

**A Dissertation
On**

**COMPARATIVE ANALYSIS ON TRADITIONAL AND MODERN
CONSUMERS BEHAVIOR CHANGE IN THE MARKET**

**Submitted in partial fulfillment of the requirement of
BA Journalism & Mass Communication program of
Navrachana University
during the year 2017-2020**

**By
HARDI PATEL**

**Semester VI
17165042**

**Under the guidance of
BHARGAV PANCHOLI**



NAVRACHANA UNIVERSITY

Vasna - Bhayli Main Rd, Bhayli,
Vadodara, Gujarat 391410



NAVRACHANA UNIVERSITY

Vasna - Bhayli Main Rd, Bhayli,
Vadodara, Gujarat 391410

Certificate

Awarded
to
HARDI PATEL

This is to certify that the dissertation titled “Comparative Analysis on Traditional and modern consumers behavior change in the market” has been submitted in partial fulfillment for the requirement of the Degree of Bachelor of Arts in Journalism and Mass Communication program of Navrachana University.

CERTIFICATE

This is to certify that the dissertation titled,
**“Comparative Analysis on Traditional and modern consumers behavior change in
the market”**

prepared and submitted by

HARDI PATEL

of Navrachana University, Vadodara

in partial fulfilment of the requirements for the degree of Bachelor
of Arts in Journalism and Mass Communication program is hereby accepted.

Place: Vadodara

Date: 15-05-2020

Bhargav Pancholi
Dissertation Guide

Dr. Robi Augustine
Program Chair

**Accepted in partial fulfilment of the requirements for the degree of
Bachelor of Arts in Journalism and Mass Communication.**

DECLARATION

I hereby declare that the dissertation titled “**Comparative Analysis on Traditional and modern consumers behavior change in the market**” is an original work prepared and written by me, under the guidance of Mr. Bhargav Pancholi Assistant Professor, Journalism and Mass Communication program, Navrachana University in partial fulfilment of the requirements for the degree of Bachelor of Arts in Journalism and Mass Communication.

This thesis or any other part of it has not been submitted to any other University for the award of other degree or diploma.

Date: 15.05. 2020

Place: Vadodara

A handwritten signature in black ink, appearing to read 'Hardi Patel', is written over a light grey rectangular background.

Hardi Patel

ACKNOWLEDGEMENT

I would like to express my sincere gratitude to who help me to achieve this study.

I express gratitude and my heartfelt thanks and acknowledge the support given by Dr. Robi Augustin Program Chair, Journalism and Mass Communication Navrachana University.

I am also extremely thankful to my mentor Bhargav Pancholi and all the faculty members of Journalism and Mass Communication program.

I am thankful to my parents, friends.

A handwritten signature in black ink, appearing to read 'Hardi Patel', is written on a light-colored background.

Hardi Patel

I whole heartedly dedicate this work

To

My friends, family and my guide.

ABSTRACT

Comparative Analysis on Traditional and modern consumers behavior change in the market

This study defined the consumerism and how drastically change their behavior with online shopping, Super markets, malls came into picture. This material researched on secondary source or data on the one generation as group of people's characteristics and behavior to adapt the change in new (modern) market. The basic strategy to purchase or to analyses the behavior changes through traditional market to modern market. This study analyses the different generational behavior from time to time by using different media and market. To narrow down the subject idea, this study specifically focused on FMCG products or food & beverages where consumer effectively chooses supermarkets, store rather than online or digital shopping. Also gives the comparative analysis of both the market for the same generation locally and globally. Moreover, to understand age and generational influences on consumer behavior.

Keywords: Consumer behavior, Generation X, FMCG products, Food & beverages, Modern market, Traditional Market, Traditional consumer

TABLE OF CONTENTS

	Page No.
Chapter 1: Introduction	1
1.1 Introduction.....	1
1.2 Consumer behavior	2
1.2.1 The Consumer	2
1.2.2 Consumer Research	3
1.2.3 Consumer Research Process.....	4
1.2.4 Consumer Ethics.....	4
1.2.5 Consumer need.....	5
1.2.6 Consumer Perception.....	5
1.2.7 Consumer imagery.....	6
1.2.8 Consumers Learning Attitudes	6
1.2.9 Measurements of Consumer Involvement.....	7
1.2.10 Consumer Decision-Making Model.....	8
1.2.11 The Adoption process	9
1.3 What is Marketing ?	10
1.3.1 Marketing concept	10
1.3.2 Aspects of Marketing Strategy and Consumer Behavior	11
1.4 Fast Moving Consumer Goods (FMCG)	12
1.5 Modern market and Traditional market	12

1.5.1 What is Traditional market?.....	12
1.5.2 What is Modern market?.....	13
1.6 Traditional consumers.....	13
1.7 Modern consumers.....	13
1.8 Generation differences and their behavior.....	14
1.8.1 Generation X: Born Between 1965 and 1979.....	14
1.8.2 Generation Y: Born Between 1980 and 1996.....	14
1.8.3 Generation Z: Persons Born from 1997 to the Present.....	15
1.9 Online versus Traditional Information Search.....	15
1.10 Conclusion.....	16
Chapter 2: Review of Literature	17
2.1. Introduction	17
2.2 The Study of Changing Buying Behavior of Consumer, Specific to FMCG.....	17
2.3 Consumer Culture and Lifestyle of India's New Middle Class	18
2.4 The changing perception and buying behavior of consumer	18
2.5 A Case Study on Consumer Buying Behavior towards Selected FMCG Products	19
2.6 The Study of Changing Buying Behavior of Consumer, Specific to FMCG.....	20
2.7 A Case Study on Consumer Buying Behavior towards Selected FMCG Products	21
2.8 Changing consumer behavior challenge for sustainable business growth.....	22
2.9 A study on changing consumer behavior towards FMCG in India.....	23
2.10 Recent changes in consumer behavior.....	23
2.11 The Study of Changing Buying Behavior of Consumer, Specific to FMCG.....	23
2.12 Exploratory tendencies in consumer behavior in online buying across gen X, gen Y and baby boomers.....	24

2.13 Dynamics in Consumer Behavior with Respect to Agricultural and Food Products.....	25
2.14 Conclusion.....	26
Chapter 3: Methodology	27
3.1 Methodology	27
3.2 Significance of the Study	27
3.3 Objectives	27
3.4 Hypothesis / Research Question	28
3.5 Method / Conceptual Design.....	28
3.6 Conclusion	29
Chapter 4: Data Analysis	30
4.1 Introduction	30
4.2 Generational differences in use of technology	30
4.3 Older Consumers and Technology	32
4.4 Consumer Response to Mobile Advertising.....	33
4.5 Emerging trends in consumer behavior	36
4.6 Adaptation of online market	37
4.7 Multi-generational consumers	38
4.8 FMCG Products competition and retailing.....	39
4.9 Case study on Kirana stores	41
4.10 Case study on DMart	42
4.11 Conclusion.....	42

Chapter 5: Conclusion 43

References 46

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This introductory chapter provides an overview of various aspects of consumer Behavior, consumer research and its process, consumer ethics, consumer needs, consumer perception, consumer imagery, consumer learning attitudes, measurement of consumer involvement, consumer decision making process and their adaption processes. It is necessary to understand the consumer psychology and their behavioral changes. Though, it's a study of marketing, this chapter gives an explanation of what is marketing, relation between consumers and marketing, Aspects of marketing strategies and consumer behaviors. This study specifically includes consumer behavior on FMCG products or food & beverages, introduction includes the brief of FMCG products. Moreover, includes the understanding of traditional market & traditional consumer and modern market & modern consumers. It is a change of different time period; this study focuses on generational behavior.

The consumer behavior plays an important role in marketing of fast-moving consumer goods. This behavior is affected by various factors. In the present era of globalization needs and wants of consumers changes with time. The fast-moving consumer goods (FMCG) sector contributes a lot to the growth of India's GDP. Therefore, it is necessary to identify the changes in consumer buying behavior towards FMCG products (Thomas Reardon & Rose Hopkins 2006) The Supermarket Revolution in Developing Countries: Policies to Address Emerging Tensions Among Supermarkets, Suppliers and Traditional Retailers. A decade on,

the power and dominance of supermarkets is already felt in the food markets of many developing countries, and tensions between supermarkets and traditional retailers, and supermarkets and their suppliers, are emerging as key policy and political debates. Are brands more valuable in the online world or traditional supermarkets? If you do not understand the online purchase behavior of consumers related to consumers shopping in traditional stores, you cannot answer this question. In addition to discussing the obvious comparison, we will also clarify the shopping behavior after the digital transition. The way consumers use technology to communicate with brands is changing (Tyagi, A.K., & Pandey, V., 2014). Therefore, we must understand the traditional consumers interacting with traditional platforms and digital platforms. This paper analyses the generational consumers behavior dealing with change of tradition market to modern platforms.

1.2 Consumer behavior

1.2.1 The Consumer

Consumer behavior is the study of consumers' actions during searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. The core of marketing is identifying unfilled needs and delivering products and services that satisfy these needs. Consumer behavior explains how individuals make decisions to spend their available resources (i.e., time, money, effort) on goods that marketers offer for sale. The study of consumer behavior describes what products and brands consumers buy, why they buy them, when they buy them, where they buy them, how often they buy them, how often they use them, how they evaluate them after the purchase, and whether or not they buy them repeatedly (Schiffman L., Wisenblit J., 2015).

Consumer behavior stems from four disciplines. Psychology is the study of the human mind and the mental factors that affect behavior (i.e., needs, personality traits, perception, learned experiences, and attitudes). Sociology is the study of the development, structure,

functioning, and problems of human society (the most prominent social groups are family, peers, and social class). Anthropology compares human societies' culture and development (e.g., cultural values and subcultures). Communication is the process of imparting or exchanging information personally or through media channels and using persuasive strategies (Schiffman L., Wisenblit J., 2015).

To understand the consumer; researches are made. Sometimes motivational research becomes handy to bring out hidden attitudes, uncover emotions and feelings. Many firms send questionnaires to customers to ask about their satisfaction, future needs and ideas for a new product. On the basis of the answers received, changes in the marketing mix are made and advertising is also streamlined (Tyagi, A.K., & Pandey, V., 2014).

1.2.2 Consumer Research

Consumers are complex individuals, subject to a variety of psychological and social needs, and the needs and priorities of different consumer segments differ dramatically. To design products and marketing strategies that fulfill consumer needs, marketers must study consumers' consumption behavior in depth. The term consumer research refers to the process and tools used to study consumer behavior. Consumer research is a form of market research, a process that links the consumer, customer, and public to the marketer through information in order to identify marketing opportunities and problems, evaluate marketing actions, and judge the performance of marketing strategies. The market research process outlines the information required, designs the method for collecting information, manages the data collection process, analyzes the results, and communicates the findings to marketers (Schiffman L., Wisenblit J., 2015).

1.2.3 Consumer Research Process

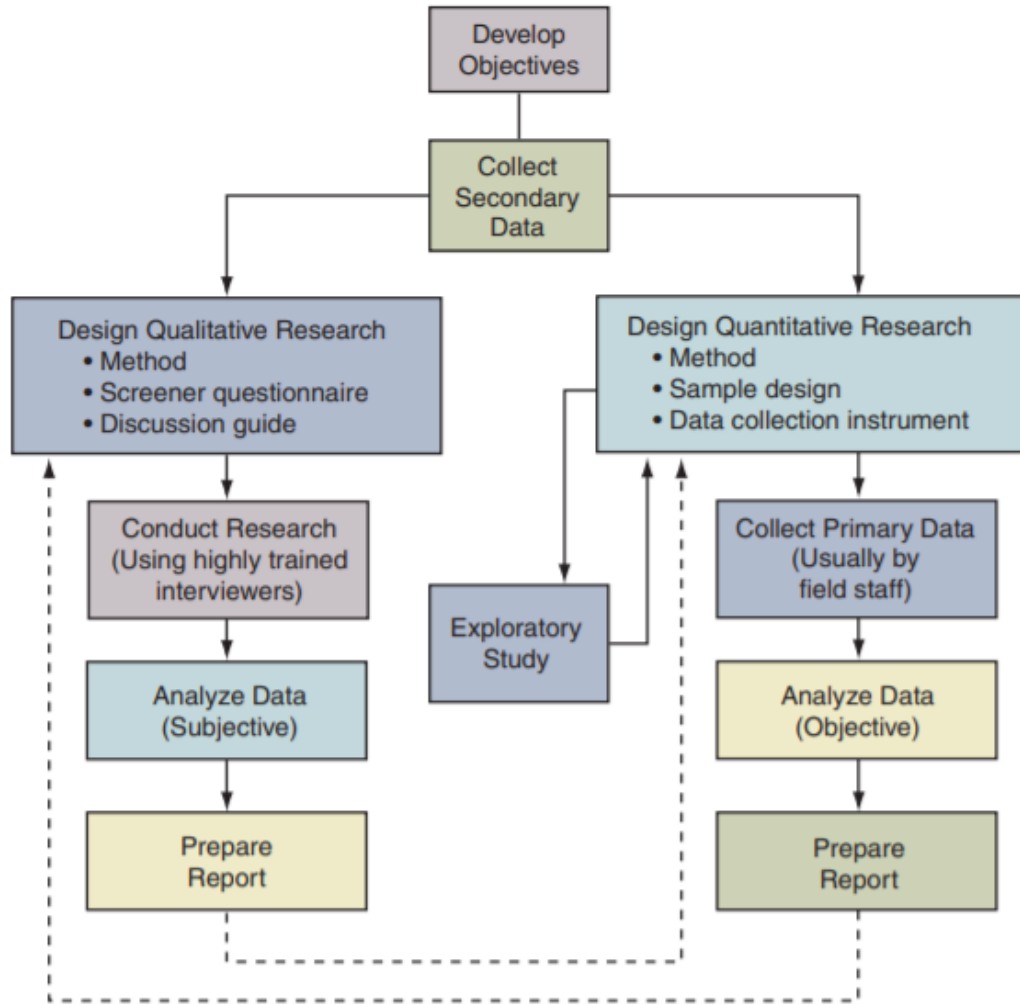


Figure 1.2.3 Diagram of consumer research process taken from
(Schiffman L., Wisenblit J., 2015)

1.2.4 Consumer Ethics

Marketers implement ethical strategies in order “to do the right thing,” to improve their image in the eyes of their constituencies, to reduce scrutiny, and as an alternative to government legislation. A study focused on measuring consumers’ views and perceptions of companies that have been accused of such practices as exploitation of the Third World, animal testing, damage to the environment, and recycling. The researchers developed a scale that measures consumers’ views regarding ethical business issues and companies that adopt morally “right” strategies. It includes questions about the personal, social, and money aspects

of adopting ethical views, as well as potential positive and negative outcomes (Schiffman L., Wisenblit J., 2015).

1.2.5 Consumer need

Maslow's hierarchy of needs consists of five levels of human needs, which rank in order of importance from lower-level (biogenic) needs to higher-level (psychogenic) needs. The theory states that individuals seek to satisfy lower-level needs before higher-level needs. The lowest level of unsatisfied needs motivates a person's behavior (Schiffman L., Wisenblit J., 2015).

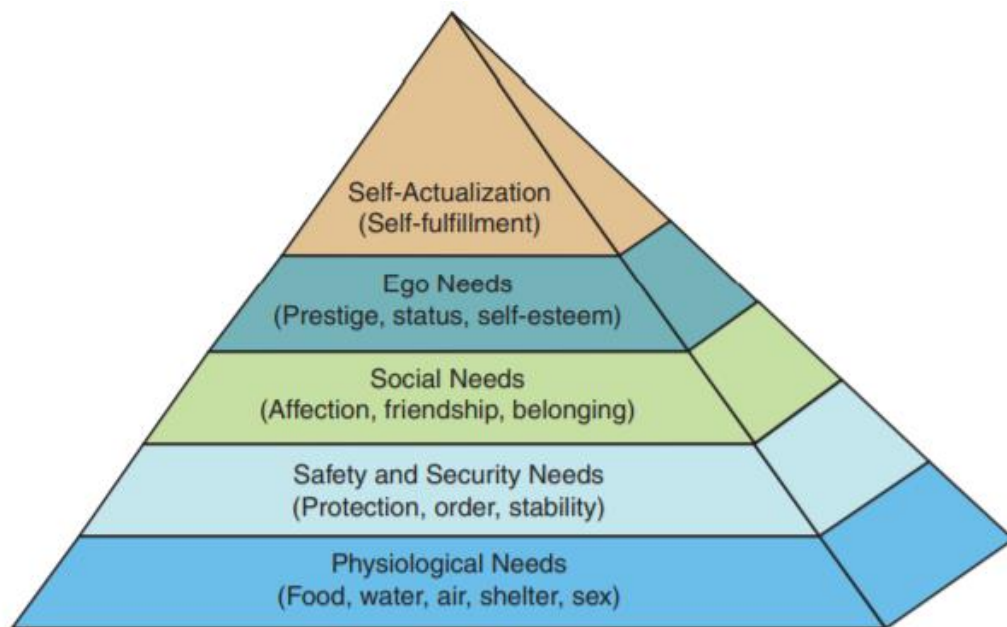


Figure 1.2.5: Maslow's hierarchy of needs taken from (Schiffman L., Wisenblit J., 2015)

1.2.6 Consumer Perception

Consumers act and react on the basis of their perceptions, not on the basis of objective reality. For each individual, "reality" is a totally personal phenomenon, based on that person's needs, wants, values, and personal experiences. Thus, to the marketer, consumers' perceptions are much more important than their knowledge of objective reality. For if one thinks about it, it's not what actually is so, but what consumers think is so, that affects their

actions and their buying habits. And, because individuals make decisions and take actions based on what they perceive to be reality, it is important that marketers understand the notion of perception and its related concepts to determine more readily what factors influence consumers to buy (Schiffman L., Wisenblit J., 2015).

1.2.7 Consumer imagery

Consumer imagery refers to consumers' perceptions of all the components of products, services, and brands, and to how consumers evaluate the quality of marketers' offerings. Products and brands have images and symbolic values for consumers based on the unique benefits that these products claim they provide. The following section examines consumers' perceived images of products, brands, services, prices, product quality, retail stores, and manufacturers. (Schiffman L., Wisenblit J., 2015).

1.2.8 Consumers Learning Attitudes

Learning is the process by which individuals acquire the purchase and consumption knowledge and experience they apply to future, related behavior. Consumer learning is a process that evolves and changes as consumers acquire knowledge from experience, observation, and interactions with others and newly acquired knowledge affects future behavior. It ranges from simple and often reflexive responses to marketing stimuli (such as packaging, product colors, and promotional messages), to learning abstract concepts and making decisions about purchasing complex and expensive products (Schiffman L., Wisenblit J., 2015).

Consumers form new attitudes and also change existing attitudes. They often form positive attitudes towards new items under the same brand that they have been buying repeatedly and have been satisfied with. Nevertheless, consumers often try new products, product models, and different brands. If such trial purchases meet or exceed their expectations, then they develop favorable attitudes toward those objects. Generally, the more

information consumers have about a product or service, the more likely they are to form attitudes about it, either positive or negative. However, if the product is irrelevant to them, the consumers will not cognitively process any of the available and applicable information. Furthermore, consumers often use only a limited amount of the information available to them. Typically, only two or three prominent beliefs about a product play a role in the formation of attitudes, and less important beliefs carry little weight. Therefore, advertisements should be focused on the key points that differentiate products from competitors, and not detail too many of the products' features (Schiffman L., Wisenblit J., 2015).

1.2.9 Measurements of Consumer Involvement

Consumer involvement is the degree of personal relevance that the product or purchase holds for the consumer. High-involvement purchases are very important to the consumer (e.g., in terms of perceived risk) and thus provoke extensive problem solving and information processing. Under this scenario, both automobiles and dandruff shampoo can represent high-involvement purchases: The automobile because of its high perceived financial risk (to most people), and the shampoo because of high perceived social risk (to some people). Low-involvement purchases are not very important, hold little relevance, have little perceived risk, and provoke limited information processing (Schiffman L., Wisenblit J., 2015).

There is great variation in the conceptualization and measurement of consumer involvement. Throughout the marketing research literature, "involvement" has been defined in numerous ways, including product involvement, brand involvement, and advertising involvement. Because there is no universal definition of involvement, there is no single way to measure it. Some measures gauge cognitive factors, such as the importance of a purchase to a buyer and the risk perceived with the purchase; other measures focus on the behavioral

aspects of involvement and appraise such factors as the search for and evaluation of product information. The most popular measurement tool is self-administered surveys that assess the consumer's cognitions or behaviors regarding a particular product or product category, and measure involvement on a continuum (not as a dichotomy). For example, a scale measuring involvement with, say, e-books might require respondents to express their attitudes on five-point, bi-polar semantic differential scales on ranges between paired adjectives, such as important-unimportant, relevant-irrelevant, exciting-unexciting, priceless-worthless, and interesting-boring (Schiffman L., Wisenblit J., 2015).

1.2.10 Consumer Decision-Making Model

The input stage of consumer decision-making includes two influencing factors: the firm's marketing efforts (i.e., the product, its price and promotion, and where it is sold) and sociocultural influences (i.e., family, friends, neighbors, social class, and cultural and subcultural entities). This stage also includes the methods by which information from firms and sociocultural sources is transmitted to consumers. The process stage focuses on how consumers makes decisions. The psychological factors (i.e., motivation, perception, learning, personality, and attitudes) affect how the external inputs from the input stage influence the consumer's recognition of a need, pre-purchase search for information, and evaluation of alternatives. The experience gained through evaluation of alternatives, in turn, becomes a part of the consumer's psychological factors through the process of learning. The output stage consists of two post-decision activities: purchase behavior and post-purchase evaluation (Schiffman L., Wisenblit J., 2015).

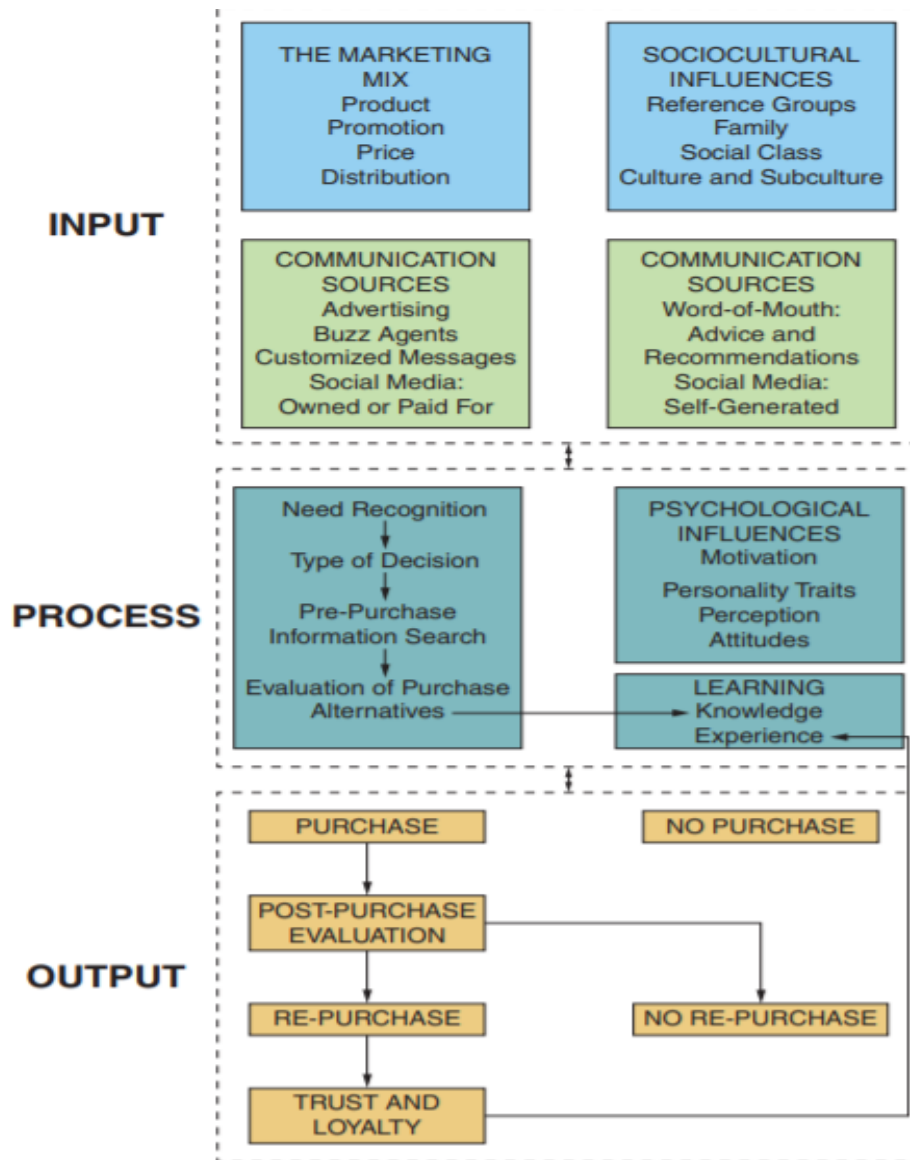


Figure 1.2.10: Consumer Decision-Making Model taken from

(Schiffman L., Wisenblit J., 2015)

1.2.11 The Adoption Process:

The innovation adoption process consists of five stages through which potential consumers pass in attempting to arrive at a decision to try or not to try a new or innovative product. The five stages are:

1. **Awareness:** The consumer becomes aware that an innovation exists.
2. **Interest:** The consumer becomes interested in the innovative product or service.

3. Evaluation: The consumer undertakes a “mental trial” of the innovation.

4. Trial: The consumer tries the innovation.

5. Adoption: If satisfied, the consumer decides to use the innovation repeatedly

Although the traditional adoption process model is insightful in its simplicity, it does not adequately reflect the full complexity of the consumer adoption process. For one thing, it does not adequately acknowledge that quite often, consumers face a need or problem-recognition stage before acquiring an awareness of potential options or solutions (a need recognition preceding the awareness stage). Moreover, the adoption process model does not adequately provide for the possibility of evaluation and rejection of a new product or service after each stage, especially after trial (i.e., a consumer may reject the product after trial or never use the product on a continuous basis). Finally, it does not include post-adoption or post-purchase evaluation, which can lead to a strengthened commitment or to discontinued use (Schiffman L., Wisenblit J., 2015).

1.3 What is Marketing?

Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society (Schiffman L., Wisenblit J., 2015).

1.3.1 Marketing concept

Marketing and consumer behavior stem from the marketing concept, which maintains that the essence of marketing consists of satisfying consumers’ needs, creating value, and retaining customers. It maintains that companies must produce only those goods that they have already determined that consumers would buy (Schiffman L., Wisenblit J., 2015).

Implementing the marketing concept requires sellers to use consumer research, market segmentation, a combination of the product, price, place, and promotion strategies,

provide value and result in long-term customer satisfaction and retention (Schiffman L., Wisenblit J., 2015).

1.3.2 Aspects of Marketing Strategy and Consumer Behavior

1.3.2.1 Marketing Analysis

- (a) Consumer
- (b) Company
- (c) Competition
- (d) Condition

1.3.2.2 Marketing Segmentation

- (e) Identify product related needs
- (f) Group customers with similar need sets
- (g) Describe each group
- (h) Select target market

1.3.2.3 Marketing Strategy

- (I) Product
- (j) Price
- (k) Distribution
- (l) Communication
- (m) Service

1.3.2.4 Consumer Decision Process

- (n) Problem recognition
- (o) Information search—internal, external
- (p) Alternative evaluation
- (q) Purchase
- (r) Use

(s) Evaluation

(v) Outcomes

(t) Customer satisfaction

(u) Sales

(v) Product/Brand image (Tyagi, A.K., & Pandey, V. 2014).

1.4 Fast Moving Consumer Goods (FMCG)

Fast Moving consumer goods are those goods that are consumed every day by the average consumer and are replaced or fully used up over a short period of days, weeks, or months, and within one year. The Fast-Moving Consumer Goods (FMCG), also known as Consumer-Packaged Goods (CPG), is products that have a quick turnover and relatively low cost. Though the absolute profit made on FMCG products is relatively small, they generally sell in large numbers and so the cumulative profit on such products can be large. Fast moving consumer goods have a short shelf life, either as a result of high consumer demand or because the product deteriorates rapidly. Some Fast-moving consumer goods – such as meat, fruits and vegetables, dairy products and baked goods – are highly perishable. Other goods such as alcohol, toiletries, pre-packaged foods, soft drinks and cleaning products have high turnover rates (Tyagi, A.K., & Pandey, V. 2014).

1.5 Modern market and Traditional market

1.5.1 What is Traditional market?

Functional characteristics and superiority: Traditional marketing is orientated to the commodity functional characteristics and superiority. In the any market clients look some characteristics of the goods that have the biggest benefit for them. F. Kotler (1969) talking about goods characteristics emphasize that “characteristics add traditional goods function”. In the traditional marketing, marketing specialist have to know, that consumer interested no good as itself, but it’s characteristics, that have each of it. The first time this standpoint was

expressing by Lancaster in 1966. He talks about products attributes, so individuals have different reaction to the same good because they give preference to the good attributes (Grundey, D., 2008).

1.5.2 What is Modern market?

Supermarkets have spread extremely rapidly in developing countries after the ‘take-off’ in the early to mid-1990s. Former analyses of supermarket diffusion have not adequately explained the sudden burst and then exponential diffusion of supermarkets in the late 1990s and early 2000s. We argue that rather than taking demand and market institutional and organizational conditions as ‘exogenous’, as former analyses have tended to do, modern food retailers instead have treated local conditions as substantially ‘endogenous’. To enable their rapid growth, supermarkets undertake ‘proactive fast-tracking strategies’ to alter the ‘enabling conditions’ of entry and growth. Beside the retail investments that have been extensively treated in recent literature, these proactive strategies focus on improving the ‘enabling conditions’ via (i) procurement system modernization and (ii) local supply chain development. One important strategy retailer has used to facilitate (i) and (ii) is to form symbiotic relationships with modern wholesale, logistics and processing firms (Thomas Reardon, Spencer Henson, Julio Berdegué, 2007).

1.6 Traditional consumers

Traditional consumer is the generation X who are now in their 30-40s.

1.7 Modern consumers

Modern consumer is the generation Y who are younger generation of this era.

1.8 Generation differences and their behavior

1.8.1 Generation X: Born Between 1965 and 1979

Generation X (Xers) consists of about 50 million individuals born between 1965 and 1979. As consumers, they represent a market with a spending power in excess of \$1 trillion.

They do not like labels, are cynical, and generally do not want to be singled out and marketed to. Unlike their parents, the Baby Boomers, they are in no rush to marry, start a family, or work excessive hours to earn high salaries. For Generation X consumers, job satisfaction is typically more important than salary. It has been said, for example, that “Baby Boomers live to work, Xers work to live!” Xers reject the values of older coworkers who quite often neglect their families while striving to secure higher salaries and career advancement, and many have observed their parents getting laid off after many years of loyalty to their employers. Therefore, they are not particularly interested in long-term employment with a single company, but instead prefer to work for a company that can offer some work–life flexibility and can bring some fun aspects into the environment. Xers understand the necessity of money but do not view salary as a sufficient reason for staying with a company—the quality of the work itself and the relationships built while on the job are much more important. For Generation X, it is more important to enjoy life and have a lifestyle that provides freedom and flexibility (Schiffman L., Wisenblit J., 2015).

1.8.2 Generation Y: Born Between 1980 and 1996

Generation Y (Echo Boomers, Millennials) are people born between 1980 and 1996. However, some include people born in the late 1970s and late 1990s in this cohort. Gen Y members grew up with technology and embraced it. They are attracted to higher levels of stimulation and are bored easily. They are more confident than other generations were at their age, because of growing up in child-centric households, a youth-oriented society, and the American emphasis on self-esteem. As consumers, they want faster product turnover, personally relevant promotions, and interactive marketing platforms. Many want to design their own products, build and manage their own networks, and rate products (Schiffman L., Wisenblit J., 2015).

1.8.3 Generation Z: Persons Born from 1997 to the Present

Generation Z (Homeland Generation, Digital Natives) is the cohort of people born from 2000 to the present day. Members of Gen Z are highly “connected,” having had lifelong exposure to and use of communication and media technology like the Internet, instant messaging, text messaging, and mobile phones (Schiffman L., Wisenblit J., 2015).

1.9 Online versus Traditional Information Search

For a while now, researchers have been examining how the Internet has affected the way consumers make decisions. It is often thought that because consumers have limited information-processing capacity, they must develop a strategy for searching for information online.

The strategy is based on both individual (e.g., knowledge, personality traits, demographics) and contextual factors (characteristics of the decision tasks).

The three major contextual factors that have been researched are:

1. Task Complexity – the number of alternatives and amount of information available for each alternative.
2. Information Organization – the presentation, format, and content.
3. Time Constraint – the amount of time the consumer has to decide. (Schiffman L., Wisenblit J., 2015).

1.10 Conclusion

This chapter has given detailed understanding on various behavioral aspects of consumers which helps to identify their mindset while purchasing or choosing particular products. However, gives a clear understanding of ages and generational differences.

CHAPTER TWO

REVIEW OF LITERATURE

2.1 Introduction

To delve deeper into the topic of Consumer behavior in various markets and Global context, secondary data has been extensively studied and review of literature is done for the purpose of research analysis. Various articles, magazines, newspapers, journals, websites, books etc. have been consulted to collect information for the study. This study researched on secondary data of Analysis on comparison between changes in traditional and modern consumer behavior for food & beverage.

2.2 Sharma, K. (Jan, 2012). “The Study of Changing Buying Behavior of Consumer in Growing Economy of India, Specific to FMCG Segment, and Its impact on Unorganized Retailers” referred that, Marguerite Moore (2008) Study provides understanding of the manner in which consumers perceive and act upon price, beyond low-price and value, in the discount sector. The results suggest that popular wisdom regarding price and the US discount shopper is oversimplified, which may portend even greater opportunity for discounters and threat to their intra-type competitors. Seung (2008) research analyze the factors that influence small town consumers' satisfaction with local independent retailers and the subsequent relationships of consumer satisfaction to in-shopping, community attachment, and support of local independent retailers. Most strategies performed by small-town independent retailers did not meet their local consumers' expectations. Specially, merchandise assortment and availability, such as offering a unique and large selection of products, showed the largest discrepancy between respondents' expectations and retailers' performance, indicating that

independent retailers are not meeting their consumers' needs in these areas. Participants who were satisfied with their independent retailers, shopped locally, were strongly attached to their communities, and were willing to support their local independent retailers.

2.3 Mathur, N. (November 29, 2010). in article “Shopping Malls, Credit Cards and Global Brands: Consumer Culture and Lifestyle of India’s New Middle Class”. States that, Contemporary society in India is marked by the growing importance of consumer culture, fuelled by the rise of disposable incomes in the hands of a huge middle class and increasing availability of a large variety of commodities in the open market, including a growing number of shopping malls. The article examines India’s ‘new middle class’ as an agency of consumption, engaged in a process which seems to be jeopardizing long held ideals of self-sufficiency, self-reliance and anti-materialism. After the economic liberalization¹ of the 1990s, consumer goods appear to have become a crucial basis for redefining status distinctions in Indian society and for negotiating interpersonal and inter-communal relationships within the seemingly antithetical categories of tradition and modernity. As in other forms of globalization, however, the resulting patterns of change are not simply based on total abolition of older ‘traditional’ structures and their replacement by new patterns. Despite apparent changes in shopping habits and the emergence of blatant consumerism, the older moral tradition continues to oppose rising materialism and individualism, contributing to the limited success of shopping malls.

2.4 Guha, S., in the study “The changing perception and buying behavior of women consumer in Urban India” gives data of Consumer involvement is defined as the consumer’s perceived relevance of an object, e.g. product or brand, advertisement or purchase situations based on the inherent needs, values and interests of the persons (Salomon et al., 2004). According to O’Cases (2000), the construct of consumer involvement is important in understanding consumer behaviors related to consumer possessions and there are several

broad types of consumer involvement that can be related to the product, to the message or to the perceiver. Zaichkowsky (1986) identified the antecedents of involvement as a) Person factors b) Object or stimulus factors c) Situational factors. The factors can trigger different types of involvement (product, purchase decision and advertising) than can produce differing results or consequences involvement. Previous researches have shown several ways through which consumers get involved with products and the effect that product involvement has various purchasing and consuming behaviors (Mittal and Lee, 1989; Tigert, Ring and King; 1976). Women constitute around 48.3 percent of India's population as per the 2001 census and are the precious human resources. Wealth is becoming more concentrated at the top of the income scale. The income of the highest earning households has shown an exponential growth while the gap in household income between top earners and middle earners has widened (Ministry of Labor Statistics, Government of India; 2005). There are 50.69 lakh working women in the organized sector in India, of these, the central government employs about 6 lakhs, the state government employ; the state government and bodies under the state government employ about 17 lakhs. According to Backewell and Mitchell (2003), young female consumers have been influenced by several environmental factors that separate them from older shoppers. Young female has been conditioned into consuming earlier than the previous generations and have been socialized into shopping as a form of leisure.

2.5 Kumar A., Pandey V., Goel R., Vibhuti., "A Case Study on Consumer Buying Behavior towards Selected FMCG Products" study referred that, the consumer behavior plays an important role in marketing of fast-moving consumer goods. This behavior is affected by various factors. In the present era of globalization needs and wants of consumers changes with time. The fast-moving consumer goods (FMCG) sector contributes a lot to the growth of India's GDP. Therefore, it is necessary to identify the changes in consumer buying behavior towards FMCG products. The motive of this paper is to identify the factors affecting

consumer buying behavior towards FMCG products and finally effecting their decision-making process.

Factors affecting Consumer Buying Behavior All of us are consumers. We consume things of daily use; we also consume and buy these products according to our needs, preferences (Dr.Vibhuti, IJSRM volume 2 issue 8 August 2014 Page 1172 buying power) These can be Consumable goods, durable goods, specialty goods or, industrial goods. What we buy, how we buy, where and when we buy, in how much quantity we buy depends on our perception, self-concept, social and cultural background and our age and family cycle, our attitudes, beliefs values, motivation, personality, social class and many other factors that are both internal and external to us. While buying, we also consider whether to buy or not to buy and, from which source or seller to buy. In some societies there is a lot of affluence and, these societies can afford to buy in greater quantities and at shorter intervals. In poor societies, the consumer can barely meet his barest needs. The marketer therefore tries to understand the needs of different consumers and having understood his different behaviors which require an in-depth study of their internal and external environment, they formulate their plans for marketing.

2.6 Sharma, K. (Jan, 2012). “The Study of Changing Buying Behavior of Consumer in Growing Economy of India, Specific to FMCG Segment, and Its impact on Unorganized Retailers” states that, According to Teller (2006) large stores (associated with the great amounts of goods, special offers and a lot of walking and searching) from small stores (associated with personal attention, accessibility, nearness, high prices) but as far as consumer choice is concerned 9 consumers are not able to perceive an important difference between home delivery and traditional grocery shopping .If customers are getting option to buy in low price and good offers than they prefer to buy from such stores. Special discount and offers are main attraction during consumer shopping, especially in case of FMCG

product while Moschis (2004) defined that traditional consumers are very price-conscious, have different needs compared to younger grocery shoppers, enjoy interactions more than younger consumers and prefer to shop in a store where they can receive special-assistance services. According to Park (1988) Indian shoppers generally use the modern format for their weekly and monthly shopping needs and use traditional stores for “top-up” shopping.

Bawa (1999) stated in his research that there are multiple factors which determine the choice of customers among organized and unorganized retail outlets such as price-consciousness, assortment, behavior of the store personnel, cleanliness, quality, deals/specials/promotions, ease of shopping, time/day of shopping, no of outlets visited, location/distance, home order/delivery, shopping list/ unplanned, recreational/time spent at store, frequent buyer schemes, payment/credit facility, shopping companions, in-store specialty, store signage/ambience, parking, expenditure/no of times shopping, apathy/stress, refund/exchange.

2.7 Kumar A., Pandey V., Goel R., Vibhuti., “A Case Study on Consumer Buying Behavior towards Selected FMCG Products” study states that, Consumer behavior can be defined as the decision-making process and physical activity involved in acquiring, evaluating, using and disposing of goods and services.

II: Fast Moving Consumer Goods (FMCG) Fast Moving consumer goods are those goods that are consumed every day by the average consumer and are replaced or fully used up over a short period of days, weeks, or months, and within one year. The Fast-Moving Consumer Goods (FMCG), also known as Consumer-Packaged Goods (CPG), is products that have a quick turnover and relatively low cost. Though the absolute profit made on FMCG products is relatively small, they generally sell in large numbers and so the cumulative profit on such products can be large.

2.8 Sharma S., Lal K., (2012). “Changing consumer behavior challenge for sustainable business growth” research states that, Consumer behavior is complex and very often not considered rational. A further challenge is that consumer personalities differ across borders and also between and within regions. The vulnerable consumer, who does not always have access to the same number of choices as the average consumer, also needs to be taken into account. Influencing consumer behavior is in fact about targeting the right people with the right message. In any business organization, changing consumer behavior is a big challenge in sustainable growth of the business. In developing country like India, there is need to formulate and successfully implement strategies related to consumer behavior because there are fewer resources to meet the basic requirements of the business. Changing consumer behavior is an obstacle in the growth of business because it leads to heavy losses due to obsolete stock of the organization. Taste, behavior and preference of consumers cannot be ignored because consumers are the Kings of market. Consumer behavior is a complex, dynamic, multidimensional process, and all marketing decisions are based on assumptions about consumer behavior. Therefore, marketing strategies related to consumer behavior are made to beat cut throat competition in global context. In modern times, prediction of consumer behavior is much essential for prosperity of the business. Its prediction and strategy formulation is a challenge for the management of any business organization. Only those organizations which formulate and implement consumer-oriented marketing strategies, can survive in global competitive era.

2.9 Kumar U., Deekshitha., Pradeep. (2017) “a study on changing consumer behavior towards fast moving consumable goods in India” study states that, Consumers are the king in the modern business world. They are one who buys goods for their consumption to meet their aspirations. Fulfilling consumer desire is the ultimate goal of marketing activities. Indian business is highly influenced by the rapid changes in the technology, improved economic

systems, higher purchasing power of consumers, changing life style, online marketing and retail opportunities. Organized retail business has facilitated towards bringing drastic changes in the buying behavior among consumers. Consumer behavior is dynamic in nature. Hence, exact prediction, about future sustainable growth of the business prospects upon consumer behavior is a challenge. Molding marketing strategies to meet changing consumer needs should be planned well by the business entities.

2.10 Abhinav., (2017). “Recent changes in consumer behavior” study states that, as a study, consumer behavior is based on other elements that include psychology, sociology, socio-psychology, cultural anthropology and economics. In the era of new technology, understanding consumer behavior is a challenge as well as the key to business success. The emergence of smart phones, social media, online shopping, eco-friendly products, organic food, and international brands have made it still more difficult to predict consumption patterns. The multidimensional aspect of consumer behavior though complicated to understand but tends to bring a practical approach for business organizations in selling, designing and developing such products or services that positively influences consumer buying behavior.

2.11 Sharma, K. (2012). in research study “The Study of Changing Buying Behavior of Consumer in Growing Economy of India, Specific to FMCG Segment, and Its impact on Unorganized Retailers” states that, Sinha (2004) stated that in India, the major drivers for a grocery and FMCG stores seem to be nearness to place of residence and the comfort level that the respondent has in dealing with the store owner measured in terms of personal relationship with the shopkeeper. There are the organized retailers who are making a foray into the grocery market at a rapid rate and posing a threat to the livelihood of kirana shop owners; and on the other, there is the highly price sensitive consumer forcing market players to operate on thin margins. According to Mazumdar (2009), the economic growth in India

has changed consumer's taste and selection process while deciding on the purchase of a particular product or service. While purchasing a particular product, a consumer tries to match all the possible options that he is looking for in the product but finds that he is not fully satisfied with the product or service. The implicit consumer attitude becomes more imminent, particularly in the case of FMCG products where the price variation is very less for different brands. So there exists a gap between the expected need of the consumer and the product procured by him. This gap can be narrowed down if a line can be drawn about the factors affecting the consumers towards choice of FMCG products.

2.12 Chakraborty T., Balakrishnan J., (2017). "Exploratory tendencies in consumer behavior in online buying across gen X, gen Y and baby boomers" research states that, E-commerce has made a transaction easier than offline transaction and online stores offer consumers benefits by providing more variety of products and services that they can choose from (Lim and Dubinsky, 2004; Prasad and Aryasri, 2009). Consumers can find all kinds of products which might be available only online from all over the world. Monsuwe et al. (2004) has made a comparison between the traditional way of shopping and online shopping and comparison has shown that shopping online is pretty easy to make purchases compared to the traditional ones. This has been concluded on the fact that the internet allows for more information collection, and this information collection can be done on the internet with minimum quantity of the effort; it is also very convenient and less time consuming in nature. Nowadays the age gap between online and non-online consumers is diminishing, but the consequence of age on consumers' target to purchase online remains blurred. For example, some studies identified a positive relationship between consumers' age and their intentions to purchase products online (Stafford et al., 2004), whereas others reported a negative relationship (Joines et al., 2003) or no relationship (Li et al., 1999; Rohm and Swaminathan, 2004). Such a discrepancy in research findings might be caused by different criteria in

defining age groups in different studies. For example, the above studies used a ten-year span (Li et al., 1999; Stafford et al., 2004), 15-year span (Donthu and Garcia, 1999), 20-year span (Rohm and Swaminathan, 2004), respectively. Broader ranges may lessen the effect of age. Tang et al. (2005) state that there are lots of people online around the world, and each of them may be a potential customer to online sellers. While there are a lot of them, it is essential to know what they really need and want from the product. The primary step is classifying and examining some influencing factors for online purchases, and it is also vital to examine those factors that influence consumers' behavior on the internet. Thus, a record for exploratory behavior of the consumers really deems essential. The work of Kim and Park (2005) using US samples suggests that their positive attitudes as well as willingness to search for pre-purchase information leads to a strong chance that they will buy online. Online shoppers are required to have computer skills in order to use the internet for shopping. Empirical research shows that convenience in the use of the internet is one of the main reasons why consumers prefer to buy products online (Wang et al., 2005).

2.13 Steenkamp J., (n.d.) "Dynamics in Consumer Behavior with Respect to Agricultural and Food Products" referred that in his study, Food has a central position in the life of consumers. It is the source of nutrition and hedonic experiences, it serves a social and cultural function, and accounts for a major share of consumer expenditure. Yet consumer behavior with respect to foods has not attracted much systematic attention by consumer behavior researchers. At least part of the difficulty in conducting research in this important area lies in the complexity and diversity of the influences at work in food choice and consumption, and in the fact that such research requires knowledge of the concepts of and insights from a wide range of science and social science disciplines, including food science, nutrition, medicine, psychology, physiology, psychophysics, sociology, economics, marketing, and anthropology.

2.14 Conclusion

Comparative Analysis on Traditional and modern consumers behavior change in the market - identifies major points as the scope of this review. The purpose of this review was to view generational consumer behavior has changed and is still changing for FMCG products. many theories have been proposed to explain what changes consumer behavior and how. Although the literature review covers a variety of aspects in this chapter. Although the literature presents these aspects in a variety of contexts as in it gives a basic idea of how traditional generation went to kirana shops, how that market emerged in shopping malls and super markets, and how the generational consumer differences affected after online shopping came into market.

CHAPTER THREE

METHODOLOGY

3.1 Methodology

A qualitative approach using a descriptive design is the purposed of this study. Marketing research conducted to collect data regarding consumer's preferences and choices, by analyzing their behavior of generation X being selected as participants in the study.

The methodology selected for the purposed study will be detailed here. The planned research design, data collection and analysis of results will be explained. Online existing data is summarized and collected to increase the overall effectiveness of research. It is hoped that the chosen methodology will generate useful information through the collection and analysis of data on the consumer's buying behavior, consumer's decision of buying product in competition era, influence of advertisements on consumer, FMCG product consumptions.

3.2 Significance of the Study

This study will help the readers to understand how the traditional consumer behavior has still been persisting in our current consumer behavior very prominently and how deep of an impact it has had on the way we purchase products and services in general.

3.3 Objectives

3.3.1 To study how consumer behavior changes time to time in different markets

3.3.2 To understand consumer behavior before modern market (i.e dmart, bansal) came into existence and changed consumer behavior in current scenario

3.3.3 To psychologically analyses the buying behavior of people from 90s in both traditional & modern market

3.3.4 To compare the consumer behavior in traditional and modern markets on the product of food & beverages

3.3.5 To understand age and generational influences on consumer behavior

3.3.6 This is an attempt to bring out this important yet easy to miss observation which prevails amongst us in our day to day lives but we fail to notice it in behavior

3.4 Hypothesis

3.4.1 Traditional consumers are more inclined towards traditional ways of purchasing and modern consumers are easily adapting new markets.

3.4.2 There is a change of consumer behavior after modern market developed.

3.4.3 Age and generational behavior influences the media and market differently.

3.4.4 Online consumption of FMCG product is less because it's a quick need for consumers.

3.4.5 Generation Z easily adapt online market for food & beverage compare to generation X.

3.4.6 Generation X and Y want feel and touch while it comes to food & beverage products because it isn't having uniformity and same quality.

3.5 Method / Conceptual Design

This section of this chapter will look into the research design element of this study. This will include outlining secondary sources of information used, techniques, and sample sizes used and justifications under each and every decision.

3.6 Conclusion

This chapter concludes having explained all the decisions taken point at all the points regarding data collection and analysis required for this study. In this chapter, the objectives, hypothesis, and the research methods were explained in great detail.

CHAPTER FOUR

DATA ANALYSIS

4.1 Introduction

The chapter titled data analysis will look at all the secondary data collected in the pursuit of researching the topic on comparative analysis on change in the traditional & modern consumer behavior.

4.2 Generational differences in use of technology

According to the U.S. Census, there are 317 million Americans. Figure 12.8 shows the generational classification of the U.S. population and the proportion of each generation. Each generation is a distinct subculture and market segment, because its members have unique priorities and purchase patterns. For instance, don't you listen to different music than your parents and grandparents, dress differently, read different magazines, enjoy different TV shows, and visit different websites? Important shifts occur in an individual's demand for products and services as he or she goes from being a dependent child to a retired senior citizen. In this section we describe the consumption patterns and impact of technology on the following age (or generational) subcultures: Generation Z, Generation Y, Generation X, Baby Boomers, and older Americans (Schiffman L., Wisenblit J., 2015).

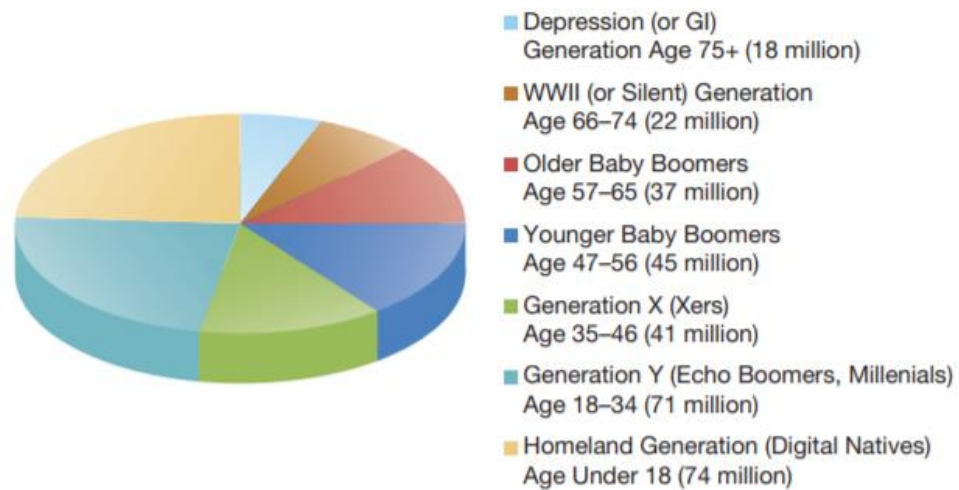


Figure 4.2.1: The Generation within the United States (millions) taken from
(Schiffman L., Wisenblit J., 2015)

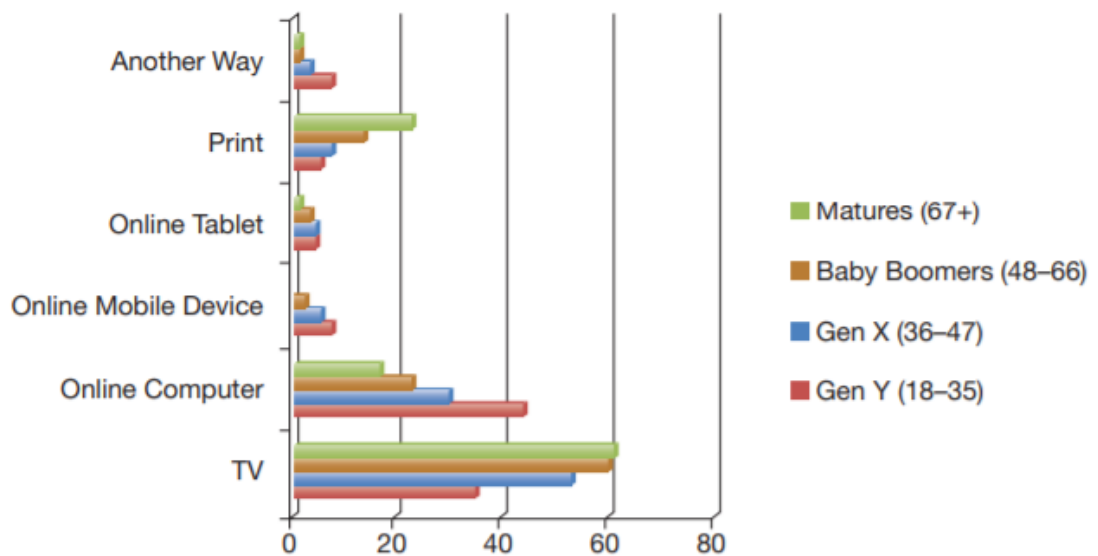


Figure 4.2.2: Age and Sources of News Information (percentages) taken from
(Schiffman L., Wisenblit J., 2015)

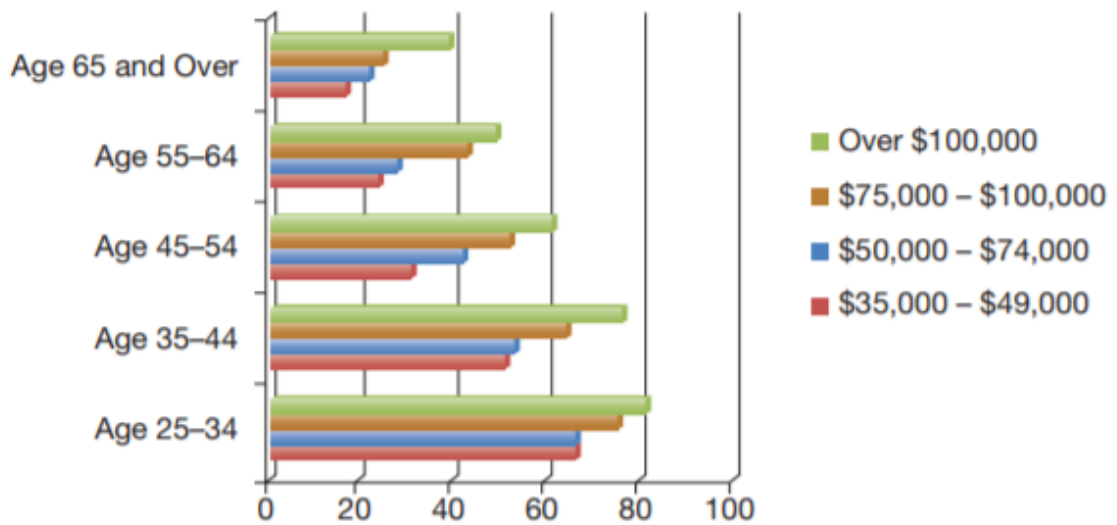


Figure 4.2.3: Using Smartphones: Age and Household Income (percentages) taken from (Schiffman L., Wisenblit J., 2015)

4.3 Older Consumers and Technology

Although some people might think of older Americans as individuals who still use rotary phones and are generally resistant to change, this stereotype is far from the truth. Few older consumers are fearful of new technology, and there are more Internet users over the age of 50 than under the age of 20. Research studies have found that those over 55 are more likely than the average adult to use the Internet to purchase books, stocks, and computer equipment and that 92% of surfing seniors have shopped online.⁶⁸ In fact, older Internet users (aged 65 and older) are the fastest-growing demographic group with respect to the U.S. Internet market. Fifty-eight percent of Americans 66 to 74 years old and 30% of those 75 years old and up go online regularly. Below figure shows older Americans' online activities. Older persons have discovered that the Internet is a great way to communicate with friends and family members living in other states, including grandchildren in college. They also found out that it is an excellent source of information about stock prices, health and medication-related information, entertainment, and a sense of community. There is a relationship between the amount of time an older adult spends on the Internet and his or her

level of out-of-home mobility (using the Internet may serve as a substitute for going out of the house). Having a computer and modem “empowers” older consumers, allowing them to regain some of the control that was lost due to the physical and/or social deterioration in their lives. For example, a consumer can pay bills, shop, and email friends. This may be part of the reason why the AARP claims that 2 million of its members are computer users (Schiffman L., Wisenblit J., 2015).

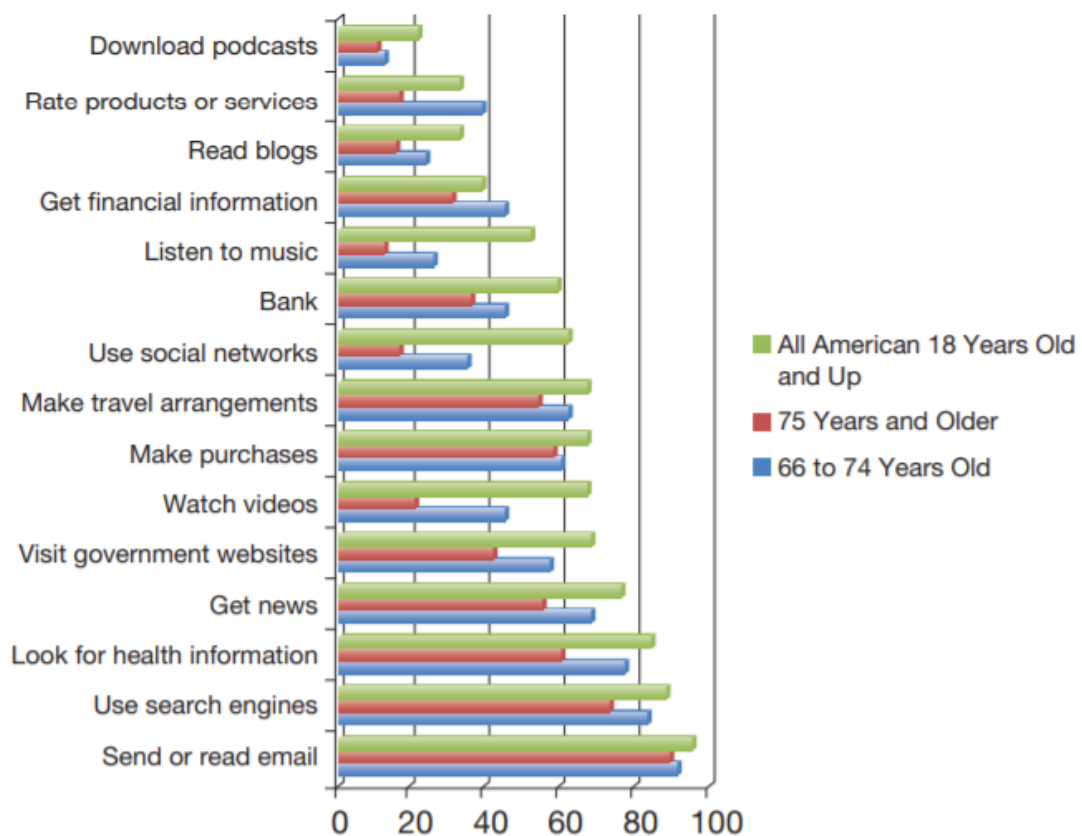


Figure 4.3.1: Older Americans Online taken from (Schiffman L., Wisenblit J., 2015)

4.4 Consumer Response to Mobile Advertising

Mobile advertising consists of sending promotional messages to consumers’ cell phones, iPads, electronic readers, and other devices that people carry while on the go. Initially, the extent of mobile advertising in other countries, especially in Europe and even more so in Southeast Asia, was far greater than in the United States. However, one report indicated that U.S. companies have spent more on mobile advertising than any other country,

including Japan, which had been the leader in mobile advertising. During a recent year, advertisers spent more than \$6.43 billion globally on mobile media, with the United States contributing \$2.3 billion and Japan following with \$1.7 billion. Nevertheless, mobile advertising still accounts for just 1% of the total advertising spending in the United States and worldwide. The primary reason for the growth of mobile advertising is that more and more people are using smartphones and other mobile Internet devices such as tablets and e-readers.²⁵ Mobile advertising should be distinguished from mobile-advertising campaigns on social networks, which consist of ads that pop up on, for example, Facebook mobile news feeds to its users after marketers have purchased this advertising space from Facebook (Schiffman L., Wisenblit J., 2015).

Because mobile advertising is a new medium, it is important to understand how and why consumers use mobile devices and their reactions to such ads. One study discovered that mobile devices provide four types of value to users:

1. Monetary value: The device provides good value for the money that also exceeds the value consumers receive from using nonmobile communication devices.
2. Convenience value: Saving time and money, improving efficiency, and making life easier.
3. Emotional value: Feeling good and relaxed when using the device.
4. Social value: Being accepted by others and impressing them.

The results indicated that the higher the values consumers receive from mobile devices, the more likely they are to use the devices to purchase products and engage in word-of-mouth about what they bought. Studies have identified cross-cultural differences among consumers' responses to mobile ads. A study of Japanese men showed that mobile ads generated effective word-of-mouth. A study of European consumers showed that cross-cultural differences impact the effectiveness of mobile advertising. Research on Korean

shoppers indicated that their attitudes toward mobile advertising depended mainly on the convenience of the interface and their ability to control content. Research of Chinese consumers showed that ease of use, perceived usefulness, and trust were the key factors in receptivity to mobile advertising. Researchers also found that the adoption of mobile “broadcasting” in Japan, Germany, and Korea was positively related to the extent of access to mobile devices and the entertainment and social interaction they provide. One study investigated the influence of the language and source of text advertisements on attitudes toward and purchase intentions regarding products advertised on mobile devices. The researchers found that reputable companies with highly perceived credibility can use entertaining language, but companies with less credibility and poorer reputations should create serious, clear, and concise mobile ads (Schiffman L., Wisenblit J., 2015).

4.2, 4.3 and 4.4 data analyses generational behavior of consumers, a large proportion of the baby boomers have already turned 60, with plenty more to come in the next decade. In 2006, there were more than 37 million people in this country who are 65 years of age or older (almost 12.5% of the population). Projecting ahead to the year 2050, it is anticipated that more than 88 million Americans (20% of the total population) will be 65 years of age or older. In addition, from the start to the end of the twentieth century, life expectancy in the United States rose from about 47 years to 77 years. Older consumers are not a uniformed group because people age differently in terms of physical mobility, health, financial resources, and attitudes about retiring and getting older. Cognitive age is a person’s perception of how old he or she is. Marketers realize that people’s perceptions of their ages are more important in determining behavior than their chronological ages (Schiffman L., Wisenblit J., 2015).

4.5 Emerging trends in consumer behavior

4.5.1 Increase in online shopping

Technological developments are highly responsible for the rising trend towards digital marketing especially in urban population. Urbanization comprises of fast-moving life, less shopping time, nuclear families, dual income system and so on. Therefore, online shopping has become more suitable, convenient and instant way to shop. In addition, many online companies provide irresistible sales offers, exchange and replacement facility, assured quality products, etc. The increasing usage of internet and smart phones has made marketers to come up with innovative online marketing strategies (Abhinav., 2017).

4.5.2 Quality and style conscious

With increasing competition variety of brands are flooded into the market. Also, with growing consumer awareness people are focusing more on quality rather than cost and becoming more value sensitive. The convenience and pleasure provided by organized retailing through shopping malls is attracting people more towards branded quality products rather than traditional local stores. The younger generation have media exposure and more active on social networking are largely influenced by style and western trends (Abhinav., 2017).

4.5.3 Attractive sales offer

The ancient thought of selling defective products through sales promotion techniques is wiped off. Today's consumer has the changed perception towards discounts, exchange offers that are provided by many well-known companies. It has become essential for marketers to come up with intelligent deals that make them strong in the growing competition. A major segment experiments unplanned product just to avail the benefits of tempting offers. With raising cost of living, such sales promotional techniques have turned into blessings for the consumers (Abhinav., 2017).

4.5.4 Positive impact of celebrities

Now-a-days effective marketing is associated with celebrity endorsement. The increasing exposure to visual and social media is resulting in celebrity influence on buying behavior. People observe celebrities, their actions, news associated to them and also try to follow them. In a broader sense, celebrities are admired by a larger section hereby creating a good impact on the minds of the people and their buying decisions. Using celebrity as a source in product advertisement has become an effective sale strategy (Abhinav., 2017).

4.5.5 Eco-friendly products and health awareness

Consumer health and environment protection are most significant issues due to increasing pollution and stress levels. People are becoming more cautious about their health in making purchase decision (Abhinav., 2017).

4.6 Adaptation of online market

This data shows the adaptation of online shopping and its market. Relevance of traditional market and its obstacles through relevant arguments analyzed:

4.6.1 76% of people have done online shopping at least once in their life.

4.6.2 Most of them shopped online due to the unavailability of the product in the traditional stores.

4.6.3 Most of them prefer flipkart and amazon to shop online.

4.6.4 Cash on delivery is the most common payment mode chosen.

4.6.5 People rarely buy online, that is around once in 6-months.

4.6.6 Consumers are moderately satisfied on the factors like looks, security, delivery time and return policy.

4.6.7 The most prominent reason to avoid online shopping was the lack of touch and feel experience (Kumar A., 2015).

From above data analyses, the traditional shopping requires you to take to the streets or fairs and decide whether to buy through our senses. All products in the store are visible to customers. There are several factors that affect the search, sales, and shopping methods in the real world. The first thing that works is location. Consumers must appear in your store in person to make a purchase, that nearly proves the hypothesis.

Contrary to this method, online shopping relies on the Internet, but this has also evolved into mobile shopping. You can find many shopping sites, such as Taobao and Amazon, as well as online shopping carts, to buy the goods you need without going out. Product information is delivered to users through pictures or descriptions, and the price of online shopping is much lower than traditional shopping. From this section, find the crux of the difference. Where the trend is slow down for FMCG products because of products life value (Kumar A., 2015).

4.7 Multi-generational consumers

Multi-generational marketing is the practice of engaging to the unique wants and aspirations and preferences of consumers within more than one specific generational group. Gen X have different characteristics, behavior, beliefs, and attitudes: they try to balance family, life, and work. Their needs are varied and at the same time they have greater financial fetters, they generally often shop at value-oriented retailers. They prefer useful and practical approach to buying and will engage in secured buying behavior. They stick to brands and repeat buying. The present study also reconfirms this finding. With respect to information seeking, before a purchase, again it has been found that gen X exhibiting the highest mean score. Gen X people are repeat buyers and they are less concerned in buying from new brands when compared to both their younger and older counterparts. Gen X consumers gets involved in thorough researches about a product before making the final deal; thus, they conduct broad internet exploration and scouring online review sites and seek information through social

media networks. The message for the marketers is that products targeted towards gen X should be highly visible online, using search engine optimization is very much essential, perfect keywords should be there and enriched social media and review sites should be sought. Gen X are mobile friendly. Most have a smartphone as well as a tablet. They keep on searching for information at regular intervals about a product before the final deal. The present study has also found gen X to be information inclined (Chakraborty T., Balakrishnan J., 2017). This data shows the generation X as consumer and analyzed on their consumptions & purchasing psychological behavior.

4.8 FMCG Products competition and retailing

This data particularly analyzed for FMCG products and consumptions, increasingly raising the purchasing from consumers where it states that, “modern retail stores created insignificant impact on actual sales as the consumers prefer 'value for money' while shopping”. Which shows the impact and drastic change in consumers behavior in generation gap (Kumar U., Deekshitha., Pradeep., 2017).

S.No	Name of the Company	Business	Turnover
1	Nestle	Food, Dairy Products and Coffee	87.0 Billion Dollar
2	Colgate- Palmolive	Personal care	17.08 Billion Dollar
3	ITC	Tobacco, Hotels and Personal care	7.0 Billion Dollar
4	Hindustan Uniliver	Food, Beverage and Personal care	4.0 Billion Dollar
5	Godrej Group	Personal care, Real estate and Engineering	4.0 Billion Dollar
6	Amul	Dairy Products	2.15Billion Dollar
7	Parle Agro	Food and Beverages	1 Billion Dollar
8	Marico Limited	Oil and Personal care	850 Million Dollar
9	Pathanjali Ayurveda Ltd	Food and Personal care	740 Million Dollar
10	Britania	Food items and Dairy Products	730 Million Dollar

Figure 4.8.1: Turnover of Fast-Moving Consumer Goods Companies in India for

2017- Taken from (Kumar U., Deekshitha., Pradeep., 2017)

Indian retail sector is highly influenced by the following consumer behavior to create impact upon the Indian Market. India experience different shopping values for the consumable and durable products. Utilitarian shopping has started giving way to hedonic shopping' with the emergence of organized retailing. Add-on features in modern retail stores created insignificant impact on actual sales as the consumers prefer 'value for money' while shopping. Retail service quality has assumed the central role in shaping the consumers' perception, sales conversion rate, repeat sales and overall shopping satisfaction. Socio-cultural differences, coupled with other demographic and psychographic factors, are influencing buying behavior and choice of the store even after the emergence of egalitarian shopping malls. In India Home care products, Personal utilities, Food and Beverages, Cigarettes and Alcohols are the most fast-moving Consumable goods. Those companies which produce fast moving consumer goods in India has huge turnover during 2017 (Kumar U., Deekshitha., Pradeep., 2017).

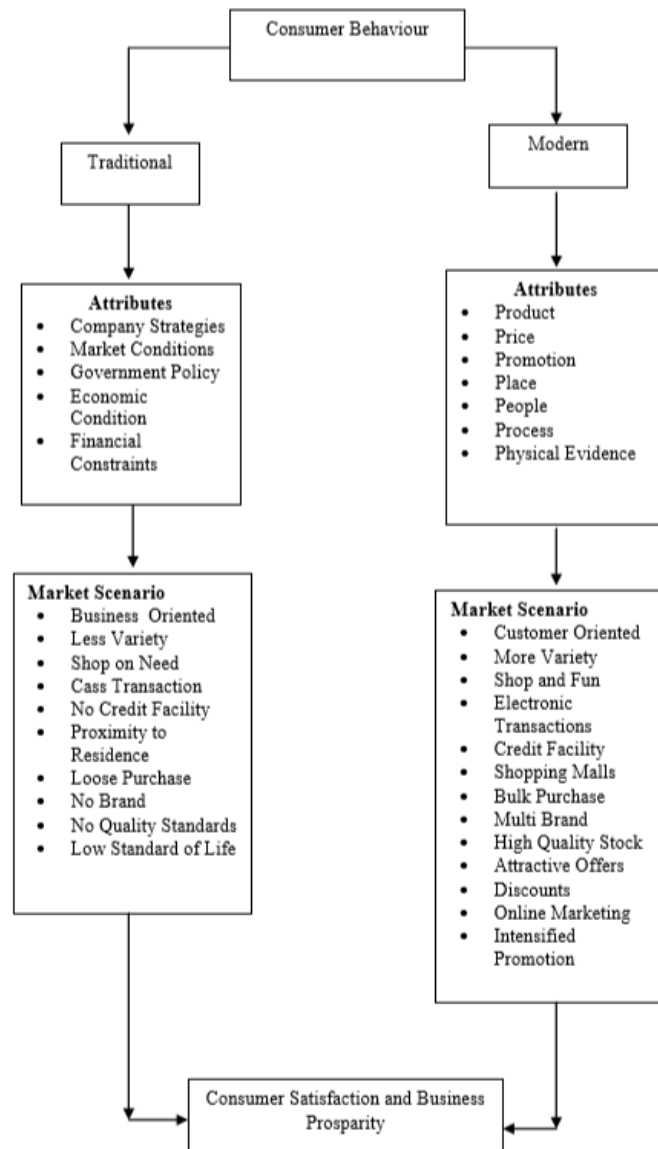


Figure 4.8.2: Consumer behavior Model in changing market scenario -Taken from
(Kumar U., Deekshitha., Pradeep., 2017)

4.9 Case study on Kirana stores

Consumer prefers to buy perishable and daily use products which are purchased on the basis of need and requirement from nearby unorganized Kirana stores due to ease and convenience. There is a negligible rise of such customers (3.74%) who have been stopped buying from unorganized retail outlets after opening of super market and malls in the locality (Sharma, K., 2012).

4.10 Case study on DMart

DMart's case study creates awareness about the techniques and strategies it uses especially for cost efficiency and higher sales. Their strategy has marked difference from nearly every other Indian retailer. Whereas other companies have expanded quickly into multiple segments with differentiated retail chain, DMart has restricted segmentation. This makes DMart more profitable than others. It has certain challenges but the founder is always prepared with some out of box strategy and gives stellar performance. Majority of the customers of DMart are middle income families and they prefer it for price, value for money and offers and discounts. The inferences drawn from the case may lead to possible understanding of a company's performance, the way it differentiates from its competitors. The company is working on its dilemma by pilot testing some online services & home delivery services in metro cities keeping in mind its cost efficiency (Pawar, A., & Sangvikar, B. V.).

4.11 Conclusion

This chapter discussed about the consumer behavior in different aspects to fulfill the purpose of the study by giving strong arguments and data. Data identifies the comparison of generational behavior for food & beverages. It is an overview of consumers Adaptions of changing different markets time to time for food products.

CHAPTER FIVE

CONCLUSION

This study helps to understand consumer behavior before modern market (i.e. dmart, bansal) came into existence and changed consumer behavior in current scenario. Also makes us to psychologically analyze the buying behavior of people from 90s in both traditional & modern market. Though data tries to compare the consumer behavior in traditional and modern markets on the product of food & beverages (FMCG products). Technology shapes our choices and preferences, and thus the way we view life. While consumers are still in transition, the broad masses of generations Y and Z may become the first dedicated consumers in the digital world. If marketers must target their future prospects, then they must understand the source of their needs.

This is to understand age and generational influences on consumer behavior, Generation Z is the cohort of people born from 1997 to the present day. Members of Gen Z are highly “connected,” having had lifelong exposure to and use of communication and media technology. Gen Z is the most diverse American generation ever, and is the last generation to have a Caucasian majority in the U.S. Gen Z persons have social circles that are much more diverse than older generations’ and include people from different ethnic groups, races, and religions. Marketers expect Gen Z members to be the first generation to earn less than their parents, because they are growing up in a period of economic uncertainty. Generation Y are people born between 1980 and 1996. Gen Y members grew up with technology and embraced it. They are attracted to higher levels of stimulation and are bored easily. They are more confident than other generations were at their age, because of growing

up in child-centric households, a youth-oriented society, and the American emphasis on self-esteem. As consumers, they want faster product turnover, personally relevant promotions, and interactive marketing platforms. Many want to design their own products, get involved with messaging through their own networks and rate products. The most effective way to reach Gen Y persons is by messages appearing online and cable TV. Gen Y persons are the heaviest users of text messaging and smartphones (Schiffman L., Wisenblit J., 2015). Though, this analysis proves that traditional consumers are more inclined towards traditional ways of purchasing and modern consumers are easily adapting new markets. Consumers do not have all kinds of consumption provided by physical store shopping. This is why after a period of time; consumers need to shop in supermarkets to get more varieties of inspiration and try new products. Simulation defects on the Internet are the current difficulties to be overcome. Further improvements in hardware and software that enable physical storage to be replicated should be helpful. Using the mirror model of the physical store ("as real as the store"), consumers should regain much of the inspiration provided by the physical store (Kumar A., 2015). This study proves the hypothesis, Generation X and Y want feel and touch while it comes to food & beverage products because it isn't having uniformity and same quality.

Every organization should try to meet future consumer needs with the help of advancing technology. It should reserve huge capital to cope up with the changing consumer behavior. Sustainable business growth is possible only through the vision of the organization rather than depending only upon marketing strategies. Business always should be ecologically friendly to gear up future gains. The research wing should assess the market trends frequently. All the products should be concentrated with respect to quality instead of following rivalry competition. Customers are ready to pay any amount for the quality products. Superior and right marketing mix should be used to meet customer needs with

complete satisfaction. Change in consumer behavior will highly influence upon the sales of the company. Grabbing more market share is possible only through consumer centric business (Kumar U., Deekshitha., Pradeep., 2017). This is to compare the consumer behavior in traditional and modern markets on the product of food & beverages.

Food & beverage products are quick need of consumers and do not have uniformity where consumers do not want compromise on quality so their behavior defines while purchasing food products they believe to touch & feel the product physically. Differences in ages influenced by various kinds of marketing platforms where we can see adaption of new market will increased for FMCG products by Generation Z.

References

- Abhinav., (August, 2017). “Recent changes in consumer behavior”. *Journal of Research in Commerce & Management*. Retrieved from:
<https://pdfs.semanticscholar.org/4385/6328b41b4662b863fb6ef67619544b40c5b1.pdf>
- Chakraborty T., Balakrishnan J.,(Vol. 8, No. 2, 2017). “Exploratory tendencies in consumer behavior in online buying across gen X, gen Y and baby boomers”. *Int. J. Value Chain Management*. Retrieved from:
https://www.researchgate.net/publication/316783873_Exploratory_tendencies_in_consumer_behaviour_in_online_buying_across_gen_X_gen_Y_and_baby_boomers
- Guha, S., “The changing perception and buying behavior of women consumer in Urban India.” *IOSR Journal of Business and Management (IOSR-JBM)*. Retrieved from:
<https://pdfs.semanticscholar.org/9c5f/5bd9d10d0eab82e34e8df203e23e2fdaa6b8.pdf>
zz
- Grundey, D. (2008). “Experiential marketing vs. traditional marketing: Creating rational and emotional liaisons with consumers”, *The Romanian Economic Journal*, 29(3), 133-15.
Retrieved from:
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.190.7028&rep=rep1&type=pdf>
- Kumar A., (May, 2015). “Consumer Behavior on Traditional and Online Shopping”, *International Journal of Engineering, Management & Sciences (IJEMS)*. Retrieved from:
https://www.academia.edu/13828342/Consumer_Behavior_on_Traditional_and_Online_Shopping

- Kumar A., Pandey V., Goel R., Vibhuti., “A Case Study on Consumer Buying Behavior towards Selected FMCG Products”. *International Journal of scientific research and management (IJSRM)*. Retrieved from:
<https://pdfs.semanticscholar.org/4aca/8fbb728674186237edd8c5820c32c5a6e280.pdf>

- Kumar U., Deekshitha., Pradeep., (1, 2017). “A study on changing consumer behavior towards fast moving consumable goods in India”. *International Journal of Multidisciplinary Research and Modern Education (IJMRME)*, Impact Factor: 6.725, ISSN (Online): 2454 - 6119 Volume 3, Issue. Retrieved from:
https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2995350

- Mathur, N. (November 29, 2010). “Shopping Malls, Credit Cards and Global Brands: Consumer Culture and Lifestyle of India’s New Middle Class”. *South Asia Research*. Retrieved from: <https://journals.sagepub.com/doi/abs/10.1177/026272801003000301>

- Pawar, A., & Sangvikar, B. V. “Strategy and Success of DMart: The Case of Retail Chain in India”. Retrieved from:
https://www.researchgate.net/profile/Avinash_Pawar2/publication/340081826_Strategy_and_Success_of_DMart_The_Case_of_Retail_Chain_in_India/links/5e7612c4299bf1892cfd4c59/Strategy-and-Success-of-DMart-The-Case-of-Retail-Chain-in-India.pdf

- Sharma, K. (Jan, 2012). “The Study of Changing Buying Behavior of Consumer in Growing Economy of India, Specific to FMCG Segment, and Its impact on Unorganized Retailers”. Retrieved from: http://archives.marketing-trends-congress.com/2012/Materials/Papers/Consumer_Behavior/SharmaBhattacharyaSonawaneyKulkarni.pdf

- Schiffman L., Wisenblit J., (2015). “Consumer Behavior”, Pearson Education, 11th edition, ISBN 978-0-13-254436-8. Retrieved from: www.pearsonglobaleditions.com

- Steenkamp J., “Dynamics in Consumer Behavior with Respect to Agricultural and Food Products”, *Springer link*. Retrieved from:
https://link.springer.com/chapter/10.1007/978-1-4615-6273-3_8

- Tyagi, A.K., & Pandey, V. (2014). “A Case Study on Consumer Buying Behavior towards Selected FMCG Products”.Retrieved from: <https://www.semanticscholar.org/paper/A-Case-Study-on-Consumer-Buying-Behavior-towards-Tyagi-Pandey/61c317cb3c421953bcb7244c5357b070d1ece938>

- Thomas Reardon & Rose Hopkins (2006). “The Supermarket Revolution in Developing Countries: Policies to Address Emerging Tensions Among Supermarkets, Suppliers and Traditional Retailers”. *The European Journal of Development Research*, 18:4, 522-545, DOI: 10.1080/09578810601070613. Retrieved from:
<https://www.tandfonline.com/doi/full/10.1080/09578810601070613?scroll=top&needAccess=true>

- Thomas Reardon, Spencer Henson, Julio Berdegué, ‘Proactive fast-tracking’ diffusion of supermarkets in developing countries: implications for market institutions and trade, *Journal of Economic Geography*, Volume 7, Issue 4, July 2007, Pages 399–431. Retrieved from: <https://doi.org/10.1093/jeg/lbm007>

