

Consumer Behavior in Rural Markets Being Reshaped by Disruptive Technology and Social Media Use (SMU): A Review.

Manish Kumar

Ph.D. Research Scholar, 2022 batch, ICFAI University Jharkhand

Email: manish.phd2022@iujharkhand.edu.in,

ORCID-0009-0003-8261-0813

Dr Manish Kumar

Associate Professor, ICFAI University Jharkhand

Email: manish.kumar@iujharkhand.edu.in

Abstract

Almost every area of daily life has changed as a result of the emergence of the Internet, including how consumers connect with one another and learn about product offers as well as how they shop for and purchase goods and services (kim & Lennon, 2008). More consumers are using the internet for a wide range of activities, including shopping and leisure.

There are few studies that have been reported that seek to integrate study findings across studies from a theoretical rural marketing and consumer behaviour perspective, despite the growing interest and attention paid to online consumer behaviour over the past ten years. This literature gap has inspired research into other gaps in the literature as well as this publication. There have been few efforts in relation to rural marketing to incorporate research findings into information systems and other related fields in order to understand online customer behaviour from the perspective of information systems.

The goal of this study is to give a review framework that helps people understand disruptive technologies, such as social media and its impact on marketing to rural areas and other examples.

The Howard & Sheth model of consumer behaviour is extended and used in this research as a framework for synthesising findings from the literature.

Keywords-Social Media Use (SMU), Disruptive Technology, consumer behaviour, Rural marketing

Introduction- Disruptive technologies and developments have been crucial in recent years in building value for new markets (Appio, lima, & paraoutis, 2019; Kumaraswamy, garud, & ansai, 2018). Traditional market sectors have been reevaluated as a result of a convergence in the fields of media, consumer electronics, IT, and telecommunications. This convergence has contributed to changes in society expectations and behaviours (elbeck, 2018; hargadon & douglas, 2001)

Disruptive Technology- Emerging technologies that aspire to replace the market leader in each market category are known as disruptive technologies (elbeck, 2018, hargadon & douglas 2001; Reinhardt & gurtner, 2015).

It is either a groundbreaking product that establishes a brand-new industry or one that replaces an existing technology and upends the market. Disruptive technology was first used by professor Clayton M. Christensen of Harvard Business School. In Clayton M. Christensen's model, a new entrant provides an alternative product employing technology that is less expensive but initially subpar compared to products provided by mature incumbents.

Startup businesses have potential to establish themselves significantly in established industries thanks to disruptive technology. Early adopters of the new technology can position themselves as thought leaders in an untapped market. The scope of DT is expanding each time as new developments play a significant role. Disruptive technologies include, for instance, 3D printing, 5G and enhanced connection, blockchain, non-fungible tokens (NFT), AI and ML, AR and VR, Automation and Robotics, cyber security advancements, headless technology, wearable technology, drones, autonomous vehicles, etc.

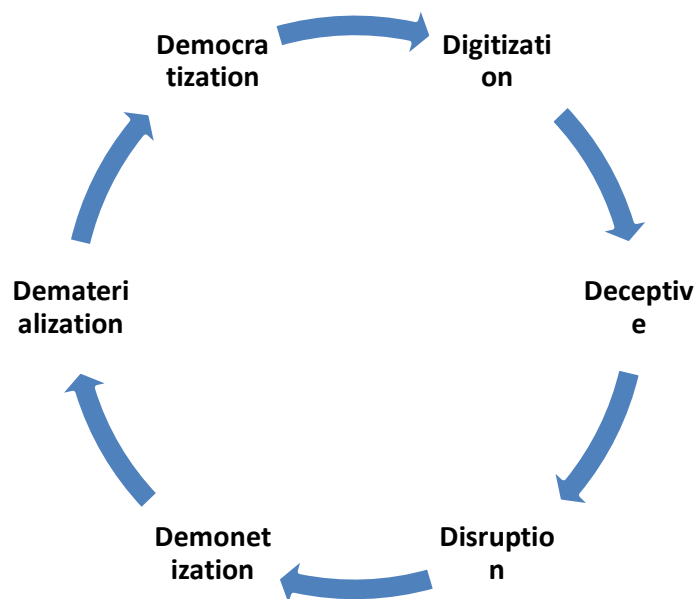
How it is different from innovation?

Innovation is neither disruptive nor sustainable until it gradually enhances the existing product. However, if it serves an entirely different group of clients or fundamentally alters how the product has previously been used, the innovation qualifies as disruptive.

The American academic Clayton Christensen and his team started developing the disruption innovation concept in 1995, and it has been dubbed the most important business concept of the

early twenty-first century. For instance, because early automobiles were expensive luxury items that did not disrupt the market for horse-drawn vehicles, they were not disruptive innovations when they were introduced in the late 19th century. Up until the 1908 release of the less expensive Ford Model T, the transportation business virtually remained unaffected. Because it revolutionised the transportation industry, unlike the first thirty years of automobiles, the mass-produced automobile was a disruptive innovation.

6-D's of Technology Disruption: In his best-selling book *Abundance*, SU Executive Founder and Director Peter Diamandis outlines a theory for the exponential growth of a digital solution known as the Six Ds of Exponentials.



1. **Digitization:** From music to biotechnology, it is intimately related to the use of binary or zero and one combinations. Everything that is converted to digital form experiences the same exponential expansion as computing does. Digital information is simple to disseminate, exchange, and obtain. It can disseminate as quickly as the internet.

2. **Deceptive:** When something first begins to be digitalized, its initial period of growth is misleading because nobody can be certain. because at first glance, exponential trends don't appear to expand very quickly. Doing double. 01 is all you get. 02, then . 4 and so forth. However, once it surpasses the entire number barrier, exponential development truly takes off.

3. **Disruption:** The new market that exponential technology produces disrupts the present market for a good or service because digital technologies exceed them in terms of efficiency and price. If a smart phone with internet access is already on the market, there is no point in purchasing CDs.

4. **Demonetization:** As technology grows more affordable, frequently to the point of being free, money is progressively removed from the equation. Anyone may access terabytes of information and take use of a wide range of services using a smart phone at expenses that are close to \$0.

5. **Dematerialization:** Dematerialization is the complete removal of the original product. We take separate physical products out of the equation. For instance, the market for watches, emergency lights, digital cameras, note books, etc. has been impacted by an innovation like the smart phone.

6. **Democratization:** At this point in the innovation process, everyone can afford to produce and adapt new ideas. At this time, the technology is widely available, everyone can use it to make their life easier, and the product is being used on a daily basis.

Consumer behavior- Technology advancements and the widespread usage of mobile devices, which have had a big impact on how people connect and utilise social media and digital marketing, have transformed consumer behaviour in important ways. This has improved consumer perceptions of online shopping, increasing market share for businesses focused on e-commerce (Breidbach & Tana, 2021).

Social media and the internet have an impact on consumer behaviour and company processes. By lowering expenses, enhancing brand recognition, and boosting revenues, social and digital marketing benefits businesses (chohan & Paschen, 2021). Globally, billions of people now regularly use the internet, social media, mobile applications, and other digital communication technology (Dwivedi et al, 2021). 4.54 billion people, or 59 percent of the world's population, are internet users as of January 2020. (Statistica, 2020).

Disruptive technology has altered how marketers view information and use it to engage, delight, and influence consumer behaviour (Basha et al, 2021; breidbach & Tana, 2021; Le & Hsu, 2021). The buyer's culture, subculture, and socioeconomic status must be understood by marketers. There is a social class structure in almost every civilization. The generally stable and organised divisions of society into social classes are made up of people who have similar beliefs, pursuits, and behaviours. Social class is measured as a combination of occupation, income, education, wealth, and other characteristics rather than being determined by a single element, such as income.

Because members of a particular social class have a tendency to behave similarly while making purchases, marketers are becoming more interested in social class. Social classes exhibit distinctive brand and product preferences in categories like apparel, home decor, travel and leisure, financial services, and vehicles.

Social elements, such as a consumer's small groups, social networks, family, and social roles and status, also have an impact on their behaviour as consumers. A new form of social contact, namely online social networking or social media, has emerged in recent years. Online communities known as social media are places where people can interact or share ideas and opinions. Blogs, discussion boards, social media platforms, and even cooperative purchasing sites are examples of social networking networks. These C2C and B2B discussion formats used online have a significant impact on marketers.

Marketers are attempting to market their products and create strong client relationships by utilising the power of these new social networks and other social media.

Social Media- Social media have been extremely important since society has quickly become more social and mobile. People now gather on a plethora of independent and for-profit social networks to interact and share messages, opinions, images, videos, and other types of information. One billion of the 1.6 billion individuals who are active on Facebook alone upload 350 million images daily, generate 4.5 billion likes, and share 4.75 billion pieces of content. (Google as source)

The vast social media wave is currently being ridden by most marketers. A US survey found that 92 percent of US firms now consider social media to be an essential tool for their expanding operations. Intriguingly, social media platforms themselves are learning how to make their communities become ideal platforms for marketing content, in a way that benefits both social media users and companies, at the same time as marketers are learning how to utilise social media to engage customers.

The ability to engage users and encourage social sharing is social media's major benefit. More than any other medium, social media allows for customer participation in creating and disseminating brand content, experiences, knowledge, and ideas. However, social media also comes with certain difficulties. How to use and evaluate the outcome efficiently. The second biggest problem is that social media are heavily influenced by the users. The corporation wants to become a part of

consumers' lives and conversations by leveraging social media. Because users have such sway over social media posts, even campaigns that appear to be benign on the surface can go awry.

Rural Marketing- India has 7,00,000 villages, not just a few big cities, where rural marketing is practised. "Villages are still the foundation of India, giving us the food grains, vegetables, and fruits that are essential to our survival." More than 60% of people live in rural areas and rely on agriculture, dairy, related industries, handicrafts, and other businesses. There is a high demand for the goods produced by rural groups at the village, town, city, regional, national, and international levels. For a developing economy like India, rural marketing is essential.

The Latin term "Marcatus," which means goods or commerce or a location where business is done, is the source of the English word "market." Marketing is described as a commercial activity intended to reasonably satisfy client needs and wants, typically through an exchange process. Rural typically refers to an area that is sparsely populated and is located outside of a city or town, as well as a defined commercial, industrial, or residential core. Rural organisations are those that operate out of rural locations. Nowadays, cottage, micro, small, medium-sized, and large-scale businesses operate from rural locations. Farmer Producers' Organizations are growing rapidly as the concepts of producers' organisations and self-help groups catch up with the backing of finance institutions. The term Rural Marketing is a synthesis of two words – Rural and Marketing.

Any marketing activity when the primary participant is from a rural location is considered rural marketing. This suggests that marketing of inputs (goods and services) to the rural market as well as marketing of outputs from rural markets to other geographic areas comprise rural marketing (Kotler, P., Keller K., Koshy A., Jha M.,2009).

Social media, Rural Consumer behaviour & rural marketing-

Rural Consumer behavior- Marketers and businesspeople have taken advantage of consumers all around the world. They are the unfortunate victims of poorer quality items, tampering with pricing, black marketing, fake scarcity, less-weighted products, and appealing product packaging.

As the majority of our nation, or 70% of the population, relies on the primary sector, or agriculture and agricultural economy, we must focus on the research of rural consumer behaviour. They lack a basic understanding of market conditions and are primarily illiterate. Mediators frequently take advantage of the consumers by interfering. Consumers in rural areas differ significantly from those in metropolitan areas. They lack the necessary purchasing power and lack field knowledge. They are also incapable of making decisions on purchases.

Rural Consumer- They live in rural areas, lack literacy, have limited bargaining power, no awareness of the marketing environment, and are illiterate. They have no interest in spending a lot of money on branded, high-quality goods. But over time, individuals are also becoming accustomed to using technology in their daily tasks. The hamlet residents' way of life is changing along with the country's current economic progress.

Rural setting Consumer attitudes have a greater impact on the sales of goods and services related to agriculture, horticulture, and handicrafts. In particular, when making purchasing decisions, consumers have certain specific beliefs, feelings, trust, goodwill, and consistency regarding some branded trademark goods and services.

Agriculture marketing strategy for the production of various rural goods should always be client-focused. When customer satisfaction increased, not only did rural customers continue to be served, but new customers were also drawn in. This is possible if the rural manufacturer or former sells their goods at competitive pricing and high quality.

There are Five popular inter disciplinary dimensions of consumer behaviour-

1. Economics Demand, supply, Purchasing power and income earnings of the Rural areas.
2. Psychology Needs, motivation, personalization, perception, attitudes, and learning.
3. Sociology Society, Social class or Community, consumers, Power, esteem, status of consumers. (example agricultural farmers using fertilizers and pesticides).
4. Socio Psychology Group behaviour, Group influences, Conformity of group (example DWAKRA Self Help Groups (SHGs)).
5. Cultural Anthropology Beliefs, sentiments values, Attitudes towards wealth, Joint family maintenance system, caste systems.

Internal determinants of Rural consumer behaviour-

1. **Consumer motivation in rural areas-** Motivation is a process that begins with a physiological or psychological deficit or need that initiates behaviour or a drive that is focused on a goal or incentive. The motivational behaviour in rural areas requires extensive study. People in rural areas often stick to their inclinations. This has a significant impact on how they view the things that are being presented.

2. **Rural consumer learning-** According to Philip Kotler's concept, a person's learning attitude causes a lot of changes in his or her behaviour as a result of experience. The majority of human behaviour is acquired during the course of life. A more favourable outcome is obtained when consumers adopt a trial-and-error mentality.

3. **Attitudes and perceptions of rural consumers-** A person's long-term positive or negative cognitive judgments, emotional reactions, and behaviour preferences toward an idea or an object are referred to as their attitude. Consumers in rural and village areas have particular perspectives on their requirements and wants. Their attitudes put them in a likes-and-dislikes mindset that helps them achieve their goal. The process by which a person chooses, arranges, and analyses stimulating stimuli into a meaningful and cohesive manner is known as perception. Services, packages, brand names, and ads are stimuli, which are sensory inputs. The human organs that take in sensory information are known as sensory receptors. The quick, direct reactions of the sense organs to uncomplicated stimuli are referred to as sensation.

4. **Rural consumer personality**—A person's personality affects how they react to advertisements, set priorities, and make decisions while choosing a product or service. Personality refers to a person's traits, routines, priorities, and attitude toward choices. It aids marketers in choosing how, when, and where to advertise products and services.

5. **The lifestyle or life cycle of the rural consumer-** Social Status is typically comprised of an individual's attitude, class, and prestige; selection of quality, brand, and product quality; price negotiations; and dealing with the seller are all completely in line with his lifestyle and social status. An individual's purchasing habits and decision-making over purchases are influenced by his or her social position.

External determinants of rural consumer behaviour-

1. **Rural family & social class** – The family is in charge of moulding a consumer's personality. The attitudes of consumers are also greatly influenced by the family's attitudes, tastes, routines, working situations, utility, experiences, and quality of items. In order for members of one class to have roughly the same status as members of another class and for members of other classes to have less or more status, members of society must be divided into hierarchies of distinct status classes. The social standing of its members and their relationships with members of other social classes are used

to determine social class. Occupation, income, educational attainment, and property ownership are only a few examples of the social class variables.

2. **Rural reference groups-** A group or reference group is described as two or more persons who are similar in age, temperament, and aims. Family, friends, formal social groups, shopping groups, consumer's groups, and working groups are examples of consumer reference groups. Consumer behaviour is affected by four fundamental family functions: financial security, emotional support, family dynamics, diffusion of innovations, and socialisation of family members.

3. **Opinion leaders-**Opinion leaders are typically those with the power to sway others' opinions. Opinion leaders may be found in secondary groups. Since most people in rural areas lack access to literacy resources, instructors in elementary and secondary schools can serve as opinion leaders by advising students and their parents on the finest universities, courses, and schools for their studies.

4. **Diffusion of innovation-** The dissemination of innovations is defined as the appearance of new processes and items with the intention of launching them into the market. Sometimes when a new product or service is introduced to the market, just a limited group of individuals or a specific demographic is first targeted to that area. If it is a success, it will be made available to the rest of the market. Growing new crops as needed and testing them among a specific group of people before implementing them on a big scale may be more fruitful for rural farmers.

5. **Rural culture and subculture** - Culture is a broad notion that encompasses everything that affects a person's behaviour and cognitive process. Consumer behaviour is influenced by cultural conventions, standards, and values. Culture norm violations have negative effects and are punished. The importance of culture, subculture, socioeconomic class, and the fundamental societal values must be understood by marketers.

Our research is based on the Howard and Sheth model of consumer behaviour, which may also be used to examine consumer behaviour in rural areas.

A comprehensive integration of the numerous social, psychological, and marketing factors on customer choice into a cogent information-processing flow is the Howard Sheth Model from 1969. It tries to create an empirically testable representation of consumer behaviour and its results in addition to explaining consumer behaviour in terms of cognitive functioning (Howard 1977).

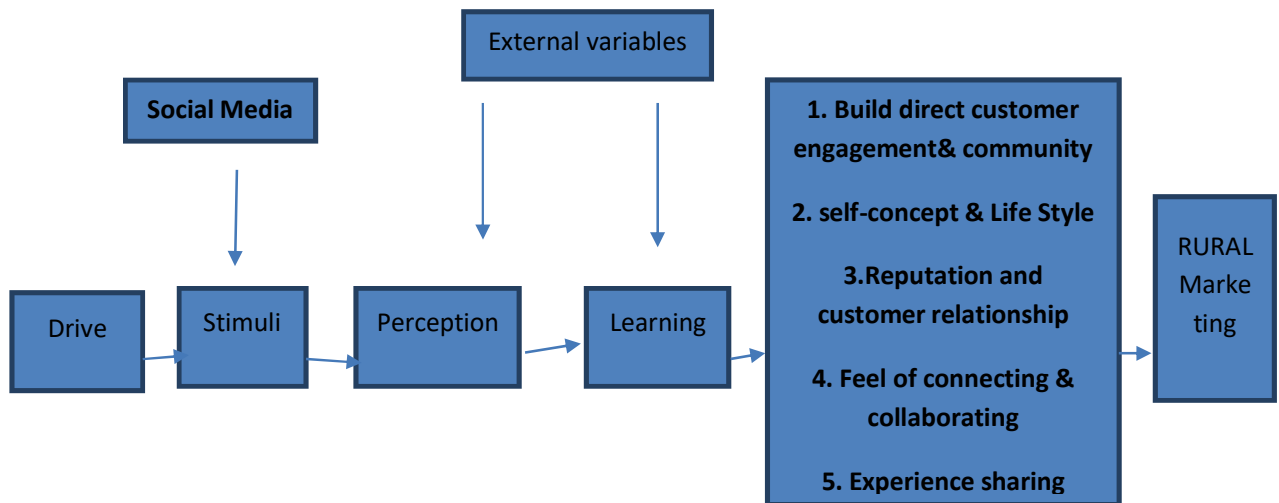
Stimuli are inputs that are available. There are various outputs, ranging from paying attention to a specific stimuli to making a transaction. There are factors influencing perception and learning in the

space between the inputs and the outputs. Since these factors cannot be explicitly measured at the time of occurrence, they are referred to as "hypothetical" variables.

An integrated model is what this one is. It presumes that purchasing will involve troubleshooting and problem-solving techniques as well as the addition of more inputs and outputs. This model demonstrates the steps and types that influence consumer behaviour both before and during the buying process. It highlights the crucial elements like-

- a) Inputs
- b) Perceptual & Learning constructs
- c) outputs and
- d) Exogenous or external variables

It discusses how consumers evaluate several items to decide which one best suits their needs. Needs-based, satisfaction-driven motives are what drive good-directed behaviour. Stimuli such as items, advertisements, and product information are examples of inputs. Motives, attitudes, perceptions, social influences, and individual characteristics all have an impact on consumer behaviour.



(Based on Howard & Sheth model of consumer behaviour)

Social Media & Rural Marketing- Social media marketing makes use of these platforms to increase online presence and market goods and services. Social media platforms are helpful for forming social (and professional) networks as well as for transferring information. Web 2.0 is a movement that describes changes in how users and software developers use the Web and includes social media networking. The Web is being used increasingly collaboratively, which fosters innovation and knowledge sharing. Through open applications and services, users can participate and cooperate online in a more dynamic and user-driven manner. The user must be able to create, distribute, remix, and repurpose content, thus it is essential that it is available to them.

To reach a broad or specific audience, social media marketing employs tools including podcasts, wikis, blogs, folksonomies, online videos, photo and news sharing, message boards, and posts on social networking sites like Facebook and Twitter.

How social media is influencing the rural consumers and ultimately leading to rural marketing-

1. **Increase community and direct consumer involvement-** Customers are more engaged when a large amount of content is shared by the community. Whether we participate in social networking sites, run our own blogs, or contribute to blogs, we need to create engaging and excellent material. Here, rural consumers can also find more interesting content that relates to their interests, such as products, seasonal and meteorological information, information about crops and related activities, information about rural markets, etc.

2. **Self-concept & Lifestyle** - A person's attitude, class, and prestige typically determine their social status, which improves their self-concept. An individual's purchasing habits and decision-making over purchases are influenced by his or her social position. A person's activities, behaviour, interests, opinions, and expressions all contribute to their life style, which is a way of living. Lifestyle depicts how the consumer uses social media as a whole.

3. **Reputation and consumer relationships** - Paid advertising and social media are different. Instead of adopting a sales strategy (i.e., aggressively advertising our product), think about how we might benefit and educate our target audience. For instance, endeavour to provide accurate and reliable information in their native tongue so as to enhance our reputation and client relationships.

4. **More feel of connecting and collaborating** -There is a greater sense of collaboration and connection thanks to social media posts, shares, likes, and dislikes. According to their preferences, rural people also try to convey their thoughts or opinions through social media by simply uploading a photo or a video.

5. **Experience sharing**- Sharing of experiences relevant to the goods and services we provide to the rural consumer. Make contact with these organisations and provide advice and support. Sharing experiences with other users is essential for using such goods or services as rural people become more aware of the effects of using specific seeds, fertilisers, or tools.

6. Improving rural residents' access to primary healthcare and raising awareness of COVID 19.

7. Social media can help people in rural regions with limited resources access important services like health and education.

Limitations-

social media platforms relying on serendipitous information and quality content.

Avoid aggressive or invasive sales tactics using social media sites.

Cyberbullying.

Excessive use of Internet and risky online behaviour.

Consumers value the judgments of colleagues more than their preferences, which indicates an external persuasive power.

Conclusions- Social media is a revolutionary technology that has changed the way we conduct our daily lives. It has altered the way we communicate with others, gather and exchange information, voice our thoughts and grievances, go shopping, and even how we manage our emotional connections. Currently, it is in the democratisation stage of the 6Ds. At this time, the technology is widely available, everyone can use it to make their life easier, and the product is being used on a daily basis. Social media, particularly for rural marketing, is becoming into a key instrument for increased accessibility and reach and, eventually, for maximising the organization's profitability. Rural customer behaviour is still a very difficult task for marketers, and profit maximisation depends on better understanding of rural consumer behaviour and usage of disruptive technology. In this study we have taken only social media as stimuli but other disruptive technology like neuro marketing, big data, IOT, AI & ML, AR & VR may impact the rural marketing in some or greater extent. It may lead to future scope of study in this field.

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