



## CONSUMER PERCEPTION ON THE PUBLIC AND PRIVATE OUTLETS DURING THE PANDEMIC PERIOD: A CASE STUDY OF CASUAL LABOURERS IN KERALA

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### **Abstract**

*Consumption of goods and services determines the living standard of any population. Casual labourers are one of the low consumption strata, whose income is not sufficient to meet their consumption demand. In this article we are trying to analyse the perception of casual labourers towards public and private outlets while making their food consumption choices. Casual labourers depend on subsidised food articles, especially when their income is comparatively low because of temporary unemployment due to pandemic like situation or due to other reasons; provided through various public outlets, as their income is either unstable or very low.*

**Key words:** *Consumer Perception, Casual Labourer.*

### **Introduction**

The standard of living of a person is influenced not only by the level of consumption but also by the pattern of consumption expenditure incurred on various items. Casual labourers are one of the low income strata of the society who are struggling to maintain the level of consumption. A casual worker is a worker on a temporary employment contract with generally limited entitlements to benefits and little or no security of employment. Casual labourers depend both on private and public outlets for maintaining their consumption standards. The degree of dependence on public and private outlets for consumption and the existing accessibility, affordability and availability of various consumption items also influence the consumption standard of households particularly, the marginalised sections such as casual labourers.

### **Objectives**

The following are the important objectives of the study.

- (1) To analyse the perception of casual labourers on public and private outlets.
- (2) To evaluate the dependence of casual labourers on public and private outlets for food consumption.

### **Methodology**

The study uses primary data to analyse various objectives. The determinants of the consumption status of casual labourers and other related issues are studied with the help of primary data collected from the selected district of Kerala. The number of casual labourers per sq.km is used as a critical variable for the selection of a sample district for collecting primary data. Out of the districts which have a density of casual labourers greater than the state average, a district was randomly selected. The district selected for the purpose is Kollam. By using the criteria of precision and confidence level, 450 sample casual labourers are selected. A structured interview schedule was used for elicited information about consumption and related factors. Out of sample households, the number of SC/ST, OBC and General category households are 83, 147 and 220 respectively.



In this article we attempt to analyse the perception of casual labourers on various public and private outlets while purchasing food articles. The procedure for preparing the perception score is as follows. Initially, the influence of perception factors such as price, quality, quantity, packing, etc is assessed with options such as very low, low, normal, high and very high. These options are assigned values one, two, three, four and five respectively. The assigned values are summed up for each factor for getting a perception score with respect to that factor.

In Kerala state, public outlets including the ration retail shops and outlets run by Supply-co and Consumer Fed provide a supporting hand to the low-income sections of the society, when they lose their income and employment due to Covid 19 lockdowns, by providing household articles at a subsidised rate. A large section of casual labourers depends on government outlets for maintaining their food consumption in a proper way.

### **Review on consumption expenditure**

There exists a number of studies related with consumption expenditure and its dimensions. Several studies on consumption and consumption pattern have been undertaken in India and in various parts of the world. Some of these studies are purely theoretical and some others are empirical. Empirical studies in India are mostly based on NSS data and concentrated on broad commodity groups like cereals, pulses; edible oils other food and non-food items.

A large number of theoretical proposition or hypothesis on consumption have been put in empirical evaluation over many decades. The important theoretical proposition put in to empirical verification are: the Keynesian consumption hypothesis (1936), Duesberry's relative income hypothesis(1949), Friedman's permanent income hypothesis (1957), Modigliani's life time hypothesis (1954), Random Walk hypothesis of Hall (1978), the normal income hypothesis of Farrel, the growth hypothesis of Modigliani and Brumberg (1954). In addition to the empirical verification of the above hypothesis, a large number of case studies on consumption expenditure have been conducted at the global, national and local level. The inferences from these empirical surveys provide valid insights for policy decision making.

The above empirical reviews highlight that the consumption expenditure of the marginalised groups such as casual labourers are determined not only by income but also various other socio-economic factors including employment diversification.

### **Public outlets in Kerala and their need**

Government outlets are not capable of fulfilling all the requirements of sample households. For those food items which are commonly demanded by households, government outlets like 'Maveli store' adopt a rationing or quota system which will restrict availability as per the actual needs of the households. There emerges a need for purchase from the private outlets as there are certain items like meat, fish, fruits, and vegetables, etc. which are not readily available or not at all available in public outlets. However a good number of households depend partially on government outlets for cereals, edible oil, vegetables, pulses, sugar, and spices. This indicates that as the sample respondents are economically poor, they are not in a position to rely on the private sector completely for food items. They mostly depend on public outlets to meet the basic necessities of life such as cereals, pulses, edible oil, etc. However, the sample households also depend on private outlet for those items which are not fully or partially supplied by public outlets. This highlights the need for increased supply of food items through the public outlet for improving the standard of living of these low-income marginalised communities.



**Perception of casual labourers towards public and private outlets**

Perception implies the perceived images in the mind of a person on the basis of stimuli obtained from information acquired in society through various media. Households purchase different items from the public and private outlets based on the perception formed with respect to these outlets on various aspects. The aspects which normally influence a consumer to form perception towards an outlet at the outlet are price, quality, quantity, packing, availability as per requirements, brand variety, ambiance, customer care and satisfying the social image or pride. In the following analysis, a comparison of the perception of sample consumers on the public and private outlets with respect to various factors is made.

**Perception of sample households for public and private outlets:social groups**

The perception to the public and private outlet with respect to various factors is analyzed with the help of perception score. Separate perception scores for each factor for both public and private outlets are estimated. The estimated perception score for public and private outlets among the social groups are given in Table 1.

The estimated perception score of public outlets is less than two for all other factors except the accuracy of measurement (quantity) and availability of sufficient quantity (availability as per requirement). The average perception score is less than the normal i.e., three, which implies that except for price, for all other factors, households’ perception towards the public sector is less satisfactory. In the case of price, the better situation is represented by its low perception value. The households perceived that the price charged from the public outlet is much lower than private outlets. Public outlets suffered mostly from the disadvantages of poor ambiance, customer care, packing, and brand variety. The perception of social groups for the selected factors is shown in the following table. The table reveals that perception score for casual labourers belonging to different social groups towards public and private outlets are almost the same.

**Table 1, Average perception score of sample households for public and private outlet on the basis of social group**

Perception dimensions	Perception score for public outlet				Perception score for private outlet			
	SC/ST	OBC	General	Total	SC/ST	OBC	General	Total
Price	1.37	1.45	1.47	1.44	3.80	3.85	3.77	3.80
Quality	1.89	1.99	1.99	1.97	3.42	3.44	3.31	3.37
Quantity	2.54	2.57	2.59	2.58	3.19	3.20	3.19	3.19
Packing	1.62	1.57	1.50	1.55	3.78	3.59	3.37	3.52
Availability as per requirements	2.03	2.05	2.08	2.06	3.30	3.28	3.28	3.28
Variety	1.89	1.82	1.81	1.83	3.75	3.61	3.65	3.65
Ambience	1.36	1.40	1.42	1.40	3.27	3.36	3.26	3.3
Customer care	1.50	1.46	1.42	1.45	3.44	3.39	3.25	3.33
Satisfying the social image	1.75	1.72	1.66	1.7	3.30	3.42	3.36	3.37

Source: Primary data



**Table 2 ANOVA result of perception score for public and private outlets by social groups**

Perception dimensions	Perception score for public outlet			Perception score for private outlet		
	F-ratio	D.F	Sig.	F-ratio	D.F	Sig.
Price	1.137	2 and 447	0.322	1.359	2 and 447	0.25
Quality	0.557	2 and 447	0.573	3.086	2 and 447	0.047*
Quantity	0.159	2 and 447	0.853	0.035	2 and 447	0.966
Packing	1.959	2 and 447	0.142	10.25	2 and 447	0.001*
Availability as per requirements	0.369	2 and 447	0.691	0.043	2 and 447	0.958
Variety	0.556	2 and 447	0.574	2.25	2 and 447	0.107
Ambience	0.356	2 and 447	0.701	1.141	2 and 447	0.32
Customer care	0.792	2 and 447	0.453	3.825	2 and 447	0.023*
Satisfying the social image	1.165	2 and 447	0.313	1.642	2 and 447	0.195

Note 1: '\*\*' Significant at 5% level      2: Figures in the bracket show the percentage  
Source: Primary data

The lower significance value of F-ratio indicates that the difference in perception among the various social groups such as SC/ST, OBC, and General community is not statistically significant.

The perception of the private outlet on various factors shows that households expect better outcomes from private outlets compared to the public outlet, except in the case of price. In the case of price, consumers expect that private outlets charge a significantly higher price compared to the public outlet. The average perception score for the factors such as quality, quantity, packing, variety of brands, ambience, customer care, etc., for private outlets is greater than three and also greater than that of the public outlet. This implies except for price, all factors which influence the purchasing decision of a consumer are favourable to the private outlets. The F-ratio derived from ANOVA as given in Table 2 shows the significance of variation of perception score on various items between social groups. Except for the factors, packing, and customer care, the perception score of people belonging to various social groups are almost the same and these differences are statistically insignificant as shown by the significance of F-ratio.

### **Perception of sample households for public and private outlets: income groups**

Similar to social groups, the perception score of public and private outlet among various income groups are also analysed. The factors identified for evaluating the perception are the same. For most of the factors, the perception of various income groups towards public outlet is almost the same. The perception towards public outlet among income groups has significant variation with respect to price, availability of required quantity, brand variety, and customer care. This is shown by the significant value of F-ratio as given in Table 3. Another noticeable point is that within the given income groups, the lowest income group's perception towards public outlet is much better as compared to others.



**Table 3, Perception of sample households for public and private outlet on the basis of income groups**

Perception dimensions	Perception score for public outlet					Perception score for private outlet				
	Monthly income below Rs15000	Income between Rs 15000 and Rs 20000	Income between Rs 20000 and Rs 25000	Income above Rs 25000	Total	Monthly income below Rs15000	Income between Rs 15000 and Rs 20000	Income between Rs 20000 and Rs 25000	Income above Rs 25000	Total
Price	1.3889	1.4286	1.35	1.5814	1.4489	3.8056	3.812	3.8	3.8062	3.8067
Quality	1.9537	1.9624	2.0125	1.9845	1.9756	3.4851	3.4	3.2895	3.3254	3.3785
Quantity	2.7315	2.5338	2.5	2.5504	2.58	3.1296	3.2331	3.15	3.2403	3.1956
Packing	1.5741	1.5865	1.5125	1.5271	1.5533	3.6759	3.6241	3.45	3.3333	3.5222
Availability as per requirements	2.1204	2.1353	2.0875	1.938	2.0667	3.2593	3.2556	3.4625	3.2326	3.2867
Variety	1.8704	1.8872	1.9125	1.6899	1.8311	3.6944	3.6316	3.6875	3.6357	3.6578
Ambience	1.3056	1.4586	1.45	1.4109	1.4067	3.4444	3.3609	3.25	3.1473	3.3
Customer care	1.4074	1.5789	1.4375	1.3798	1.4556	3.3889	3.3684	3.3625	3.2481	3.3378
Satisfying the social image	1.7315	1.7068	1.7375	1.6434	1.7	3.3704	3.3759	3.375	3.3643	3.3711

Source: Primary data

In general, the perception of households towards private outlets except for the price is relatively much better than the public outlet. The perception of the lowest income group towards private outlet is much better on many customer influencing factors as compared to other income groups. With respect to factors such as quality, packing, availability of required quantity and ambience, there exists a clear significant difference in the perception of various income groups towards the private outlet. This is amply justified by the value of F-ratio as given in Table 4.

**Table 4, ANOVA result on perception score for public and private outlets by income groups**

Perception dimensions	Perception score for public outlet			Perception score for private outlet		
	F- ratio	D.F	Sig.	F- ratio	D.F	Sig.
Price	4.481	3 and 446	0.004	0.015	3 and 446	0.998
Quality	0.1	3 and 446	0.96	2.718	3 and 446	0.044*
Quantity	2.114	3 and 446	0.098	1.58	3 and 446	0.193
Packing	0.556	3 and 446	0.644	5.514	3 and 446	0.001*
Availability as per requirements	4.245	3 and 446	0.006	3.958	3 and 446	0.008
Variety	3.667	3 and 446	0.012	0.471	3 and 446	0.703
Ambience	1.704	3 and 446	0.165	5.804	3 and 446	0.001*



Customer care	3.946	3 and 446	0.008	1.345	3 and 446	0.259
Satisfying the social image	0.767	3 and 446	0.513	0.014	3 and 446	0.998

Note: '\*\*' Significant at 5% level,  
 Source: Primary data

In the previous analysis, the perception of public and private outlets is separately examined. The significant difference of perception on the public and private outlet with respect to various factors is given in Table 5. Wilcoxon ranked sum test is a non-parametric test statistic that is used here for evaluating the significant difference in perception between these outlets. The result highlights that the sample households hold different levels of perception on both public and private outlets with respect to all decision-making variables. The value of test statistics is statistically very significant, as shown in the Table, which implies that the perception held by people about public and private outlets are significantly different for all selected variables.

**Table 5, Perception difference between public and private outlet**

Perception dimensions	Public outlet	Private outlet	Wilcoxon test	Sig. (2-tailed)
Price	1.44	3.80	-18.807(a)	0.00*
Quality	1.97	3.37	-16.224(a)	0.00*
Quantity	2.58	3.19	-12.119(a)	0.00*
Packing	1.55	3.52	-18.151(a)	0.00*
Availability as per requirements	2.06	3.28	-18.053(a)	0.00*
Variety	1.83	3.65	-18.444(a)	0.00*
Ambience	1.40	3.3	-18.581(a)	0.00*
Customer care	1.45	3.33	-18.624(a)	0.00*
Satisfying the social image	1.7	3.37	-18.787(a)	0.00*

Note: '\*\*' Significant at 5% level,  
 Source: Primary data

**Factors influencing the buying behaviour of sample households**

The important factors identified as influencing the buying behaviour of individuals are price, quality, quantity, variety, packing, brand image, ambience, customer care, and after-sales service. The respondents are asked to rank these factors for influencing the buying decision of the concerned person.

**Table 6, Mean rank of various features of products influencing the buying decision of sample Households**

Factors	Mean
Price	1.16
Quality	2.11
Quantity	4.48
Packing	5.42
Ambience	5.88



Variety	5.94
Brand image	6.27
Customer care	6.50
After sales service	6.66

Source: Primary data

Table 6 shows the mean rank of various features of products influencing the buying decision of consumers in ascending order. The lower the mean value, the higher the importance of that factor. The Table highlights that among the factors, the most important one is price, followed by quality, quantity, and packing. As the majority of households belong to the economically deprived section, they give more importance to price, quality and quantity and less importance to brand image, variety and after-sales service etc.

The above analysis reveals that the perception of casual labourers towards the public outlet is little bit lower than the private outlets. The casual labourers in Kerala depend considerably on the public outlets for satisfying their food consumption needs. Though the perception on public outlets is low, casual labourers prefer to buy from the public outlets as these outlets provide food grains at a lower price. The public outlets of the consumer fed – Maveli stores, Thriveni stores etc and the PDS outlets (ration retail shops) in Kerala provide a helping hand to the casual labourers especially when their income is low (during the lockdowns). However, these public outlets are unable to handle allhousehold demand from the casual labourers. This makes the quality of service of public outlets comparatively low. This also underlines the need for increasing the penetration of public outlets and strengthening their services. y

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