

Rural consumers' attitude towards khadi products

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ABSTRACT: In this study the consumers' attitude towards khadi products is reviewed through Fishbein's attitude model. The influence of personal characteristics and purchase preference factors on the attitude as well as the association between attitude and consumer's satisfaction are examined. This study shows that, overall, the consumers have positive attitude towards khadi product and also that the consumers who have higher attitude get more satisfaction.

Key words: Attitude; Satisfaction; Khadi Products; Fishbein's Attitude Model; Purchase Preference.

1. Introduction

Consumer behavior plays a vital role in the present marketing scenario and every marketer is expected to know the pulse of the consumers while discharging the functions of marketing. Though behavior is caused by several factors, the factor „attitude“ determines the purchase/ consumption. Hence, it would be very much helpful for the marketers as well as researchers if they are able to analyze the attitudes of the consumers/ customers. Attitude theory research is a key focus for consumer behavior theorists and derives from the field of psychology. The study of attitudes is critical to understanding the motivation and decision strategies employed by consumers. In the context of marketing, an attitude is the filter to which every product and service is scrutinized.

Armstrong and Kotler (2000) indicate that the behavior is influenced by motivation, perception, learning and attitude. But, attitude is an important concept in marketing research as it is formed through motivation, perception and learning. Moreover, attitude makes the person to like or dislike the object.

Ajzen and Fishbein (1980) found that the attitude is highly correlated with intentions i.e. reasonable predictor of behaviour.

However, the attitudes are critical to understand. In the words of Fishbein (1967) „attitude is a learned predisposition of human beings. This predisposition makes an individual to respond to an object (or an idea) or a number of things (or opinions)“. In simple, Kotler states that an attitude makes the people to like or dislike the object. Engel and Blackwell (1982) and Kassarjian and Kassarjian (1979) specify that the term attitude clearly occupies a central position in research on consumer behavior. Consumer research has also been concerned with understanding the relation between attitudes and subsequent behavior (Day and Deutscher 1982; Ryan and Bonfield 1975; Smith and Swinyard 1983). The study on attitude is very much essential because an attitude satisfies a personal motive and at the same time affects the shopping and buying habits of the consumers.

2. Statement of the Problem

A large portion of India's population lives in the villages. It is necessary to create more employment opportunities in villages by utilizing local resources and skills so that rural people can get work in the villages itself. Khadi activities occupy a place of significance in India's rural economy as the Khadi and Village Industries (KVI) sector employs the most marginalized masses. Of late, Khadi which symbolized self reliance emancipation during the freedom struggle in India has lost its vigor over the years against aggressive marketing by the big domestic and multinational players. Though the production has grown from Rs. 8569.37 crores in 2002 – 03 to Rs.14531.69 crores in 2006 -07 and employment (in KVI sector) has grown from 6.65 million in 2002 - 03 to 8.85 million in 2006 -07, the KVI units find the difficulty only in marketing their products through their sales outlets.

According to the Planning Commission Report, except few, many Khadi Bhavans are facing loss. Therefore, in the Tenth Five Year Plan, KVI units have been directed to practice „no loss“ policy from its previous „no profit“ policy. In order to increase the earnings of Khadi artisans“ attention need to be given to promote sales by restructuring and strengthening the marketing strategy. Hence, the marketer has to understand the purchase intention, belief and attitude of consumers because attitudes are easy to form but difficult to change. In this context, the study on consumer's attitude towards Khadi products may help the policy makers in formulating the suitable marketing strategies to augment its sales.

3. Objectives

Based on the above statement, the following objectives are framed:

- To explore the influence of demographic factors on rural consumers“ attitude towards Khadi products.

- To explore the influence of purchase preference on rural consumers“ attitude towards Khadi products.

- To examine the relationship between consumers“ attitude and their satisfaction towards Khadi products.

4. Hypothesis

The following hypotheses are formulated to test their validity in the context of above objectives.

1. The attitude of rural consumers“ is significantly different based on various demographic factors.
2. The attitude of rural consumers“ is significantly different based on consumer purchase preference.
3. The attitude has significant positive relationship with the consumers“ satisfaction.

5. Methodology

The study is mainly based on primary data. To assess the attitude towards Khadi products, a field survey was conducted in Gobichettipalayam Taluk during the period May 2011 to June 2011. This survey used the interview schedule. The present study has assessed the consumers“ attitude towards Khadi products produced by KVI units and sold through Khadi Bhavans (sales outlets of Sarvodaya sang) mainly situated in rural areas of Gobichettipalayam taluk.

Respondents are selected through multistage sampling technique. In first stage, Erode District is clustered as having five taluks. Out of five taluks, Gobichettipalayam Taluk is selected through lottery method. Further, out of three blocks viz Gobichettipalayam block, Nambiyur block and T. N. Palayam block in a taluk, Gobichettipalayam block is chosen as a study area. There are six rural based Khadi shops available in Gobichettipalayam block and the random sampling technique is adopted to choose

100 respondents from these shops. Table -1 shows the place of Khadi shops and

the number of respondents chosen from each such shop.

TABLE – 1
Number of Sample from Each Shop

Name of the place	Number of respondents
Kounthampadi village	15
Appakudal Village	15
Kurumanthur Village	15
Kudagari Village	15
Padimaniyakaranpalayam	20
Uggaram Village	20
Total	100

5.1 Fishbein’s Model

Fishbein (1967) calculates the person’s overall attitude towards the object from their beliefs and feelings about the object.

Thus, Fishbein model is a multi attribute measurement model which is expressed as

$$A_o = \sum_{i=1}^n b_i e_i$$

Where,

A_o is the person’s overall attitude toward object o.

b_i is the strength of his beliefs that the object is related to attribute i.

e_i is the evaluation of feelings toward attribute i.

n is the number of relevant beliefs for that person.

Quality of Khadi product is

Highly Good 2 $\bar{1}$ 0 $\bar{-1}$ $\bar{-2}$
Highly Bad

Like this, nine belief questions about Khadi products are asked and their scores (b_i) are multiplied by its respective evaluation score (e_i) and all of the scores for the product attributes are then added to get the consumers overall attitude.

In this study, the strength (b_i) of each belief is measured on a scale which is as follows:

Khadi products are quality product

Highly True 2 $\bar{1}$ 0 $\bar{-1}$ $\bar{-2}$
Highly false

In this study, frequency distribution table is used to know the frequency distribution of the respondents based on demographic factors and their purchase preference factors. Descriptive statistics is employed to determine the mean attitude of the consumers in the study area. In addition, analysis of variance is employed to test the first two hypotheses that the consumer’s attitude towards Khadi product has significant difference based on consumer’s demographics factors and consumers’ purchase preference factors. The relationship between consumers’

After obtaining the belief score, the consumer of khadi products asked to indicate their evaluation (e_i) of each product attribute for which a significant belief exists as:

satisfaction and their attitude towards Khadi products is also assessed with the help of correlation analysis.

6. Demographic Profile of Respondents

The socio- economic status of the consumer plays a pivotal role in forming an attitude towards a product. Based on

this, in this study, factors such as age, gender, education, occupation, income, Marital Status, type of family and number of members in the family are considered and the profile of the respondents is presented in Table – 2.

TABLE - 2
Distribution of Respondents based on Demographic Factors

Demographic Factors		Frequency	Percentage
Age	Below 20 years	15	15
	21-30 years	28	28
	31-40 years	23	23
	Above 40 years	34	34
Gender	Male	47	47
	Female	53	53
Education	No formal education	26	26
	Up to School Level	28	28
	Graduate	22	22
	PG/Professional degree	23	23
	Others	1	1
Occupation	Agriculturists	38	38
	Business people	14	14
	Employed	25	25
	Professionals	10	10
	Others	13	13
Monthly Income	Below Rs 10000	43	43
	Rs 10000 - 20000	24	24
	Above Rs 20000	33	33
Marital Status	Married	75	75
	Unmarried	25	25
Family Type	Joint	53	53
	Nuclear	47	47
Number of Family Members	1 to 3	36	36
	4 to 6	39	39
	Above 6	25	25
Total		100	100

Source: Primary data

From the Table- 2 it is observed that the majority of the respondents belong to the

age group of above 40 years (i.e. 34 per cent). However, gender wise, respondents

are almost equally balanced as 47 per cent of male and 53 per cent of female. Majority of the respondents have up to school level education (28 per cent), however, 26 per cent of the respondents have no formal education. Moreover, 22 per cent, 23 per cent and one per cent of the respondents are having the qualification of graduation, post-graduation and diploma respectively. Occupations of the respondents are agriculturist (38 per cent) employed (25 per cent) business people (14 per cent), professional (10 per cent) and others (13 per cent). Based on income, respondents are distributed as below Rs10000 (43 per cent), Rs. 10001 to Rs. 20000 (24 per

cent) and above Rs. 20000 (33 per cent). Moreover, 75 per cent of the respondents are married. Fifty three per cent of the respondents are living in joint family environment. It is also observed that, majority (39 per cent) of the respondents' family have 4 to 6 members.

6.1 ANOVA Results

The mean attitude score was calculated to understand the nature of attitude, the khadi consumers have. Moreover, the ANOVA test reveals the important demographic factors that influence the attitude of consumers. The results are shown in Table -3.

TABLE - 3
ANOVA Results for Consumers' Attitude towards Khadi Products

Demographic Factors		Mean Attitude Score	ANOVA Result	
			F	Sig.
Age	Below 20 years	29.53	8.602	0.000
	21-30 years	15.85		
	31-40 years	12.73		
	Above 40 years	21.50		
Gender	Male	19.55	0.119	0.731
	Female	18.71		
Education	No formal education	24.88	3.629	0.008
	Up to School Level	20.03		
	Graduate	18.18		
	PG/Professional degree	12.43		
	Others	17.00		
Occupation	Agriculturists	22.00	2.128	0.083
	Business people	20.85		
	Employed	18.40		
	Professionals	10.50		
	Others	16.76		
Monthly Income	Below Rs 10000	23.06	4.799	0.010
	Rs 10000 - 20000	14.45		
	Above Rs 20000	17.33		
Marital Status	Married	19.16	0.005	0.943
	Unmarried	18.96		
Family Type	Joint	22.33	8.708	0.004

	Nuclear	15.46		
Number of Family Members	1 to 3	14.66	12.523	0.000
	4 to 6	17.30		
	Above 6	28.32		
Total		19.11		

Source: Primary data

Table -3 reveals that the consumers in the age group of less than 20 years and above 40 years have higher mean attitude than the middle aged group of consumers. It is also revealed that the male consumers' attitude towards Khadi product is slightly higher than female consumers and, on average, highly educated consumers have low level of attitude towards Khadi product. Moreover, consumers who are engaged in agriculture and business show higher mean attitude than the other group of consumers. Consumers with low level of income are having higher mean attitude than the higher income group. It is also observed that, the consumers who have higher mean attitude belong to the joint family and are having large number of members in their family. Overall, respondents are having positive attitude towards Khadi products.

The calculated F- value for attitude towards Khadi product based on age (8.602), level of education (3.629), income level (4.799), family type (8.708) and number of members in the family

(12.523) are statistically significant at 0.05 level. Hence, it is evident that the attitude towards Khadi product has significant difference for the above mentioned demographic factors. However, the F-value for gender (0.119) occupation (2.128) and status (0.05) are not statistically significant. Hence, it is concluded that the ANOVA result partly supports the H_1 i.e. the attitude of rural consumers' is significantly different based on demographic factors.

7. Purchase Preference of Respondents

Generally, consumers' attitude towards a product is a prominent factor affecting their actual buying behavior. Though, purchase preference is based on several indicators, in this study, only six indicators viz., distance, source of information, period of purchase, products purchased, frequency of purchase, monthly expenditure on Khadi product are taken into consideration. The distribution of the respondents based on the above variables is described in Table 4.

TABLE - 4
Distribution of Respondents based on Purchase Preference factors

Purchase Preference Factors		Frequency	Percentage
Proximity of shop to residence	Yes	66	66
	No	34	34
	Total	100	100
Influencing Source	Friends	52	52
	Relatives	30	30
	Add	4	4
	Others	14	14
	Total	100	100
Period of Purchase	Less than 5 yrs	48	48
	5 - 10 yrs	35	35
	Above 10 yrs	17	17
	Total	100	100
Product Purchased	Khadi Cloth	51	51
	Herbal	14	14
	Leather	9	9
	All (including others)	26	26
	Total	100	100
Frequency of Purchase	Weekly	45	45
	Monthly	35	35
	Occasionally	20	20
	Total	100	100
Amount of Purchase	up to Rs. 500	44	44
	Rs. 500 - 1000	27	27
	Rs. 1000 - 2000	11	11
	above Rs. 2000	18	18
	Total	100	100

Source: Primary data

It is observed from the Table –4 that, majority (66 per cent) of the respondents are residing nearby Khadi shop and the rest of the respondents are residing far away from the shop. Only four per cent of the respondents get information about khadi through advertisement. But, 82 per cent of the respondents know about khadi from their friends and relatives. Almost half (48 per cent) of the respondents are purchasing khadi products for less than five years and only 17 per cent of

respondents are the customers for more than 10 years. However, majority (51 per cent) of the respondents buy khadi cloth items and 26 per cent of them buy all items including honey, phenyl, washing & cleaning powder etc., It ascertains that 45 per cent of the respondents visit Khadi shop every week. However, majority of the respondents (i.e. 44 percent) have spent only up to Rs. 500 per month for khadi products.

7.1 ANOVA Results

Table – 5 presents the mean attitude score and the results of analysis of variance for attitude towards Khadi

products based on consumers purchase preference factors. The ANOVA test reveals the important purchase preference factors that influence the attitude of consumers.

TABLE - 5
ANOVA Results for Consumers' Attitude towards Khadi product

Purchase Preference Factors		Mean Attitude Score	ANOVA result	
			F	Sig.
Proximity of shop to residence	Yes	23.15	27.637	.000
	No	11.26		
Influencing Source	Friends	26.33	21.973	.000
	Relatives	12.10		
	Add	15.75		
	Others	8.29		
Period of Purchase	Less than 5 yrs	26.85	30.565	.000
	5 - 10 yrs	12.54		
	Above 10 yrs	10.76		
Product Purchased	Khadi Cloth	25.78	15.893	.000
	Herbal	9.43		
	Leather	13.22		
	All (including others)	13.27		
Frequency of Purchase	Weekly	28.33	45.74	.000
	Monthly	12.17		
	Occasionally	10.50		
Amount of Purchase	up to Rs. 500	29.41	44.804	.000
	Rs. 500 - 1000	12.11		
	Rs. 1000 - 2000	10.82		
	above Rs. 2000	9.50		
Total		19.11		

Source: Primary data

From the mean attitude score in Table –5 it is observed that, when khadi shop is located nearby consumer's residence they have higher mean attitude towards Khadi products. Moreover, the consumers who know about the khadi products through their friends are having higher mean attitude than others. It is also observed that, the average attitude towards khadi products gets reduced year after year when a person is a consumer

for khadi products for longer period. Moreover, the attitude towards khadi cloth is higher than for other khadi products. Consumers who often visit khadi shop and who spend upto Rs. 500 per month have higher attitude than other group of consumers

The results of Analysis of variance shows that the attitude towards khadi product has statistically significant

F-value at 0.05 level for all purchase preference variables. Hence, the result supports the H₂ i.e. the attitude towards Khadi product has significant difference based on consumer purchase preferences.

8. Relationship between Attitude and Satisfaction

Consumers' satisfaction on a product normally associates with their decision making and buying behavior. In

other words, the extent to which consumers are satisfied is reflected directly in their attitude towards that product. In this context, the relationship between consumer's attitude and their satisfaction towards khadi product is examined with the help of Pearson's correlation co-efficient. The results are presented in Table - 6 and the hypothesis (H₃) that „the attitude has significant positive relationship with the consumers' satisfaction“ is tested.

TABLE – 6
Correlation between Attitude and Satisfaction

Variables	Attitude (Pearson coefficient) correlation
Price	0.527*
Quality	0.607*
Availability	0.574*
Package	0.610*
Service	0.465*

*Note: * denote significant at 0.05 levels.*

It is observed that, the correlation between attitude toward khadi products and satisfactions of the consumer is positively significant at 0.05 level. This significant result indicates that the consumers who have high attitude towards khadi products gain more satisfaction. Hence, it is concluded that the result supports the H₃ i.e., the attitude has significant positive relationship with the consumers' satisfaction.

9. Suggestions

Based on the above findings, the following suggestions are made

- As majority of the young and educated consumers have high level of attitude towards khadi products, more number of Khadi outlets may be opened especially at

commercial area/ Bazaars/airport etc. This would help in increasing the sales of khadi products and in turn, it would improve the workers/ artisans' living condition. Moreover, revamping of khadi outlets is the need of the hour.

- Overall, the consumers have positive attitude towards khadi products. To enhance this attitude further, the following marketing strategies may be adopted by the authorities.
- To enlist new khadi institutions by relaxing the restrictions on registration, particularly to private sector.
- An Advertising campaigns may be carried out to make all classes of people aware of khadi and to project it as a fashion statement for the youth.

- As cotton Khadi cloth is the favorite of the majority of consumers, different colors and designs may be introduced to suit the taste of, especially, the younger generation.
- Packaging of khadi products may be improved and made attractive as package is the determining factor in the point of purchase decision.

10. Conclusion

In this study, the consumer's attitude towards Khadi products was made using Fishbein's attitude model. The factors influencing the attitude and

the association between attitude and consumers' satisfaction were also examined. The results indicate that the consumers have positive attitude towards Khadi products. Moreover, the consumers who have good attitude towards Khadi products have more satisfaction. In general, Khadi and Village Industries Commission (KVIC) may promote their products by participating in national level exhibitions/ trade fairs and also by providing financial assistance in conducting such exhibitions. Ultimately, people, especially the young and trendy generation, may buy khadi products not as a „national duty“ or „act of charity“ but as a product having high intrinsic value.

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