



A STUDY ON INFLUENCE OF ACADEMIC POSITION OF FEMALE FACULTIES IN HIGHER EDUCATION ON BUYING BEHAVIOUR OF FMCG PRODUCTS IN PUNE CITY

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ABSTRACT :

This paper deals with buying behaviour of female faculties employed in higher educational management institutions in pune city. The buying behaviour of these female faculties are with respect to FMCG products. Buying behaviour is a complex phenomenon. There are Individual factors and other factors. Here only Individual factor is being considered. Among many individual factors academic position is considered. Is there any influence of academic position on buying behaviour of female faculties while purchasing FMCG products? The researcher tried to find the answer.



KEYWORDS : Academic Position, Buying Behaviour, Educational Institutes, FMCG, Female Faculties.

INTRODUCTION:

Indian population is growing steadily. The consumerist age bracket (age between 15-64 years) as a proportion of Indian population is growing rapidly and is representing 65% of population. The ratio of working to non working population is also increasing. This has increased the overall purchasing capacity. The urban population is experiencing the compounded annual growth rate of 2.4%.

As a consequence of urbanisation, more and more households are emerging with increased purchasing power and heightened desire to spend their income. On an average urban household spends 2.5 times more than rural household. The population of working women is increasing from 25% to 31%. Higher no. of working women have increased consumption and purchasing power.

Women control the majority of purchasing decisions in a household and their influence is growing. Women across the world are expanding beyond traditional roles to influence decisions in the home, in business and in politics. Marketers have a massive opportunity to better connect women with the products they buy and the media technologies they use to make a positive impact both in their lives and in the bottom line. [Women of tomorrow, neilsen]

The Indian FMCG industry, with an estimated market size of ~INR 2 trillion, accounts for the fourth largest sector in India. In the last decade, the FMCG sector has grown at an average of 12% a year; in the last five years, annual growth accelerated at compounded rate of ~18%. The sector is characterized by strong presence of global businesses, intense competition between organized and unorganized players, well established distribution network and low operational cost. Availability of key

raw materials, cheaper labour costs and presence across the entire value chain gives India a competitive advantage.

OBJECTIVES:

1. To study the influence of Academic Position on buying behaviour of female faculties while purchasing FMCG products

INTRODUCTION: FMCG INDUSTRY IN INDIA

1. Retail Industry in India:

The retail sector is one of the fastest growing in India over the last few years. The Indian retail industry, which comprises organised and unorganised retail, is currently estimated at US\$ 490 billion. It has experienced high growth over the last decade with a noticeable shift towards organised retailing formats. The industry is moving towards a modern concept of retailing. "Demand from international and domestic brands as well as retailers continued to strengthen throughout 2013; with the second half of the year witnessing an increase in demand for quality retail space in Delhi NCR, Pune and Chennai," according to the findings of CBRE's latest report, India Retail Market View H2 2013.

As India's retail industry is aggressively expanding itself, great demand for real estate is being created. Further, easy availability of debit/credit cards has contributed significantly to a strong and growing online consumer culture in India. With the online medium of retail gaining more and more acceptance, there is a tremendous growth opportunity for retail companies, both domestic and international.

Favourable demographics, increasing urbanisation, nuclear families, purchasing power of consumers, preference for branded products and higher aspirations are some factors which will drive retail consumption in the country.

MARKET SIZE

India's retail market is expected to touch a whopping Rs 47 trillion (US\$ 782.23 billion) by 2016–17, expanding at a compounded annual growth rate (CAGR) of 15 per cent, according to a study by a leading industrial body.

The total organised retail supply in 2013 stood at approximately 4.7 million square feet (sq ft), witnessing a strong year-on-year (y-o-y) growth of about 78 per cent over the total mall supply of 2.5 million sq ft in 2012.

The foreign direct investment (FDI) inflows in single-brand retail trading during the period April 2000–January 2014 stood at US\$ 98.66 million, as per data released by Department of Industrial Policy and Promotion (DIPP).

ONLINE RETAIL

India's online retail industry has grown at a swift pace in the last five years from around Rs 15 billion (US\$ 249.64 million) revenues in 2007–08 to Rs 139 billion (US\$ 2.31 billion) in 2012–13, translating into a CAGR of over 56 per cent. The nine-fold growth came on the back of increasing internet penetration and changing lifestyles, and was primarily driven by books, electronics, apparel, beauty and personal care.

According to Crisil Research, the online retail business in India is expected to grow at a whopping 50–55 per cent annually to become a Rs 50,000 crore (US\$ 8.32 billion) business in the next three years. During the same period, ecommerce companies could capture around 18 per cent of the country's organised retail market, up from their current share of about 8 per cent.

India's urban population has contributed immensely to the growth of the online market in the country. Mumbai have left behind all other cities in India in shopping online; Delhi ranks second and Kolkata ranks third in the preference for online shopping in 2013. In the next 7–10 years, around 30–40 per cent of the total retail in India's top 75 cities is expected to be carried out online, as per Mr Arvind Singhal, Chairman and Founder, Technopak Advisors.

Government Initiatives

The Government of India has allowed 51 per cent FDI in Multi-Brand Retail Trading (MBRT) and 100 per cent in Single-Brand Retail Trading (SBRT).

According to the extant policy, foreign retailers investing more than 51 per cent can open outlets across the country on the condition that 30 per cent of their sourced sales would come from small to medium-sized domestic enterprises. Further, global chains will now need to invest only 50 per cent of the initial compulsory investment of US\$ 100 million in setting up cold storages and warehouses in India.

2. Indian Demography:

The demographics of India is remarkably diverse. India is the second most populous Country in the World with more than one sixth of the world's population. Socio-Economic phenomena of Population & Development and their impact are important to understand the population characteristics. The stock of Population changed from 102.8 Crore in 2001 to 121.08 Crore in 2011. The decadal growth rate of Population came down during 1991-2001 to 2001-2011. The average annual exponential growth rate for men is 1.92% as against 1.99% for women, indicating narrowing the gap with male population.

Demography: Female Literacy

Decadal variation in women literacy shows a very marginal start in the 19th century and picking up gradually to narrowing the gap with national literacy rate and stands at modest 65.09% as against 72.99% national literacy. As per Census 2011, improvement in literacy rate of females (10.9%) is higher than male literacy (5.6%).

Demography: Work participation by Females

As visible, the work participation for India grew at an average of 1.68% per decade, corresponding growth rate for Males is 4% and for Females, it is 4.75%.

On national count, work participation % of females is much higher (1.68%-National, 4.75% for Females).

Compared to Men in terms of %, female work participation is still higher (4% for Men, 4.75% for Females)

As far as only females are considered, there has been consistence increase in work participation standing at 31.12% as on 2011 census.

Decadal Work Participation rate by Sex in India			
Year	Total-Person	Male	Female
1971	33.08	52.61	12.11
1981	36.7	52.62	19.67
1991	37.5	51.61	22.27
2001	39.1	51.68	25.63
2011	39.8	68.88	31.12

Table 1- Decadal Work Participation rate by Sex in India

LITERATURE REVIEW:

Shiffman Leon G. and Kenuk Leslie Lazar have defined consumer behaviour as the behavior that consumers display in searching for purchasing, using, evaluating and disposing of products, services and ideas that they expect will satisfy their needs. They further explain that the study of consumer behaviour is concerned not only with what consumers buy but also with why they buy it, when and where and how they buy it and how often they buy it. It is concerned with learning the

specific meanings that products hold for consumers. Consumer research takes place at every phase of the consumption process, before the purchase, during the purchase and after the purchase.

Nair Suja lists the following factors contributing to the study of consumer behavior such as rise in consumer earnings, drop in savings, high disposable income to spend, changes in personal, social and cultural influences, impact of media and technology.

According to **Backewell and Mitchell (2003)**, young female consumers have been influenced by several environmental factors that separate them from older shoppers. Young female have been conditioned into consuming earlier than the previous generations and have been socialized into shopping as a form of leisure.

They have been developed in an environment that provides more reasons and opportunities to shop as well as additional consumption opportunities such as Internet, interest, television, and traditional catalogue based shopping. Furthermore, young females are more apt to have become accustomed to media that depict affluent and opulent lifestyle.

Marketing to women delivers a better return on the marketing dollar through both higher customer acquisition and greater customer retention. Because women are more inclined to long term brand relationships, enhanced loyalty means every marketing dollar invested in acquiring female customers' results in a higher retention rate (**Barletta, 2003**).

Kassarjian (1981) has implied a positive relationship between socioeconomic status and purchasing involvement, and in fact describes his "low- low involvement" consumer as being a member of the lower socioeconomic class. This would lead to the assumption that higher income might be associated with higher purchasing involvement. The positive relationship found between income and search effort (**Clax- ton, Fry, and Portis 1974**)

Sanjeev Sanyal (2005), Director, Global Markets Research, Deutsche Bank, in an article "Consumer Behavior-Changing Profile" has highlighted that the Indian household consumption basket is changing with rising incomes.

India Brand Equity Foundation (2017) in its annual report states that Incomes have risen at a brisk pace in India. An important consequence of rising incomes is growing appetite for premium products, primarily in the urban segment. As the proportion of 'working age population' in total population increases, per capita income & GDP are expected to surge. Per capita income in India is expected to grow at a CAGR of 8.09 per cent during 2015-19F.

RESEARCH METHODOLOGY

Type of Research: Descriptive research

Research Approach: Quantitative

SCOPE OF THE STUDY:

This study covers Female Teaching staff as women employee in PG Courses in Educational institutes in Pune City. Educational Institutes covered are only Post Graduate Management Institutes. Post Graduate Management MBA Program is under the scope of study as Higher Education. The area covered in the Pune city is Pune Municipal Corporation (PMC) and Pimpri Chinchwad Municipal Corporation (PCMC) only.

Hypothesis

There is no association between position level and tendency of bargaining

Limitations of study:

The study is limited to -Management PG Courses in Educational Institutes in Pune city. Female Teaching Staff as Women Employee, Pune City only, FMCG Sector in Pune City, Private Unaided, Government Aided & Government, No Management Institutes from Private Deemed University, University managed by Government, Privately managed University, Central University,

Private aided, Government Deemed University offering management program at post graduate level giving MBA Degree.

Methodology of collection of data: Primary & Secondary Data

Population: Finite Universe-1136 female faculties

Sample unit: Female Faculty of Management Institutes offering PG program MBA degree

Sample size: As per Cochran's sample size calculator, the sample size come out to be 287

Sampling Frame- Source List prepared from AICTE Faculty Database

Sampling Method- Probability Stratified Simple Random Sampling

Data Analysis

When it comes to spending decisions, women are in control

Women control the majority of purchasing decisions in a household and their influence is growing. Women across the world are expanding beyond traditional roles to influence decisions in the home, in business and in politics. Marketers have a massive opportunity to better connect women with the products they buy and the media technologies they use to make a positive impact both in their lives and in the bottom line.

Women may control the spending in a household, but what they really desire is to have more equally-shared responsibilities with the partners in their lives about decisions on all matters from taking care of the children to purchasing a car.

As more women enter the workforce, roles blur as traditional norms for predominantly male or female responsibilities change. There is strong consistency across developed and emerging economies that both men and women are equally “best fit” as the primary decision makers for most roles.

While studying the buying behaviour of female faculties the researcher have taken few of the characteristics like bargaining,purchasing as per list,shopping behaviour,visiting shops till the desired product is obtained,shops offereing discounts and fixed rates.The association of Academic position of female faculties are tested with above mentioned characteristics with the help of Pearson Chi Square test and Fishers Exact Test.

1.Position * I bargain

As this study is about buying behaviour,the reseracher wish to find out if there is an association between position level and tendancy of bargaining among women employee.This assumption is based on premise that as the rank increase and income incese,people may not bargain considering their shift in the sociatal class.Accordingly hypothesis is framed as under-

Ho - There is no association between position level and tendancy of bargaining

Ha -There is an association between position level and tendancy of bargaining

The data so gathered through questionnair is processed in SPSS for association selecting Chi Square and Fishers Exact.The output in the table is as under.

		I bargain		Total
		No	Yes	
Assistant Professor	Count	40	210	250
	Expected Count	35.7	214.3	250.0
Position Associate Professor	Count	0	26	26
	Expected Count	3.7	22.3	26.0
Professor	Count	1	10	11
	Expected Count	1.6	9.4	11.0
Total	Count	41	246	287
	Expected Count	41.0	246.0	287.0

Chi-Square Tests				
	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)
Pearson Chi-Square	5.176 ^a	2	.075	.076
Likelihood Ratio	8.870	2	.012	.016
Fisher's Exact Test	5.738			.053
N of Valid Cases	287			

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 1.57.

Since there is a need to check the association, Chi Square test is done on the data in SPSS. As per the data output, two cells show expected count less than 5, hence Chi Square test conclusion may not be drawn. To further analyse the data, Fisher Exact Test was conducted in SPSS. As per the output data of SPSS, observed p value is 0.053 which is less than expected p value of 0.05. Hence the Null hypothesis may not be accepted.

From the test conducted in SPSS, it may be concluded that there is no association between position level and the tendency of bargaining among women employees.

CONCLUSION

Bargaining is supposed to be synonymous with females. It is found that 86% female faculties bargain while only 24% do not bargain.

Bargaining adds spice to the buying process. 56% female faculties buy products when they get the bargain, while 44% females do not buy products even if they get the bargain.

Most of the women employees bargain & buy products when they get the bargain.

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