



A Review on Buying Behavior of Urban Consumer

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Abstract- Urban marketing is an indispensable element within the strategies for economic development of the cities, contributing to the overall vision of the strategy. This helps cities to accomplish many objectives (attracting new national or international companies, consolidate industrial infrastructure, developing tourism, diversifying and improving transport and health services), while they have to maintain a certain level or to cut off public expenses, and to face the harsh competition to attract new investors. The biggest challenges for urban marketing are changes occurred in market structure and dynamics, which exceed the response capacity of the cities. Taking into consideration each factor, product category has an insignificant role in influencing impulsive buying behavior. Similarly, respondents who have financial independence also have an insignificant role in influencing impulsive buying behavior. Among the factors that are significant for triggering impulsive buying behavior is availability of cash, mood of consumer, POS terminal/ATM facility, price, store layout, availability of time, product promotion, store environment and reference group. Comparative study of urban as well as rural marketing is also performed in the present study.

Keywords - Urban marketing, urbanization, buying behaviour, rural marketing, Retailers

I. INTRODUCTION

Marketing is a challenge even for Private Corporation, which are often perceived as specialists in practising marketing. Marketing should not be exclusively the advantage of private sector, local communities, areas can be promoted as efficient as the goods and services of a company, and these have to benefit of the complex practices of the marketing from the private sector. (Guha 2013) Urban marketing implies choosing some suitable ways of projecting and organising cities to meet the requirements of the target segments interested in urban development. It is considered that urban marketing reached its goal when the businessmen community and the citizens are satisfied with the urban economic- social environment, when the visitors` and investors` expectations are met.

The extensive urbanization led to the endorsement of the urban marketing concept; after 1990 the term begun to be widely used because of the increased competition between cities eager to attract more tourists, inhabitants, potential investors, all these things leading to a better living standard. The globalization had a direct impact over the public sector which is now required to reinvent itself and to apply strategies and methods which were until now, distinctive for the private sector. More experienced in this area, the United States and several Western European Countries applied urban marketing in their regional and local strategies and published their experiences as “best practice” models in order that other organizations use it too. The cities begun to be treated as marketing products that have to be sold in order to survive and to develop. (Muniswamy 2017)

Understanding the buying behaviour of the target market is the essential task of marketing managers in marketing concept. The term consumer behaviour refers to the behaviour that consumers display in searching for, purchasing, using evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behaviour is the most complex aspect of marketing, as it is the most dynamic of all the marketing activities. The consumer preference change rapidly and are affected by multiplicity of factors at a given point of time which are difficult to analyse. To understand the consumer behaviour into consumer motivations, believes, attitudes, learning, perceptions, emotions and opinion is essential. (Shende 2014)

II. LITERATURE REVIEW

(Rizvi and Pandey 2016) Rural consumers vary not only in their behaviour, practices but also in conviction and belief. Yet, the general tendency has not changed widely between rural and urban consumers as regards to aiming on superior excellence products, trademarked products etc. Today, the rural market is blooming, with increase in the disposable incomes of the households. By nature, rural marketing is complex oriented and study of perception of rural consumers is always a difficult task unlike urban consumers. It is essential that an effective communication is information about products but also educating them regarding the use of products. The study reveals that among factors influencing trademark preference of hair oil, odor ranks first, followed by eye- catching packing, small packs & low price. It is further found out that television advertising had a deep impact in the minds of consumers from the village and most of the people are in a habit of changing their trademark frequently.



(Pradhan 2016) This paper is an attempt to examine some of the factors affecting impulsive buying behavior of consumers in supermarkets. It also aims to verify the interrelationship between these factors and impulsive buying behavior. A primary research is carried out among people who shop in supermarkets in Kathmandu valley. The findings suggest that majority of supermarket goers buy impulsively. Whenever they visit a supermarket, most of the respondents do not plan ahead. Instead, they scroll through aisles/products and buy what they think they need. Most of the respondents purchase certain products like personal care items, grocery and accessories impulsively. For other products like electronics and kitchenware, they take time to think if they really require those products. However, the same factors coupled with certain demographic variables may or may not have the same impact on impulsive buying behavior of the same consumers.

(L. Alexa 2014) In the globalization era, characterized by profound political and economic reforms of which main objective is the increased competitiveness, whether we talk about goods, companies, cities or countries, the proactive attitude and the marketing strategy is a must in order to survive and develop. Now more than ever the cities have become brands of their one, because they are in an endless competition for attention, investments, inhabitants and tourists and the main competitor is no longer the city located a couple of kilometers away, but any city across the globe. Cities and regions need competitive strategies in order to attract more tourists, investors and inhabitants and for this they have to make a change in the decision makers’ attitude. The new city is no longer a plain urban conglomerate; it becomes a Company, a Product, and a Market depending on the target group it applies to.

(Guha 2013) The working women segment has significantly influenced the modern marketing concept. The objective of this paper is to identify the changing perception and comparison of buying behaviour for working and non-working women in Urban India. It suggests that women due to their multiple roles influence their own and of their family members’ buying behaviour. The study also reveals that working women are price, quality and brand conscious and highly influenced by the others in shopping.

III. URBAN MARKETING

The marketing literature focuses on underlining the importance of city development and constant promotion of its elements, the increased competitiveness being an indirect effect of the applied strategies. Urban marketing must be designed as a general principle focused on city development, thus, on problems regarding housing, jobs, communications, facilities, environment. It is also characterized by a planning process including all stages of task allocation, current situation, strengths and weaknesses analysis, definition of its’ own level of competitiveness and implementing, monitoring and evaluating the activities. All these must lead to a concurring vision over the city and tasks for all the stakeholders involved in the process. The development based on local potential, significant projects, joint activities and the enhanced image as a whole must represent the goal achieved through the urban marketing process.(Fotis 2015)

In essence, urban marketing implies: to project the adequate combination of community characteristics and services, to establish attractive incentives for current and potential buyers, to create and efficient and accessible products and services delivery system inside the city, to promote the city’s values and the image, so that the potential buyers will be aware of the distinctive advantages of the place.(Sivasankaran 2017) Thus, the perception over the cities and their image in the collective mind has become an important active component in their economic success or failure of their development.(Vijay Victor n.d.)

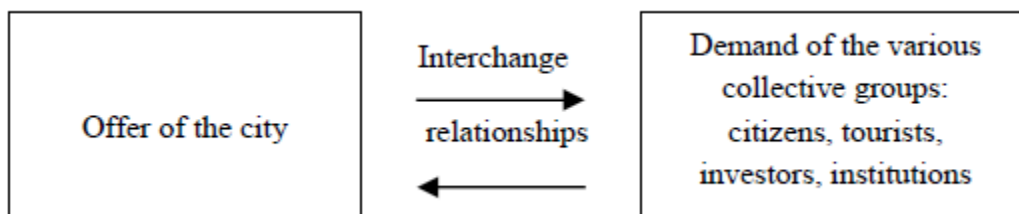


Figure 1: Interchange relationships between the city and the collective groups

A key element in urban marketing refers to the difficulty of defining the city’s identity and values in a way that can be widely accepted and easily marketed for all target groups. The challenge is given by the need to create a common identity from values that are not always intangible and which represent the interests of different social and economic groups. City branding must determine how culture, history,



economic growth, social development, infrastructure, architecture, landscape and environment, among other components, can be combined in an identity later to be “sold”.(Fabrizio 2013)

In this process, the decision maker’s role is crucial, and in order for the urban marketing to succeed, a long term vision, both from the marketing and management point of view, is needed.

IV. COMPARATIVE STUDY BETWEEN URBAN AND RURAL CONSUMERS

- Generally educational levels are very high among urban consumers whereas it is low among rural consumers. High levels of education among consumers lead to qualitative purchase behavior. (L. Alexa 2014)
- Family structures differ between urban areas and rural areas. Generally large families in rural areas have single decision maker in purchasing goods and services whereas in urban areas family size being small and women mostly employed, decision making is almost equally divided among male and females.
- Urban consumers are renowned to show purchase behavior uniformly throughout the year on account of uniform availability of monetary resources which results on account of high employability, therefore demand is uniform. (E. L. Alexa and Cuza 2014) The rural economy of India is primarily agrarian which means that monetary resources are available to most rural consumers only seasonally that is during harvest time and therefore purchase behavior and demand pattern of rural consumers cannot be uniform throughout the year.
- Product awareness levels are very high in urban areas as advertisements like hoardings, distribution of brochures; product exhibitions etc. are very high in urban areas. Rural consumers possess low product awareness levels on account of minimal advertisements like T.V. Advertisements, Newspapers etc.
- Timely availability of products to urban consumers is not a wonder on account of established distribution channels whereas rural areas are not having timely availability of products on account of slow movement of products through rural distribution channels.
- After sales service is adequately available in urban areas due to the presence of huge consumer population, whereas rural areas do not have huge number of consumers therefore after sales service.(J. Singh 2012)



Figure 2: Benefits of Urban Market(B. J. Singh 2011)

V. BUYING BEHAVIOUR OF URBAN YOUTH



Buying behaviour of an individual plays a predominant role in the consumer behavior in general and among the youth in particular. Buying behaviour marketing is a process of establishing relationships between products offered in the market and targeted buying behaviour groups. (Jaju 2016) It involves segmenting the market on the basis of buying behaviour dimensions, positioning the product in a way that appeals to the activities, interests and opinions of the targeted market and undertaking specific promotional campaigns which exploit buying behaviour appeals to enhance the market value of the offered product. In India internet is around 20 years old. India is among the top 3 population of internet users with 145 million consumers. The digital marketing is having just 3-4% of organized retailing. (Pradhan 2016) This reveals that some elements are the hindrance in the prosperity of online marketing in India. The risk perceived by the youth in India is one of them. The prosperity of online shopping in India is huge because of its big size of youth population. The government is investing a lot in internet infrastructure. The organized retailing can't reach to the rural part of India easily whereas online retailers are finding their buyers in cities including villages of across India. (Debasish 2016)

VI. CONCLUSION

Marketing plays a pivotal role in the growth and development of a country irrespective of size, population and the concepts are so interlinked that, in the absence of one, another virtually cannot survive. It is a historical fact that the development of marketing has always kept pace with the Economic growth of the country. Both have experienced evolutionary rather than revolutionary change. The objective of modern marketing is to make profits through satisfying consumer's needs and wants. Hence, the marketers have to understand the real needs, wants, beliefs and attitudes of the consumers towards their products and services. The study has the tremendous scope. Very few studies have been carried out to understand the behaviour of rural consumer in India. Changing buying behaviour warrant the marketers to understand the urban public as well as rural public in a better way to devise suitable marketing strategies to retain the present and to capture the potential market, so that the market can move on from the mere customer oriented marketing approach to Technological Customer Oriented Marketing approach in the near future.

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