

## **Socio Economic Conditions and Consumption Expenditure Pattern of Selected Rural Consumer Households In Vilavancode Taluk**

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### **Abstract**

The present study deals with the socio economic conditions and consumption expenditure pattern of selected rural consumer households in vilavancode taluk. The rural consumers face various problems like adulteration, short weighing and measuring, lack of safety and quality control in appliances and equipment's, electrical and mechanical, unfair warranties and guarantees, imitation, sales gimmicks and unreasonable pricing. The required primary data was collected from 142 consumer households through simple random sampling.

### **Introduction**

With the growth in rural markets and due to poor knowledge about their rights and lack of skills to take a rational decision based on information about the product or services, the rural consumers in India are being exploited in many ways. The rural consumer has been made to endure sub-standard products and services, adulterated foods, short weights and measures, spurious and hazardous drugs, exorbitant prices, endemic shortages leading to black

marketing and profiteering, unfulfilled manufacturing guarantees and host of other ills. The rural consumers who generally depend on weekly markets to purchase essential things are often cheated due to lack of choice. The rural consumers in India are generally ignorant and they are also unorganized. Thus, they are exploited by the manufacturers, traders and the service providers in different ways. The rural consumers are not only scattered but also diverse and heterogeneous. As a result of globalization and liberalization, the rural market in India has become the largest potential market in the world. Thus, there are vast opportunities for rural marketing. The manufacturers and traders take advantage of the condition of the rural consumers. It has been observed that the condition of the rural consumers is deplorable because they are largely exploited in the rural markets on account of lack of competition among the sellers. The rural consumers face various problems like adulteration, short weighing and measuring, lack of safety and quality control in appliances and equipment's, electrical and mechanical, unfair warranties and guarantees, imitation, sales gimmicks and unreasonable pricing.

**Key Words:** Rural consumers, Socio-Economic Conditions, Expenditure Pattern, Purchasing Problems.

## **Statement of the problem**

Rural consumers who purchase essential things are often cheated due to lack of choice. The products available are substandard, adulterated food, short weight. Many people in rural India are living below poverty line and their primary occupation in agriculture is agriculture. More than 70 per cent of the people are in small-scale agricultural operation. These factors influence their consumption pattern. Generally consumption of food items increases with increase in income of the consumer households. The difference between the poor and the rich in terms of nutrition intake is wider in rural areas. Consumption pattern of different income groups across categories of food items like cereals, pulses, milk, fruits and vegetables, fish and meat, exhibits much variations all these factors will influence the development of their household and the rural economy. In this contest an attempt has been made in this study to analyze Socio Economic Conditions and consumption Expenditure Pattern of Selected Rural Consumer Households in Vilavancode Taluk.

## **Objectives of the study**

The main objective of the present study is to analyze Socio Economic conditions of selected rural consumer households in Vilavancode Taluk. However, the specific objectives are given in the subsequent lines.

- (I) To understand the socio –economic conditions of selected rural households in Vilavancode Taluk.
- (II) To analyse the problems of selected rural households while purchasing.
- (III) To identify rural households consumption expenditure pattern.
- (IV)

## **Methodology of the study**

In any research whether it is explorative or innovative it is essential to state clearly its research design, sample design, data source and statistical tools and techniques adopted. The present study is empirical and analytical. The methodology of the present study described below.

## **Sampling method**

Multi Stage Random Sampling method was used to select the consumer households for the survey. Kanniyakumari district is divided into four taluks and the respondent was selected from vilavancode taluk rural consumer households only. Equal Proportion method adopted. The total sample size of the study was 142 households.

## **Sources of data**

Primary Data are made use in the analysis. Primary Data have been collected by using well-structured schedules from the 142 selected sample rural households of Vilavancode Taluk. For the purpose of study, the researcher has designed and pre-tested the interview schedule to collect Primary Data from the selected households living in rural areas during the year 2019. The pre-tested schedule required modification, correction, elaborations and omissions before using for field study. After the collection of required data, the information was processed with the help of a SPSS package.

## **Statistical tools of analysis**

To analyze the socio-economic conditions simple tools like percentages have been used. To identify the relative importance of various monthly expenditure weighted average rank

analysis has been used. To analyse the intensity of various problems confronted by the selected sample rural consumer households weighted average has been computed.

### Analysis and interpretation of data

The life of the people is based on socio – economic conditions. Similarly to understand the social conditions of rural consumer households, it is necessary to study their demographic, cultural and economic condition.

#### 4.1. Gender wise classification

Now-a-days both male and female are involved in the working activity. The table 4.1 reveals the gender wise classification of selected rural consumer households.

**Table 4.1**  
**Gender wise classification**

S.No	Gender	No. of Households	Percentage
1	Male	76	53.52
2	Female	66	46.47
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

From the table 4.1 it is clear that 46.47 per cent of the households are females and the 53.52 per cent of the households are male. The researcher found that majority of the households is male.

#### 4.2. Age wise classification

The sample households are classified on the basis of age and it is presented in table 4.2.

**Table 4.2.**  
**Age wise classification**

S.No	Age (in years)	No. of Households	Percentage
1	20-29	29	20.42
2	30-39	51	35.91
3	40-49	47	33.09
4	50 and Above	15	10.56
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

From the table 4.2. It was found that, 35.91 per cent of the sample households belongs to the age group 30-39 years, 33.09 per cent belongs to 40-49 age group. 20.42 per cent in the age group of 20-29 years, and the remaining 10.56 per cent of the sample households belongs to the age group of 50 and above years. However it is found that, majority (35.91 per cent) of the sample households are in the age group of 30-39 years.

### 4.3. Marital status of households

The sample households are classified on the basis of marital status and it is presented in table 4.3.

**Table 4.3.**  
**Marital status of respondents**

S.No	Marital status	No. of Households	Percentage
1	Married	97	68.30
2	Unmarried	23	16.19
3	Widows	18	12.67
4	Divorced	4	2.81
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

The table 4.3 reveals the fact that, 68.30 per cent of the households are married, 16.19 per cent of the households are unmarried, 12.67 per cent of the households are widows and the remaining 2.81 per cent of the households are divorced.

However it is found that, majority (68.30 per cent) of the sample households are married.

### 4.4. Types of Family of households

The types of family are divided into two categories and presented in the following table 4.4.

**Table 4.4.**  
**Types of Family of households**

S.No	Type of Family	No. of Households	Percentage
1	Joint	23	16.19
2	Nuclear	119	83.80
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

From table 4.4. It is clear that 16.19 per cent of the households have joint family and the remaining 83.80 per cent of the households in nuclear family.

It is found that majority (83.80 per cent) of the sample households belongs to nuclear family.

#### 4.5. Educational status of Households

The educational households are classified on the basis of educational status and it is presented in table 4.5.

**Table 4.5**  
**Educational status of households**

S. No	Education	No. of Households	Percentage
1	Illiterate	7	4.92
2	SSLC	31	21.83
3	HSC	83	58.45
4	Above Degree	21	14.78
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

From the table 4.5 it was found the 21.83 per cent of the sample households have SSLC, 58.45 per cent of the sample households have HSC education, 4.92 per cent of the sample households are illiterate and remaining 14.78 per cent of the sample households have above degree holders. However it is found that, majority (58.45 per cent) of the sample households possess HSC holders.

## 4.6. Number of Earning Members in the Family

The income of the family depends upon the number of earning members. When there are more earning member of the family, household income increases as a result, that family may have a high standard of living. The following table 4.6 shows the number of earning members in the family.

**Table 4.6**  
**Number of Earning Members in the Family**

S.No	Earning Members	No. of Households	Percentage
1	One	37	26.05
2	Two	79	55.63
3	Three	16	11.26
4	Above Three	8	5.63
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

From the table 4.6. it is clear that, 26.05 per cent of the households have only One earning member, 55.63 per cent of the households have two earning members, 11.26 per cent of the households have three earning members and the remaining 5.63 per cent of the households have above three earning member. However it is found that, majority (55.63 per cent) of the sample households have two earning members in their family.

## 4.7. Monthly Income of the Households

The sample households are classified on the basis of monthly income and it is presented in table 4.7.

**Table 4.7.**  
**Monthly Income of the Households**

S.No	Monthly Income (In Rs.)	No. of Households	Percentage
1	Less than Rs.7999	44	30.98
2	Rs. 8000-9999	41	28.87
3	Rs. 10000-11999	31	21.83

4	Above Rs. 12000	26	18.30
	<b>Total</b>	<b>142</b>	<b>100</b>

Source: Primary Data

From the table 4.7., it was found that 30.98 per cent of the sample households are getting monthly income less than Rs. 7999, 28.87 per cent of the sample households are getting income between Rs. 8000-9999, 21.83 per cent of the sample households are getting monthly income Rs.10000-11999 and the remaining 18.30 per cent of the sample households are getting above Rs.12000 as monthly income. The researcher found that, majority (30.98 per cent) of the sample households are getting less than Rs.7999 as monthly income.

## 4.8. Monthly Expenditure

The households monthly expenditure is given weights and the mean score is calculated and ranked.

**Table 4.8.**  
**Weighted Average of Monthly Expenditure**

Particulars	Weight						Total
	6	5	4	3	2	1	
Food	63	57	22	0	0	0	142
Clothing	0	21	43	20	22	36	142
Electricity	0	0	8	42	64	28	142
Medicine	60	42	13	6	14	7	142
Fuel	8	7	5	58	42	22	142
Miscellaneous	11	15	51	16	0	49	142
Total	142	142	142	142	142	142	



**Table 4.9.**  
**Calculation of Weighted Average Mean**

Particulars	Weight						( $\sum fx$ ) Total	$\sum fx/N$	Rank
	6	5	4	3	2	1			
Food	378	285	88	0	0	0	751	5.28	1
Clothing	0	105	172	60	44	36	417	2.93	4
Electricity	0	0	32	126	128	28	314	2.21	6
Medicine	360	210	52	18	28	7	675	4.75	2
Fuel	48	35	20	174	84	22	383	2.69	5
Miscellaneous	66	75	204	48	0	49	442	3.11	3
Total	852	710	568	426	284	142	2982	---	---

$$\text{Weight} = 1+2+3+4+5+6 = 21$$

$$\sum w = 21$$

$$\text{Rank} = \frac{\sum fx}{\sum w}$$

$$= \frac{2982}{21}$$

**Table 4.10.**  
**Computation of Rank for Monthly Expenditure**

Preference	$\sum fx$	$\sum w$	$\sum fx/Ew$	Rank
Food	751	21	35.76	1
Clothing	417	21	19.85	4
Electricity	314	21	14.95	6
Medicine	675	21	32.14	2
Fuel	383	21	18.23	5
Miscellaneous	442	21	21.01	3
Total	2982	---	--	--

Source : Computed data

The table 4.10 reveals that, among the various expenditure the consumer spent more for food which hold first rank followed by medicine got second rank. The consumer spent towards

miscellaneous items got third rank, followed by clothing received fourth rank. The amount spent for fuel and electricity has fifth and sixth rank respectively.

## 4.11. Problems Faced to Consumer Households

The problems available in the purchasing place of the households are given weight and the mean score is calculated and ranked.

**Table 4.11**  
**Problems of Rural Consumer Households**

S. No	Problems	Weight						Total
		6	5	4	3	2	1	
1	Lack of Information	42	42	43	7	0	8	142
2	Illiteracy	13	49	22	8	21	29	142
3	Adulteration	35	15	18	22	22	30	142
4	Attractive Package	22	15	16	33	28	28	142
5	Exploitation	17	7	21	43	35	19	142
6	Unorganized Customers	13	14	22	29	36	28	142
Total		142	142	142	142	142	142	

**Table 4.12.**  
**Calculation of Weighted Average Mean**

Particulars	Weight						$(\sum fx)$ Total	$\sum fx/N$	Rank
	6	5	4	3	2	1			
Lack of Information	252	210	172	21	0	8	663	4.66	1
Illiteracy	78	245	88	24	42	29	506	3.56	2
Adulteration	210	75	72	66	44	30	497	3.50	3

Attractive Package	132	75	64	99	56	28	454	3.19	4
Exploitation	102	35	84	129	70	19	439	3.09	5
Unorganized Customers	78	70	88	87	72	28	423	2.97	6
Total	852	710	568	426	284	142	2982	---	---

$$\text{Weight} = 1+2+3+4+5+6 = 21$$

$$\sum w = 21$$

$$\begin{aligned} \text{Rank} &= \frac{\sum fx}{\sum w} \\ &= \frac{2982}{21} \end{aligned}$$

**Table 4.13**  
**Computation of Rank for Consumer's Problems**

Preference	$\sum fx$	$\sum w$	$\frac{\sum fx}{Ew}$	Rank
Lack of Information	663	21	31.57	1
Illiteracy	506	21	24.09	2
Adulteration	497	21	23.66	3
Attractive Package	454	21	21.61	4
Exploitation	439	21	20.90	5
Unorganized Customers	423	21	20.14	6
Total	2982	--	--	--

Source: Computed data

The table 4.13 reveals that, among the different problems in the purchasing place, the major problem of the households with regard to the lack of information about goods. Illiteracy is the second important problem which got second rank, followed by adulteration got third rank. The consumers are addicted attractive package got the fourth rank. Exploitation of consumers is the fifth important problem. The last important problem is unorganized consumers. This is also one of the most common problems faced by consumers nowadays. The customers are widely scattered and they are not united.

## **FINDINGS AND SUGGESTIONS**

### **Findings**

1. The researcher found that, out of the 142 households, majority of the sample households (53.52 per cent) are females.

2. Nearly one third of the sample households (35.91 per cent) are in the age group of 30-39 years.

3. Majority of the sample households (68.30 per cent) are married.

4. Eighty four per cent of the sample households (83.80 per cent) are from nuclear family.

5. The researcher found that, out of the 142 households majority of the sample households have (58.45 per cent) Higher Secondary education.

6. The researcher found that, out of the 142 households, majority of the sample households (55.63 per cent) have two earning members in their family.

7. Out of the 142 households, majority of the sample 30.98 per cent are getting less than 7999 as monthly income.

8.1. The researcher found that, among the various expenditures, the worker spent more for food which hold first rank followed by medicine got second rank. The workers spent towards miscellaneous items got third rank, followed by clothing received fourth rank. The amount spent for fuel and light has fifth and sixth rank respectively.

8.2. The researcher found that, among the different problems while purchasing goods. The major problem of the households with regard to the lack of information about goods. Illiteracy is the second important problem which got second rank, followed by adulteration got third rank. The consumers are addicted attractive package got the fourth rank. Exploitation of consumers is the fifth important problem. The last important problem is disorganized workers. This is also one of the most common problems faced by consumers nowadays. The customers are widely scattered and they are not united.

### **Suggestions**

The present study reveals the socio – economic conditions of rural consumer households in Vilavancode Taluk.

1. The government should take necessary steps to ensure the supply of necessary goods with good quality and normal price.

2. Market network needs to be strengthened for providing both backward and forward linkages for rural people.
3. Literacy levels of the different consumers should be improved so they can perform better.
4. Pricing policy and practices should be designed and implemented in uniform way.
5. Anti social activities should be stopped with the imitation of government.
6. Consumer awareness programmes are to be organized from time to time to protect the consumers from malpractices. It leads to the consumers should be encouraged to know goods qualities and quantities.

## Conclusion

In a developing country like India, state intervention in the economic life of the community has become a necessity. India being a welfare state, the government of India has taken upon itself the role of protector, controller and guardian of the citizens. Consumers are noted for their global importance. They have an essential role to play in developed, developing and underdeveloped countries. In the economic development of a country private enterprises play a vital role and so the success of planned economy is based on the growth of private enterprises.

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