

## Changing Lifestyle and Consumption Patterns of Indian Rural Households: An Analytical Study

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### Abstract

An individual communicates about his/her activities, attitudes, interests, opinions, values, and allocation of income through his/her life style. People's perception about their own image gets influenced by their changing motivation and needs. Indian market has seen a tremendous change in life style of a common man. The remarkable change in urban life style has trickled across the rural population too. Island of poverty still exists but most of the rural area has transformed beyond imagination. The changing economy has put unprecedented disposable income into the hands of rural consumers who are steadily moving forward towards better quality of life.

The present study takes into account the impact of changing lifestyle on consumption pattern in relation to selected demographic variables and socio-economic characteristics. The lifestyle has been explained with respect to food consumption, fashion trends, entertainment, and use of technology.

This study is an endeavor to understand how the change in lifestyle of rural households is affecting their consumption pattern bringing a noticeable change in their living standard. The analysis of consumer lifestyle which reflects the psychographics is an important factor in determining how consumers make their purchase decisions and consume the life style goods.

**Key words:** - Lifestyle, Socio-economic characteristics, consumption pattern

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## **1. INTRODUCTION**

Due to industrialization and changing scenario, the economic development in the urban area is much faster as a result of which rural people is migrating to urban area in order to earn their livelihood. Despite this fact, the major portion of Indian population still resides in rural India, and everybody is eyeing the next wave of growth to rural household. The Indian rural population which was 72.19% in the year 2001 reduced to 68.84% as per 2011 Indian census report. Out of this, 18.62% lives in the state of Uttar Pradesh itself and their main occupation is agriculture and related occupations. The standard of living of a household (a group of persons who normally live together and take their meals from a common kitchen unless the exigencies of work preventing any of them from doing so) can be understood from their consumption pattern, and the qualities of consumption budget which clearly indicate the level of welfare of the household. Food consumption pattern of household depends on many factors like level of education, assets, occupation and demographic characteristics and it is an important barometer of individual welfare and well-being in any region.

Lifestyle is a term to describe the way a person, household and society live. It reflects the attitude, interests, activities, values and allocation of income. It also means the expression of self image which is extended through the use of goods and services. The change in consumption pattern is observed due to changes in consumer taste, preference and income at micro level and structural shift in the overall environment at macro level. It ultimately affects the buying behaviour of consumers.

## **2. OBJECTIVES OF THE STUDY**

The objectives of the present study are as follows- -

1. To study the socio- economic factors and their influence on lifestyle and consumption pattern.
2. To study the food consumption behaviour of rural households.
3. To study the fashion adoption trend among rural households.
4. To examine the media habits and entertainment modes of rural households.
5. To explore the use of technology in the consumption of lifestyle goods among rural households.

## **3. HYPOTHESIS**

The two hypotheses are being framed and tested by the researchers in the background of the following contentions.

1. The researchers observe that the fashion consciousness is gradually reflected by the use of branded items in post neo-liberal era which in turn is an outcome of ever increasing affluence of the rural consumers

**H<sub>01</sub>:** The preference of branded outfit is independent of the family income.

2. Use of technology has exposed a common man to the broader spectrum of social needs and comfort of day to day life. Interactive media like internet has occupied an important place in the 'information seeking' based lifestyle of an individual irrespective of the livelihood he /she live with.

**H<sub>02</sub>:** Internet usage is independent of the occupation.

#### 4. RESEARCH METHODOLOGY

The present study is a descriptive study. A structured questionnaire based on nominal scale has been used as the research instrument to collect the primary data. A total of 225 questionnaires were distributed among the respondents of Lucknow city of Uttar Pradesh having rural background. Convenience random sampling is being applied in this study. Respondents were selected from the data base of the universities of Lucknow. 200 workable questionnaires were sorted out for the analysis. The responses were tabulated and cross tabulated to infer the results with respect to the stated objectives and hypothesis. The association of socio-economic variables was tested using chi-square test.

#### 5. PROFILE OF THE RESPONDENTS' HOUSEHOLDS

The profile of the sample household for subject study can be seen in Table 1 depicting demographic variables as well as percentage distribution of the respondents.

Table 1: Rural Households Profile

Demographic Variables	Category	Percentage Distribution
Absolute Number of Respondents	Male and Female	100%
Gender Ratio	Male	53.25%
	Female	46.75%
Age of Family Members	Below 25 Years	44.97%
	Between 26-40 Years	27.59%
	Between 41-50 Years	16.40%
	Above 50 Years	11.04%
Occupation of the Head of Family	Self Employed	10.00%
	Business	38.00%
	Service	18.00%
	Farming	34.00%
Total Family Monthly Income	Less than Rs. 5,000	12.00%
	Between Rs. 5,001-Rs. 10,000	14.00%
	Between Rs. 10,001-Rs. 15,000	16.00%
	Above Rs. 15,000	58.00%
Qualification of the Family Members	Illiterate	11.85%
	Primary Education	19.97%
	High School	22.40%
	Intermediate	21.10%
	Graduate and Above	24.68%
Marital Status of Family Members	Married	45.13%
	Unmarried	54.87%
Knowledge of English Language	Male	40.54%
	Female	59.46%

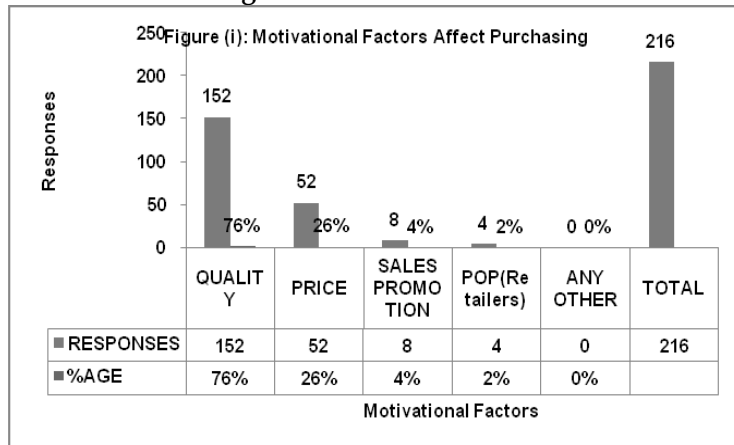
Source: Primary Data

#### 6. DATA ANALYSIS

The analysis of the workable questionnaire reveals the following trends:-

**6.1 Food Habits and consumption Pattern:** The food habit and consumption pattern have been analysed taking into account the factors like motivational factors affecting purchase, decision maker, expenditure on food items other than the staple food, preference for homemade vs. readymade food items, and consumption of junk fast food. A great shift has been observed in the post liberalization era towards the consumption of fruits, confectionaries and of course the fast food items due to cross –cultural value adoption among the Indian households. Increasing trend of consuming more food prepared outside of the home, from restaurants and grocery stores has also been observed in the rural areas.

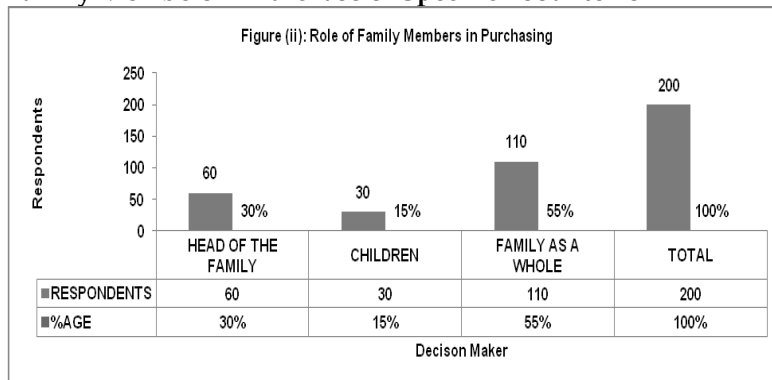
**Fig. (i) Motivational Factors Affecting the Purchase of Food Items -**



Source: Primary data

Figure (i) revealed that majority of respondents (76%) agree that the quality is a major factor to buy a particular food item followed by price (26%), while sales promotion and point of purchase have a little influence to motivate the buyer to purchase a particular food item.

**Fig. (ii) Role of Family Members in Purchase of Specific Food Items -**

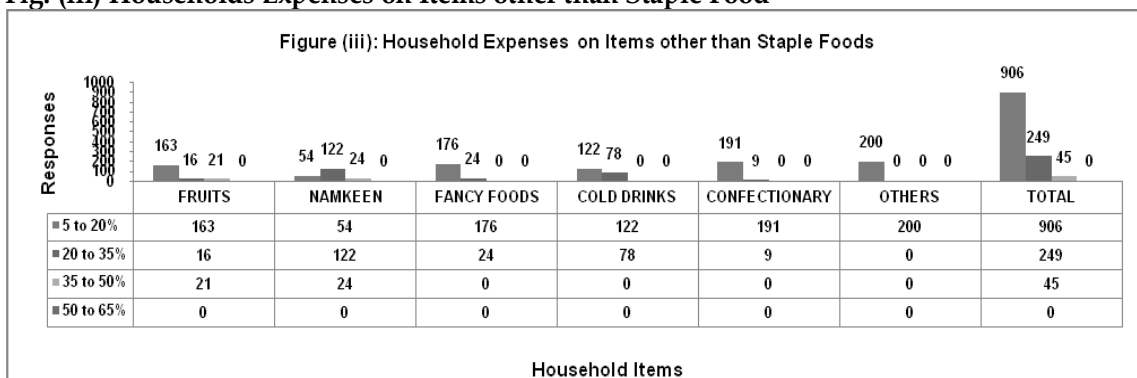


Source: Primary data

Figure (ii) revealed that a great deal of household consumption decision-making is not in the hands of one person but family as a whole (55%) which may lead to good outcomes, it can also be

a source of even handedness within the family. On the other hand, head of the family (Mainly male) and children have an influence on decision as 30% and 15% respectively.

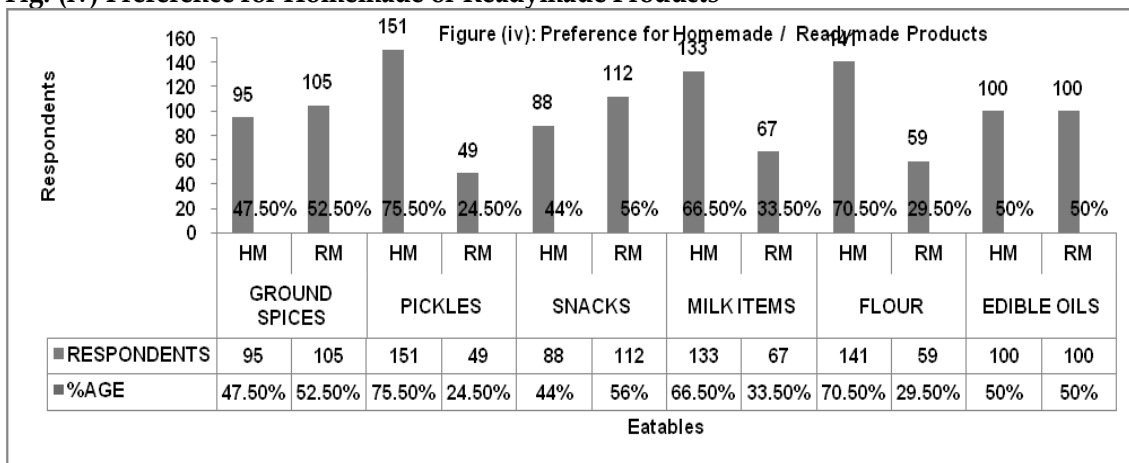
**Fig. (iii) Households Expenses on Items other than Staple Food -**



Source: Primary data

It is exhibited in the figure (iii) that maximum 95.50% of household spend 5%-20% of the expenditure to buy confectionaries followed by fancy food items like fast food or junk food (88%). Namkeen has got the share of 20%-35% of the expenditure done on accessory food items by 61% of rural households. The consumption of fruit has also been seen increasing as it is evident from the figure shows that 81.50% households spending between 5%-20%. Over all we can say that within 5%-35% of total expenditure the rank order of consumed items is confectionary, fancy food, cold drink and fruits. Biscuits/Namkeen is very commonly consumed with tea and cold drink etc. hence the expenditure on this comes at 1<sup>st</sup> rank having expenditure bracket of 20%-35%. The consumption of biscuits/namkeen with cold drink seen to be most favoured combination.

**Fig. (iv) Preference for Homemade or Readymade Products -**

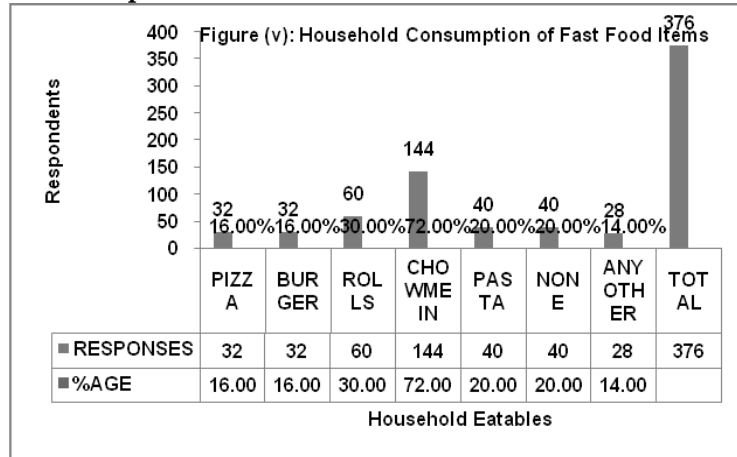


(HM: Homemade, RM: Readymade) Source: Primary data

It is evident from figure (iv) that 52.50% respondents prefer readymade ground spices to homemade spices which is 47.50%. Similarly, the preference is 75.50% for homemade and 24.50%

for readymade pickles, 56% for readymade snacks and 44% for homemade snacks, 66.50% for homemade milk items and 33.50% for readymade milk items, 70.50% for homemade flour and 29.50% for readymade flour, while the preference for edible oils is exactly the same i.e. 50% each.

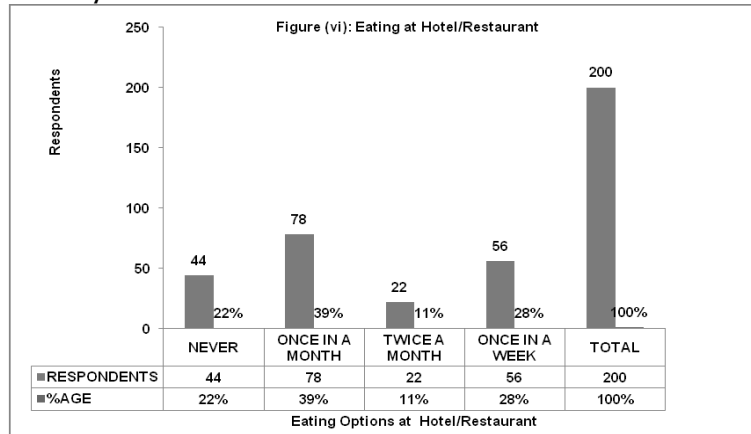
**Fig. (v) Household consumption of fast food items -**



Source: Primary data

It is inferred from figure (v) that the maximum 72% respondents say that chowmein (Chinese dish) is the most favoured intercontinental food, while 30% households consume rolls very often. The most popular brand Maggie by Nestle has developed the Indian spicy taste to match the preference of Indian consumers.

**Fig. (vi) Eating at Hotel/ Restaurant -**



Source: Primary data

It is clear from figure (vi) that 39% of rural household enjoy eating at hotel / restaurant once in a month followed by 28%, who enjoys eating outside once in a week.

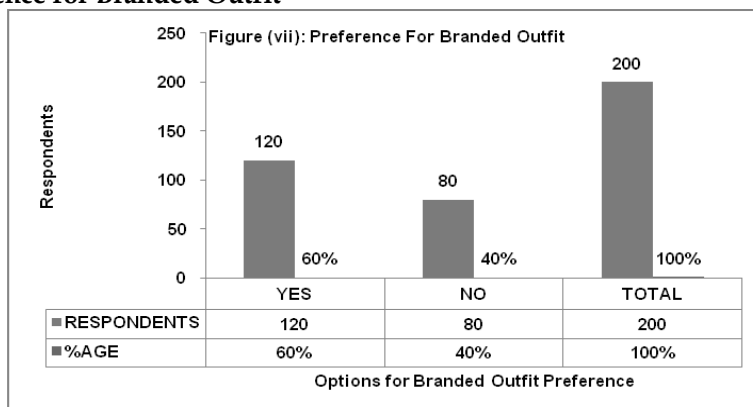
It is deduced from the figure (i-vi) that rural household have become quite quality conscious in purchase of food items. Role of media, companies and government departments is appreciable in

creating awareness among the natives of remote areas. The publicity of SAHARA Q shop products emphasizing quality and harmful effects of adulteration is reinforcing this attitudinal change by associating the products with health value.

Expenditure on food accessories indicates the affluent behaviour of rural household. Use of readymade powdered spices and snacks adds to the ease and comfort in making food which was not accepted in the rural households in the past. This again shows the changed attitude towards the women who may save time to articulate her through other productive activities. Family decision in making the purchase of food items in this study further consolidates the role of women in rural household. Rural household still prefer homemade pickles, milk items, flour and edible oil as generally they have the facilities and resources do ensure the purity in these items. Trend of eating outside is catching up with rural households as responded by nearly 67% respondents. Chowmein (Noodles) are the most popular intercontinental food in Indian community. It is found that rural households are also becoming health value conscious and non-traditional in picking and consuming the food items.

**6.2. Fashion Adoption Trend:** Now the marketing potential for fashion items in the rural part of the country is also growing especially in the villages of north India due to surplus income and exposure to the changing world through TV and other interactive media.

**Fig. (vii) Preference for Branded Outfit -**



Source: Primary data

Figure (vii) revealed that 60% of the rural household prefer branded outfits while 40% do not bother about the branded one and stick to their traditional outfit stitched by the nearby tailoring shop. It is also revealed from table (vii-A) that 79.31% of the family having income above than Rs. 15000 mostly prefer branded outfit in comparison of other having less income.

**Table (vii-A): The Preference of branded outfit is independent of the Family Income**

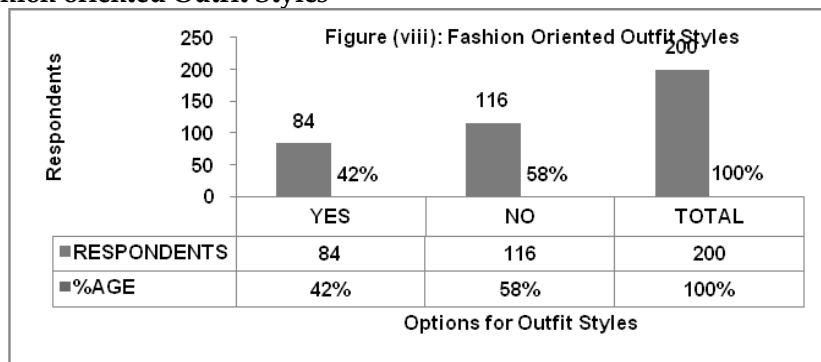
Sr.	Options / Income Group	Yes	No	Total	Chi-Square Value
1	Less than Rs. 5000	2 (8.33%) (14.40)	22 (91.67%) (9.60)	24	51.67* Significant
2	Between Rs. 5001 to Rs. 10000	12 (42.86%) (16.80)	16 (57.14%) (11.20)	28	

3	<b>Between Rs. 10001 to Rs. 15000</b>	14 (43.75%) (19.20)	18 (56.25%) (12.80)	<b>32</b>	
4	<b>Above Rs. 15000</b>	92 (79.31%) (69.60)	24 (20.69%) (46.40)	<b>116</b>	
	<b>Total</b>	<b>120</b>	<b>80</b>	<b>200</b>	

\* Degree of freedom 3, Level of Significance 5%

H<sub>01</sub> has been tested for table (vii-A) by using Chi-square test at 5% significance level. The calculated value (51.67) has been found significant at 5% significance level. The results reject the Null hypothesis in favour of Alternate hypothesis saying that the preference of branded outfit depends upon family income.

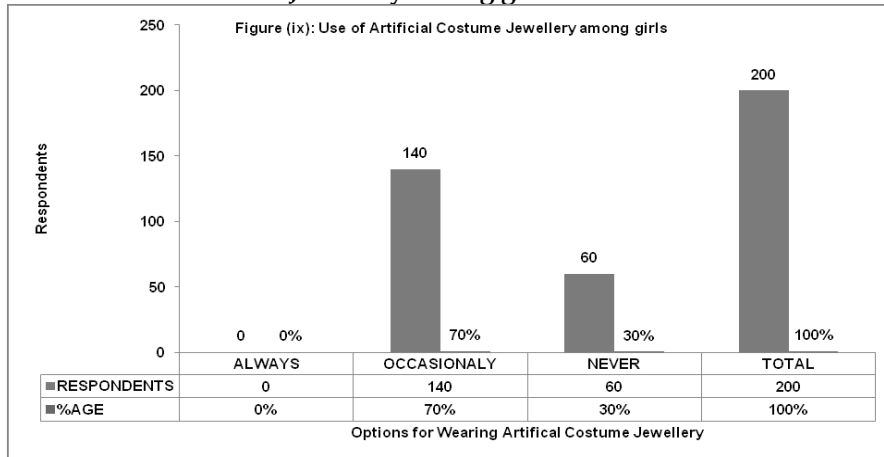
**Fig: (viii) Fashion oriented Outfit Styles -**



Source: Primary data

It is revealed from figure (viii) that 42% of rural household prefer to change their outfit as per the fashion while 58% voted against that by saying that they do not want to change their outfit with the changing fashion.

**Fig: (ix) Use of Artificial Costume Jewellery among girls -**

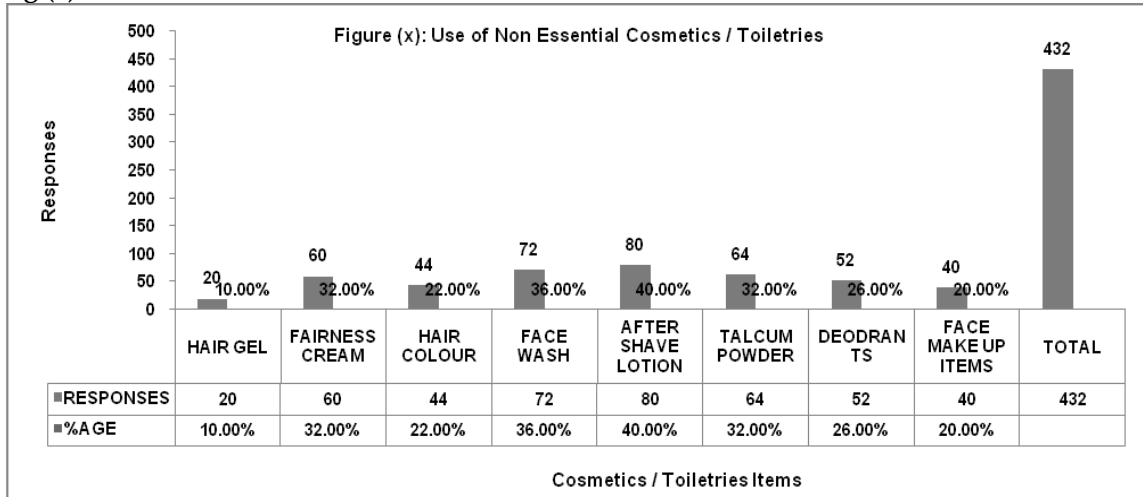


Source: Primary data



Figure (ix) extends that 70% female folks of rural households, wear artificial jewellery occasionally while the remaining 30% is never wear it.

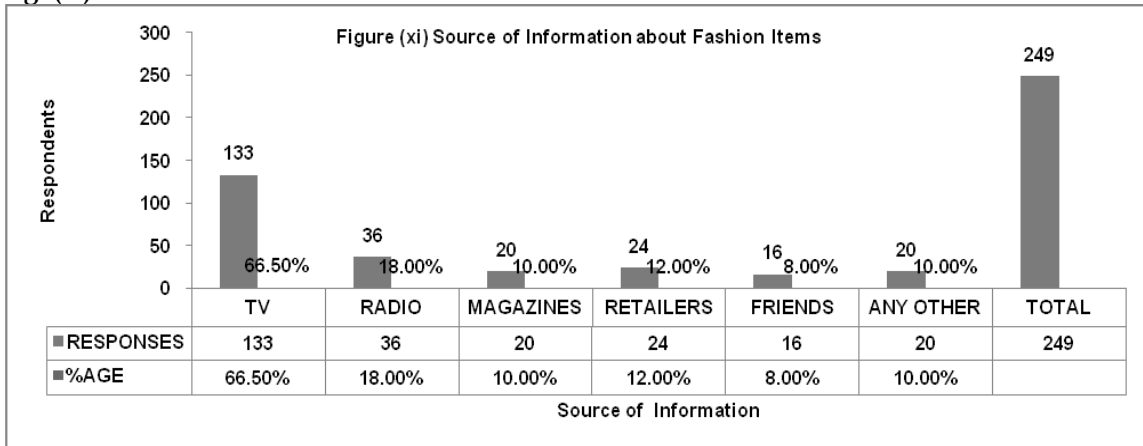
**Fig (x) Use of Nonessential Cosmetics and Toiletries -**



Source: Primary data

Figure (x) exhibits that 40% households use after shave lotion followed by face wash (36%), fairness cream and talcum powder (32%), deodorant 26%, Hair colour 22% and face make up items 20%. Hair gel is having the lowest preference by just 10%.

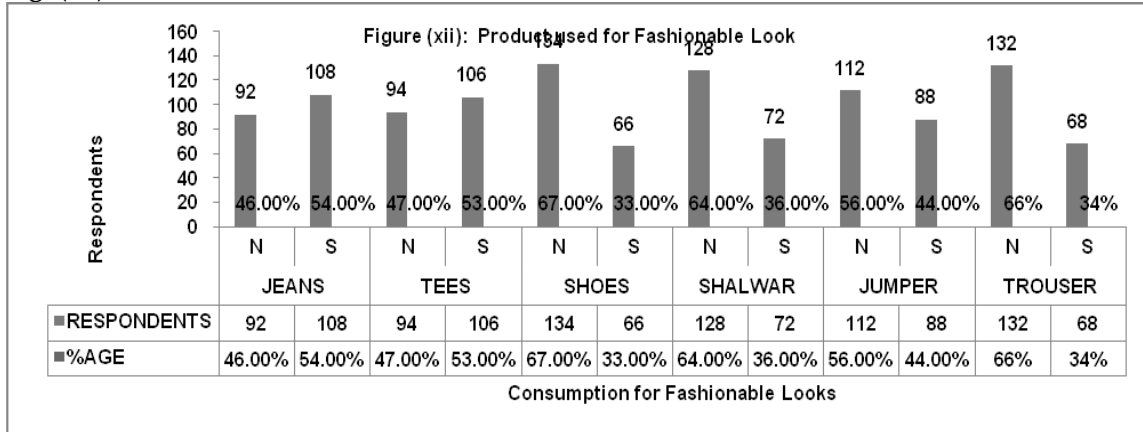
**Fig: (xi) Source of Information about Fashion Items -**



Source: Primary data

As per above figure (xi), majority of households (66.50%) receive information about fashion items from TV followed by radio (18%) and magazine (10%). This clearly indicates the popularity of TV as a source of bringing forth the latest trends in fashion through tele serials, live shows etc. and penetrating reach to the rural households.

**Fig: (xii) Products used for Fashionable look -**



(N: Normal, S: Stylish) Souce: Primary data

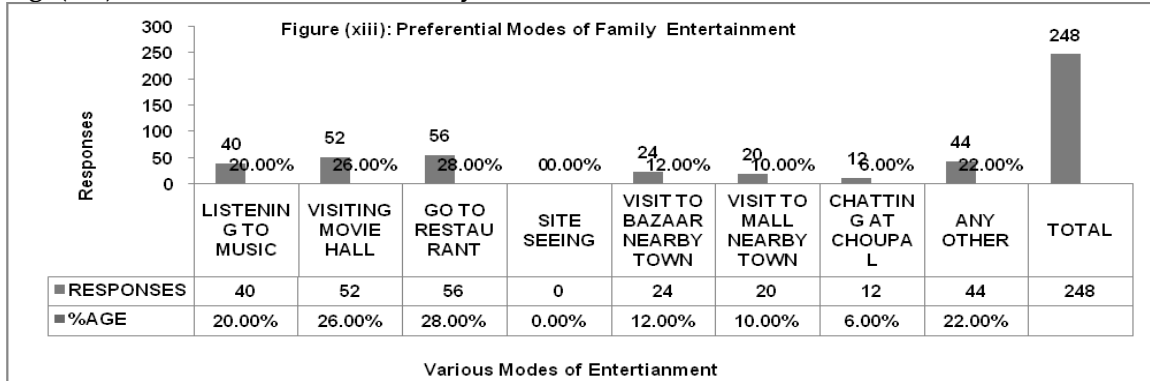
It is revealed from figure (xii) that more than 50% of the rural households still think that their normal outfits are trendy and acceptable in the group that belongs to. In the categories of Jeans and Tees, high percentage of households uses stylish and latest design to portray the fashionable look.

It is inferred from the figures (vii-xii) that substantially high percentage of households prefer branded outfit. However, they do not change their outfits as fast as the fashion changes. Hence, brand conciousness among rural household suggests that the marketers to strategise their promotional campaign based on image building which could be differentiated from the competing brands. The choice of branded items depends upon the income as revealed from the analysis. Rural consumers do not wait for the special occasion to buy new clothes rather whenever they get the outfit of their choice in the market , they buy it .This behaviour again refers to the increasing disposable income in the hands of rural consumers. The favoured cosmetics and toileteries are aftershave lotion, fairness cream and talcam powder which happened to be traditionally used by urban population but now has become the lifestyle of rural consumers also. TV is the most popular source for getting informed about the upcoming fashion trends being dissiminated through serials, live shows, advertisements, celebrity endorsement etc. Exept Jeans and T-Shirts, rest of the lifestyle outfit products are used in traditional way among the rural consumers. That may be because of the late adoption of radically different style of shoes, shalwar -jumper etc. Artificial jewellery is also occasionally worn by the rural women that indicates the non-acceptance and negative perception towards loud look of women in day to day life .

**6.2. Media Habits and Entertainment Modes:** - Due to the increase in literacy rate and penetration of conventional media, the perception and attitude of rural consumer is moving towards proper consumerism. The reach of TV and satellite has made noticeable impact on the lifestyle of rural household as they get exposed to cluster of latest information. In post

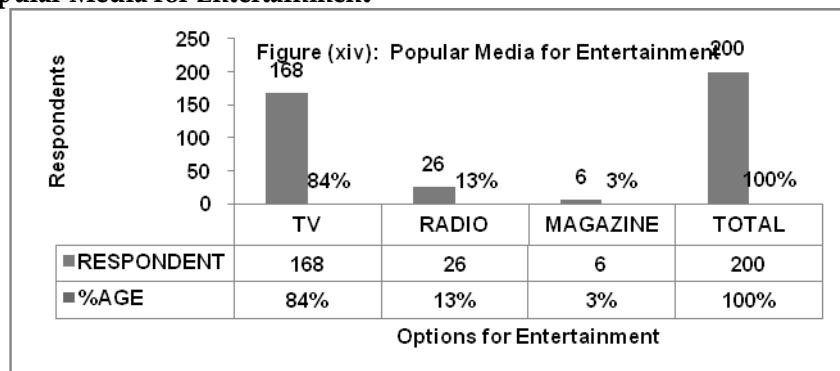
liberal era, the culture of shopping at Mall has been taken as entertainment accompanied with eating at restaurant/hotels.

**Fig: (xiii) Preferential modes of Family Entertainment -**



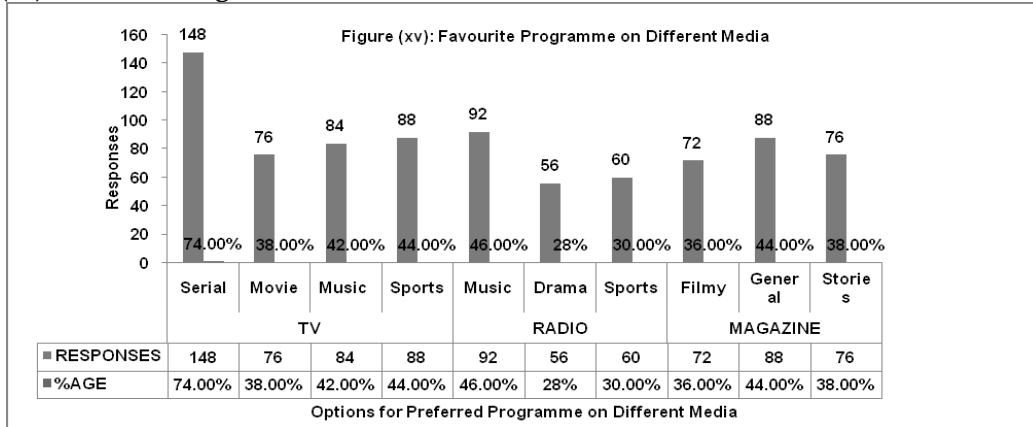
It is inferred from figure (xiii) that in order to entertain themselves in leisure time 28% rural people prefer to go to nearby restaurant followed by 20% visit nearby movie hall, 22% prefer to listen music of their choice, while 10% to 12% used to visit either bazaar or mall situated in nearby town, and finally 6% mainly the old ones prefer to chat with their friends at choupal. The remaining 22% are not certain about utilising their leisure time, they may go for any of the above options or find suitable to remain in their house and play with their children.

**Fig: (xiv) Popular Media for Entertainment -**



It is clear from figure (xiv) that a big majority of 84% prefer TV as a media for entertainment followed by radio and magazine, which are just 13% and 3% respectively. Whether the person is young or old, male or female, prefer TV to other media for entertainment.

Fig: (xv) Favourite Programme on Different Media -

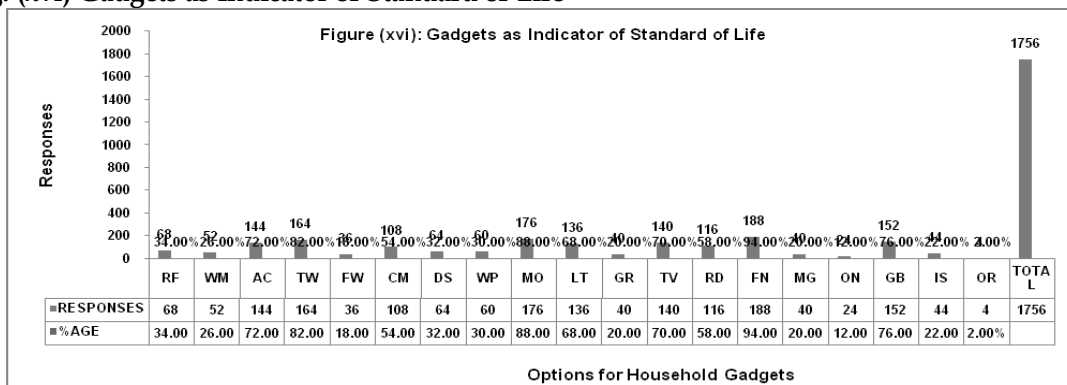


It is evident from figure (xv) that TV serials are the preferred media having 74% audience in its favour followed by 44% for sports, 42% for music and 38% for movie. In the case of radio the preferred programme is music (46%) followed by sports commentary (30%) and drama (28%). For the print media i.e. magazine, 44% prefer general information to read followed by 38% stories and film news 36%.

It is exhibited from the figures (xiii-xv) that recreational activities and out of home visit to restaurant and movie hall are towards higher trend. TV is found to be the most favoured media and the market analysis also shows the increasing percentage of rural households having TV sets in their houses. Serials and family dramas are being watched by nearly 74% rural household followed by music on radio and general information in magazines. Reading habits are missing among consumers as only 3% households have rated it as their favourite media.

**6.3 Use of Technology in the consumption of Lifestyle goods:** - The Indian customers are increasingly adapting their preferences to the new technologies. The technology has entered the day to day life of rural households too in the form of gadgets used to make the life easy and comfortable. The rural population is ready to use the technologically interfaced services like mobile and internet high utility products like automobiles to laptop.

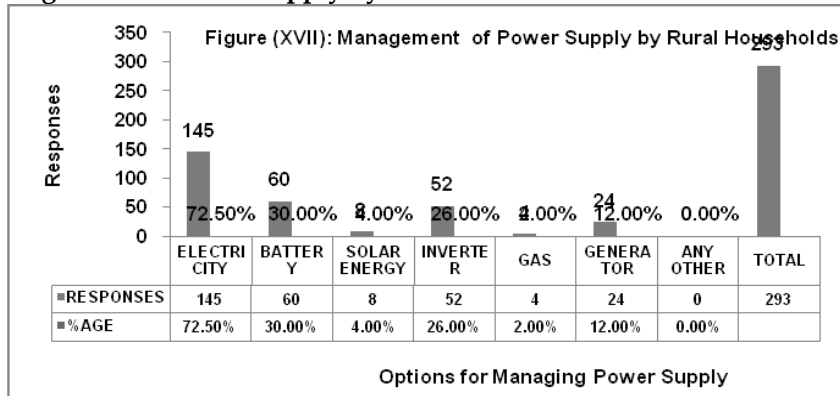
Fig: (xvi) Gadgets as Indicator of Standard of Life -



**RF:** Refrigerator, **WM:** Washing Machine, **AC:** Air Cooler, **TW:** Two Wheeler, **FW:** Four Wheeler, **Computer,** **DS:** DVD System, **WP:** Water Purifier, **MO:** Mobile, **LT:** Laptop, **GR:** Geyser, **TV:** Television, **RD:** Radio, **FN:** Fan, **MG:** Mixer Grinder, **ON:** Oven, **GB:** Gas Burner, **IS:** Insulation Stove, **OR:** Others

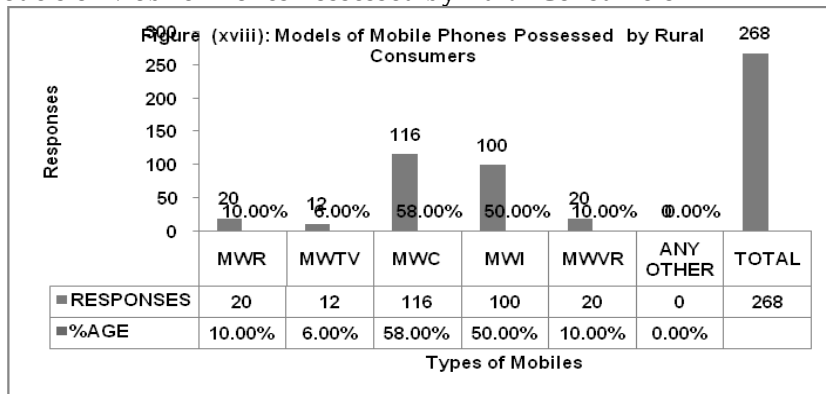
As per Times of India report (September, 2012) rural consumption outpaces urban India and the same is revealed from figure (xvi) that most of the rural households are almost using the same gadgets which their urban counterparts are using like; fan (94%), having mobile (88%), having two wheeler (82%), having gas burner (76%), having air coolers (72%), having laptops (68%), having radio (58%), having computers (54%), having refrigerators (34%), having DVD system (32%), having water purifier (30%), having washing machine (26%), having induction stove (22%), having geyser (20%), having geyser and mixer grinder (20%), having four wheeler (18%), having oven (12%), while 2% are having other household gadgets. As per NSSO (2011-12) data, more than 50% of country’s TV’s, fans, mobiles and 2 wheelers are in rural areas and the same one can easily find by having a glimpse of above figure.

**Fig: (xvii) Management of Power Supply by Rural household -**



The figure (xvii) revealed that the gadgets which rural household are having in their house are managed through electricity (72.50%) followed by battery (30%), inverter 26% and generator 12%. Solar energy and gas has a presence of just 4% and 2% respectively.

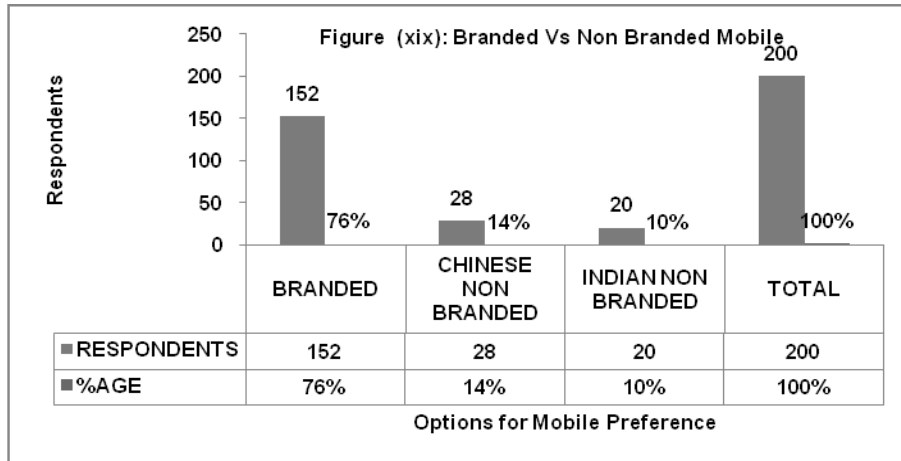
**Fig: (xviii) Models of Mobile Phones Possessed by Rural Consumers -**



It is extended from figure (xviii) that most of the rural households are presently using mobile with camera (58%) followed by mobile with internet (50%), mobile with video recording and radio 10%, and mobile with TV only 6%.

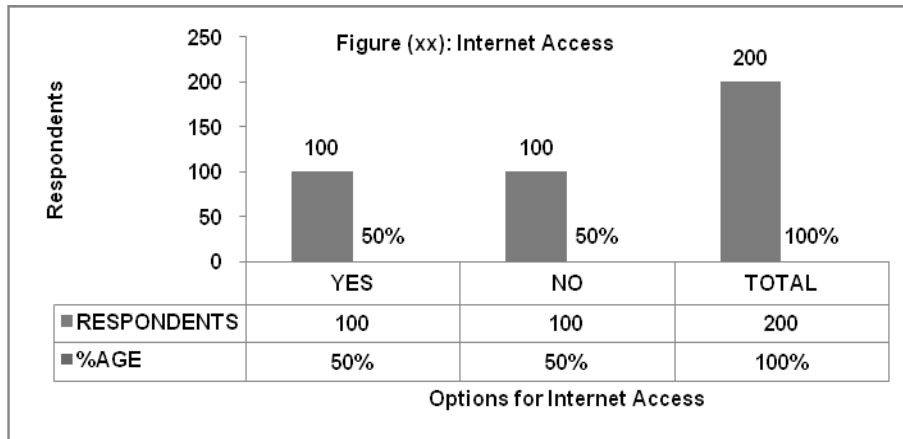
**MWR:** Mobile with Radio, **MWTV:** Mobile with TV, **MWC:** Mobile with Camera, **MWI:** Mobile with Internet, **MWVR:** Mobile with video Recording

**Fig: (xix) Branded VS Non -Branded Mobile set -**



The figure (xix) and its associated table revealed that in future the rural household prefer to purchase branded mobiles (76%) followed by Chinese non branded and Indian non branded just 14% and 10% respectively.

**Fig: (xx) Internet Access -**



It is clear from figure (xx) that 50% of rural household is having internet access at home while the same percentages of households are not accessing it. It is also revealed from table (xx-A) that 63.16% and 55.56% who are involved in business and service respectively, frequently using internet in comparison of those involved in farming or self employed.

**Table (xx-A): Internet usage is Independent of the Occupation -**

Sr.	Options / Occupation	Yes	No	Total	Chi-Square Value
1	Self Employed	8 (40%) (10.00)	12 (60%) (10.00)	20	<b>12.16*</b> <b>Significant</b>
2	Business	48 (63.16%) (38.00)	28 (36.84%) (38.00)	76	
3	Service	20 (55.56%) (18.00)	16 (44.44%) (18.00)	36	
4	Farming	24 (35.30%) (34.00)	44 (64.70%) (34.00)	68	
	<b>Total</b>	<b>100</b>	<b>100</b>	<b>200</b>	

\* Degree of freedom 3, Level of Significance 5%

H<sub>02</sub> has been tested for table (xx-A) by using Chi-square test at 5% significance level. The calculated value (12.16) has been found significant at 5% significance level. The results reject the Null hypothesis in favour of Alternate hypothesis saying that the internet usage is dependent on occupation.

It is evident from the analysis of the figure (xvi-xx) that the Oven, Mixer grinder and washing machine are not commonly used by the rural households. Substantially high usage of Fan (94%), mobile (88%), two wheelers (82%), TV (70%) and laptop (68%) show that living standard is more shifted to the utility based consumption. We can deduce that gradually the items taken as luxury items in past, are now perceived as necessity to live a comfortable and productive life. In this region of Uttar Pradesh still the power supply is managed through electricity rather than battery or inverters. Since battery and inverter require electricity for recharging, hence we can say that irregular and insufficient supply of electricity are the reasons for not using inverters. Camera is the most demanded feature in mobile hand set. Internet services are also preferred by the rural households. It all refers to the lifestyle products that can match the self image of the consumers, no matter if they stay in the rural areas. It is the mind set which is taking turn towards comfortable and stylish life style conditioned with utility and economy based behaviour.

**7. Conclusion and Policy Implications:** - The pyramid structure of Indian customer market has been flattened with huge middle class at the centre and economically deprived class at the bottom. A great shift has been observed from lower end to next upper level of rural and urban market. The affluent behaviour of rural household can be judged as outcome of MANREGA and intervention of technology in agriculture sector and increasing rate of literacy level. The study reveals that lifestyle of rural households is changing but with gradual pace to have conformity with the social, economic and cultural values. Better infrastructure and extensive awareness through media can turn them to huge market of future.

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