CHANGE IN CONSUMPTION PATTERN IN RURAL MARKETS: AN EMPIRICAL STUDY OF SAMBALPUR DISTRICT OF WESTERN ORISSA

UMAKANTA TRIPATHY*: PRAGNYA LAXMI PADHI**

*Lecturer in Economics, Department of BSH, Silicon Institute of Technology, Sambalpur.

ABSTRACT

More than 70% of the population resides in rural India and it is more than 85% in Orissa. India lives in villages and the main occupation of these people is agriculture. It is seeing that there is a new transition of development in agriculture. The rural areas offer great opportunities to marketers for selling their goods and services, as half the national income is generated there. The Indian rural market has been growing steadily over the years and is a big market for both consumer products and agricultural inputs. The government’s support has led to the adoption of modern agricultural technology. As a result, the purchasing capacity of the rural people is increasing, with exposure to education and various media, rural people are changing their consumption pattern. In spite of the vast potential, the rural market is not well-exploited, mainly due to many limitations and constraints. Rural people are traditional and conservative. Transportation poses a big challenge. Banking and credit facilities are not extensively available. Rural distribution channel sometimes involves more number of intermediaries. The low rate of literacy coupled with multiplicity of languages and dialects make marketing communication in rural areas much more difficult. In the light of this background, this article presents the findings of an empirical study regarding the consumption pattern of people in rural areas of selected villages of Sambalpur district of western Orissa among both consumers and retailers, to understand the consumption profile and behavior.

KEYWORDS: Transportation, banking and credit, distribution channel, literacy rate, marketing communication, consumers and retailers, marketing communication.