 days	208	
	Mode of payment	Bathing Soap	360	Cash	337	$\chi^2 = 0.000$ p = 1.000
		Cooking Oil	360	Cash	337	
		Tea	360	Cash	337	
		Toothpaste	360	Cash	337	
		Washing Soap	360	Cash	337	
	Purchase point	Bathing Soap	360	Nearby grocery shop	188	$\chi^2 = 4.056$ p = 0.982
		Cooking Oil	360	Nearby grocery shop	185	
		Tea	360	Nearby grocery shop	185	
		Toothpaste	360	Nearby grocery shop	186	
		Washing Soap	360	Nearby grocery shop	186	

**Post Purchase Behavior
Repurchase Intentions**

The mean scores of repurchase intentions were more than three for each of the five FMCGs. The scores were also statistically significant ($p < .01$) on one sample t test (See table 5) and the authors were failed to reject $H_{6(a)}$. Further, $H_{6(b)}$, which assumes that both - repurchasing the brand and revisiting the store to purchase the brand - remain same across the FMCGs, was rejected and the results were also statically significant ($p < .01$)(table 5).

Recommendations to Others

$H_{7(a)}$, which states that poor recommend the FMCG brand to others, is rejected on one sample t test but the results are insignificant for all the FMCGs except cooking oil (See table 5). Further, the authors are failed to reject $H_{7(b)}$, which says that recommendations to others do not vary across FMCG brands, on one way ANOVA (table 5). So, it can't be stated that recommendations to others do not vary across the FMCGs.

**Demographic Variables and Purchase Behavior
Demographic Variables and Shopping Style**

After analyzing the one way ANOVA scores between demographic variables and shopping styles (table 6), it is concluded that – first, Shopping styles for FMCG purchases do not vary across different age groups. Second, there is no difference between Male and female in shopping styles for all the products except Tea in the case of brand consciousness. Third, the quality consciousness and brand consciousness for all the FMCGs, except cooking oil, do not remain same among all the occupations. Fourth, education influences the price consciousness brand consciousness, and brand loyalty for FMCG purchases. Fifth, the shopping styles, except brand consciousness of bathing soap and toothpaste, for FMCG purchases do not vary across different family sizes. So, H_8 , which claims that the shopping styles of poor for FMCGs remain same across the different categories of each of the demographics (age, gender, occupation, years of education, family size), could not be rejected on age, gender and family size.

Table 5: Post purchase behavior

Facet of Consumer Behavior	Construct/ Variable	FMCG	n	Mean*	S.D.	t**		One way ANOVA
						T	p	
Post purchase behavior	Repurchase intention ¹	Bathing Soap	360	3.897	0.6359	26.768	0.000	F=11.696 p = .000
		Cooking Oil	360	3.603	0.9205	12.424	0.000	
		Tea	360	3.872	0.6761	24.476	0.000	
		Toothpaste	360	3.897	0.6359	26.768	0.000	
		Washing Soap	360	3.889	0.6497	25.957	0.000	
	Repurchase intention ²	Bathing Soap	360	3.522	1.3054	7.590	0.000	F = 2.939 p = .020
		Cooking Oil	360	3.250	1.3553	3.500	0.000	
		Tea	360	3.500	1.3099	7.242	0.000	
		Toothpaste	360	3.522	1.3054	7.590	0.000	
		Washing Soap	360	3.517	1.3076	7.497	0.000	
	Recommendations to others	Bathing Soap	360	2.901	1.0650	-1.757	0.080	F = .613 p = .653
		Cooking Oil	360	2.801	1.0562	-3.568	0.000	
		Tea	360	2.894	1.0654	-1.880	0.061	
		Toothpaste	360	2.901	1.0650	-1.757	0.080	
		Washing Soap	360	2.900	1.0633	-1.784	0.075	

¹repurchasing the FMCG brand one is satisfied with,

²revisiting the store one bought the satisfied brand from.

*one sample t-test on test value=3, **on a scale of 1 to 5, where 1 = strongly disagree and 5 = strongly agree,

Table 6: ANOVA table of demographic variables and shopping style

Demographic	Shopping style	Bathing Soap	Cooking oil	Tea	Toothpaste	Washing soap
Age	Price Consciousness	0.191	0.368	0.229	0.181	0.184
	Quality Consciousness	0.586	0.216	0.446	0.586	0.716
	Brand Consciousness	2.078	1.133	1.892	1.968	1.801
	Brand Loyalty	1.719	1.041	1.587	1.698	1.794
Gender	Price Consciousness	0.030	0.585	0.330	0.018	0.017
	Quality Consciousness	0.341	0.000	0.038	0.341	0.316
	Brand Consciousness	0.455	0.051	4.254*	0.947	2.750
	Brand Loyalty	1.348	0.323	2.572	1.410	1.310
Occupation	Price Consciousness	1.059	1.298	1.093	1.090	1.164
	Quality Consciousness	2.061*	1.453	2.130*	2.061*	2.068*
	Brand Consciousness	2.695**	1.741	2.530*	2.660**	1.479
	Brand Loyalty	1.599	1.987*	1.957	1.605	1.571
Education	Price Consciousness	2.585*	3.396*	2.841*	2.529*	2.609*
	Quality Consciousness	1.406	0.719	1.021	1.406	1.531
	Brand Consciousness	4.892**	3.606**	5.396**	4.705**	5.568**
	Brand Loyalty	2.760*	2.693*	3.047*	2.808*	2.733*
Family size	Price Consciousness	1.920	1.648	1.811	1.958	1.807
	Quality Consciousness	1.437	0.728	1.256	1.437	1.437
	Brand Consciousness	2.689*	1.147	2.058	2.848*	1.253
	Brand Loyalty	0.504	0.111	0.314	0.584	0.462

*significant at 0.05, **significant at 0.01

Demographic Variables and Source of Information

Overall, the sources of information utilized by poor for their FMCGs purchases remain same across the different categories of each demographics (table 7). So, the authors are failed to reject H_9 , which states that the sources of information utilized by poor for their FMCG purchases remain same across the different categories of each of the demographics.

Demographic Variables and Post Purchase Behavior

Overall, the authors are failed to reject H_{10} , which states that the post purchase behavior of poor for FMCGs remains same across different categories of each of the demographics (age, gender, occupation, years of education, family size), on one way ANOVA (table 8). So, it can't be stated that the post purchase behavior of poor for FMCGs does not remain same across different categories of each of the demographics (age, gender, occupation, years of education, family size).

Table 7: ANOVA table of demographic variables and source of information

Demographic Variable	Source of information	Bathing Soap	Cooking Oil	Tea	Tooth paste	Washing Soap
Age	TV Advertising	0.867	0.274	0.822	0.789	1.344
	Radio Advertising	0.081	0.164	0.118	0.084	0.159
	Hoarding Advertising	0.383	0.695	0.461	0.387	0.361
	Family	4.380**	4.901**	4.524**	4.253**	4.490**
	Friend(s)	2.758*	2.758*	2.758*	2.759*	2.764*
	Seller	0.816	0.119	0.747	0.816	0.816
Gender	TV Advertising	0.463	0.127	3.669	0.868	3.562
	Radio Advertising	2.203	0.454	1.350	2.147	1.477
	Hoarding Advertising	1.410	2.022	1.193	1.341	1.264
	Family	0.515	0.534	0.345	0.347	0.196
	Friend(s)	1.485	1.485	1.485	1.582	1.555
	Seller	0.125	0.072	0.009	0.125	0.125
Occupation	TV Advertising	1.204	1.140	1.226	1.228	0.980
	Radio Advertising	1.759	2.026*	1.583	1.751	1.708
	Hoarding Advertising	1.598	1.830	1.554	1.593	1.576
	Family	1.555	1.297	1.344	1.146	1.190
	Friend(s)	0.113	0.113	0.113	0.119	0.119
	Seller	0.929	0.548	0.909	0.929	0.929
Education	TV Advertising	1.600	2.174	2.603*	1.667	2.596*
	Radio Advertising	0.938	0.721	0.930	0.929	1.042
	Hoarding Advertising	0.640	0.520	0.609	0.630	0.618
	Family	1.609	1.719	1.347	1.478	1.438
	Friend(s)	1.178	1.178	1.178	1.203	1.193
	Seller	0.421	0.433	0.445	0.421	0.421
Family size	TV Advertising	3.737*	2.679*	2.612	3.632*	2.846*
	Radio Advertising	0.551	0.501	0.392	0.535	0.310
	Hoarding Advertising	1.038	0.834	1.101	1.068	1.055
	Family	1.388	1.444	1.313	1.442	1.539
	Friend(s)	0.788	0.788	0.788	0.784	0.802
	Seller	2.143	3.156*	2.042	2.143	2.143

**significant at 0.01, *significant at 0.05

Table 8: Analysis of variance between demographic variables and post purchase behavior

Demographic Variable	Post purchase behavior variable	Bathing Soap	Cooking Oil	Tea	Tooth paste	Washing Soap
Age	Repurchase intention ¹	0.228	2.318	0.333	0.228	0.231
	Repurchase intention ²	1.019	0.633	1.115	1.019	0.975
	Recommendation to others	2.149	1.164	2.071	2.149	2.126
Gender	Repurchase intention ¹	0.394	0.008	0.016	0.394	0.159
	Repurchase intention ²	1.036	0.443	0.420	1.036	0.892
	Recommendation to others	1.663	1.744	1.511	1.663	1.742
Occupation	Repurchase intention ¹	1.397	2.320*	1.862	1.397	1.259
	Repurchase intention ²	1.102	2.036*	1.114	1.102	1.117
	Recommendation to others	0.938	0.612	0.936	0.938	0.913
Education	Repurchase intention ¹	1.641	1.570	1.740	1.641	1.571
	Repurchase intention ²	0.616	1.180	0.736	0.616	0.632
	Recommendation to others	0.293	0.100	0.241	0.293	0.275
Family size	Repurchase intention ¹	0.144	0.752	0.375	0.144	0.269
	Repurchase intention ²	1.087	2.667*	1.428	1.087	1.156
	Recommendation to others	0.130	0.564	0.163	0.130	0.133

¹repurchasing the FMCG brand one is satisfied with,

²revisiting the store one bought the satisfied brand from,

*significant at 0.05, **significant at 0.01

CONCLUSION

Since the very inception of 'Marketing' concept, the marketers have been biased towards the demands of the riches and have been ignoring the purchase preferences of poor consumers. But now when they are dealing with saturated market demand in the riches, they are left with no choice but to seize the purchase potential of the poor segment-a demographic segment with an estimated annual income of US\$ 5 trillion. To tap this demographic segment better, the marketers should be adept of its purchase behavior. Present study explores the purchase behavior of poor for FMCGs and provides insights to the FMCG marketers about the purchase pattern of poor consumers. It concludes that- first, the poor are price conscious, quality conscious, brand conscious and brand loyal consumers for their FMCG purchases. So, the FMCG marketers should make quality FMCG products available to the poor consumers at reasonable prices and work out on their brand strategies. Second, the only significant source of information of poor for the FMCG products is TV advertising. So, in spite of the hoardings and the radio, the FMCG brands should be advertised on TV. Third, poor not only repurchase the FMCG brands they are satisfied with, but also revisit the store they bought these brands from. So, the marketers should try their best to satiate the needs & wants of poor with their FMCG brands as it will make the poor repurchase them. Fourth, poor visit nearby retail shops for their FMCG purchases. On this, the marketers should approach the retail shops functioning in slum areas and make their products available in all of these shops. Fifth, poor pay in cash for their FMCG purchases and buy them in small and medium sizes. It suggests that the FMCGs should be made available to the poor in small and medium sizes.

In this saturated and competitive market, this study provides insights to the FMCG marketers about the purchase pattern of poor for FMCGs but has some limitations too. First, the study is primarily confined to the poor of Delhi, India. Second, the results are circumscribed to only five FMCG products and do not cover all the FMCGs. Third, it is single cross sectional research design based study and do not capture the effect of macroeconomic factors present at two or more time points. So, to have a more

generalized understanding of the purchase preferences of poor, there exists a scope for longitudinal studies on the poor consumers for more FMCG products in different parts of the world.

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