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ISSN 2249-3352 (P) 2278-0505 (E)
Cosmos Impact Factor-5.86

To study the brand awareness of rural consumers towards FMCGs in the rural areas

Dr.Premlal Jagati
Ex Assistant Professor,
MEDICAPS UNIVERSITY, Indore, Madhya Pradesh, India

Abstract:- **Brand Awareness of Rural Consumers Towards FMCGs**

The Fast-Moving Consumer Goods (FMCG) sector is one of the largest and most dynamic industries, with increasing competition and evolving consumer preferences. While urban markets have been extensively studied, rural markets remain an underexplored yet significant segment, especially in emerging economies. This study aims to analyze the brand awareness of rural consumers towards FMCG products, focusing on factors influencing their purchasing decisions, brand recall, and loyalty.

The research employs a mixed-method approach, combining surveys and interviews with rural consumers to assess their familiarity with leading FMCG brands, preferred communication channels, and the impact of pricing, availability, and promotions. The study also examines the role of traditional and digital media in shaping brand perception in rural areas.

Findings indicate that rural consumers exhibit moderate to high brand awareness, primarily driven by word-of-mouth, local retailers, and television advertisements. However, affordability and accessibility remain critical determinants of brand choice. The study highlights the need for FMCG companies to adopt localized marketing strategies, enhance distribution networks, and leverage cost-effective media to strengthen brand presence in rural markets.

This research contributes to the understanding of rural consumer behavior and provides actionable insights for FMCG brands aiming to expand their footprint in rural regions.

Keywords: Brand Awareness, Rural Consumers, FMCG, Consumer Behavior, Marketing Strategies, Brand Loyalty.

INTRODCUTION The rural market in India represents a vast and rapidly growing segment, contributing significantly to the country's economic development. With nearly **65% of India's population residing in rural areas**, this market has become a critical focus for businesses, especially in the Fast-Moving Consumer Goods (FMCG) sector. Rural India accounts for a substantial share of FMCG sales, driven by rising disposable incomes, improved infrastructure, and increasing exposure to digital media.

2.REVIEW OF LITERATURE

- **Kashyap & Raut (2016) trace the transformation of rural marketing from a traditional, agriculture-dependent economy to a more diversified consumption-driven market. They emphasize the role of government policies (e.g., MNREGA, PMGSY) in enhancing rural purchasing power.**
- **Velayudhan (2007) categorizes rural marketing into three phases:**
  - **Pre-1990s: Focus on agricultural inputs (seeds, fertilizers).**
  - **1990s–2000s: Entry of FMCG and durable goods brands.**
  - **Post-2010: Digital and e-commerce penetration reshaping rural consumption.**
- **Gupta & Singh (2014)** found that rural consumers prioritize **price, durability, and availability** over brand loyalty. Their purchasing decisions are heavily influenced by local retailers and word-of-mouth.
- **Prahalad (2005)** in *"The Fortune at the Bottom of the Pyramid"* argues that rural consumers are value-conscious but aspirational, demanding **smaller pack sizes and affordable premium products**.
- **Kumar & Sharma (2018)** highlight the growing influence of women in rural households as key decision-makers for FMCG purchases.

Gaps in Existing Research

- Most studies focus on FMCG; fewer explore **durables, financial services, or agri-tech** in rural markets.
- Limited empirical data on the **long-term impact of digital platforms** (e.g., social commerce) on rural buying behavior.

3.RESEARCH METHODOLOGY

3.1 Overview of Methodology & Research Process

This study adopts a **descriptive and exploratory research design** to analyze brand awareness among rural consumers regarding FMCG products. A **mixed-method approach** (quantitative + qualitative) is used to ensure comprehensive insights.

3.2 Objective of the Study

❖ To study the brand awareness of rural consumers towards FMCGs in rural areas.

3.3Product categories

Personal Care i) Oral Care ii) Hair Care iii) Skin Care iv) Personal Wash Soaps (B) Cosmetic and Toiletry Care i) Talcum Powders ii) Deodorants iii) Colour Cosmetics iv) Perfumes (C) Household Care i) Toilet Cleaners ii) Dish/Utensil Cleaners iii) Floor Cleaners iv) Mosquito Repellent v) Fabric Wash (D) Food, Health and Beverages i) Bakery Products ii) Dairy Products iii) Beverages iv) Chocolates.

3.4 Hypothesis

H_{01}: There is no significant impact of After Sales Services on the purchasing decision of consumers for FMCGs.

H_{02}: There is no significant impact of Brand on the purchasing decision of consumers for FMCGs.

3.5 Research Design

Research design is used in this study descriptive approach as the researcher identifies the variables which are important for the enable researchers to answer research questions as validity, objectively, accurately and economically as possible.

3.5.1 Research Type: In this studyDescriptive Research was used.

3.5.2: Research Area: The study was carried out in rural areas of across Khargone, Khandwa, Betma

3.5.3: Universe: The questionnaire were distributed to the consumers who have purchased these aforesaid products.

3.5.4 Sampling Method: For the purpose of this research, purposive sampling has been used.

3.5.5 Sample Size: Sample is the subset of the population. Sample size selected for the purpose of this study comprises of 650 consumers.

3.5.6 Tools for data collection: Only primary data has been used for the study. The tool used for the primary data collection is a self-designed questionnaire, which has been made after reviewing the previous literature and consulting with experts of educational field. The respondents were communicated and personally time was taken and through hard copy the questionnaires were got filled. For the collection of reviews, the researcher has studied national and international journals, articles, books and internet.

The secondary data were collected from published National and International Journals, Working papers and Conference Proceedings, unpublished documents of Libraries, Dissertations.

3.5.7 Pilot Study Test: The main purpose of pilot study in our research is to validate the measuring instrument to be used in the main study. Hence, before conducting the main study, the researcher has used a pilot study. In our study, customers judge factors as they are the only source of information about the preference towards buying behaviour towards FMCGs; all other judgments are essentially irrelevant. Therefore, 70 consumers were participated in our pilot study. They are from various demographic profiles.

The results of the reliability analysis determined that the Cronbach's α values was 0.929 which is higher than 0.7. Thus, it is concluded that the questionnaire used in this study was high reliable. In the pilot study the value of Cronbach was highly reliable.

3.5.8 Reliability Analysis: An Alpha Coefficient of 0.70 is considered to be good reliability estimate of the instrument. In order to create validity the researcher has to make sure that the empirical findings are in correlation to the theoretical topics chosen. Reliability is related to the degree of trustworthiness. If a researcher measures the same things, using the same instrument, at different points in time and find different results, this indicates a lack of reliability.

3.6 Statistical Analysis of Data

For the data analysis, T-Test, Kruskal Wallis Test, One Way ANOVA and Correlation & Regression were applied on SPSS 20.0 to conclude the concrete results.

Correlation & Regression: Hence, in this study correlation and regression were applied to examine the impact of consumer buying behaviour towards FMCGs.

4.DATA ANALYSIS & INTERPRETATIONS

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Table 5.2: Test of Significance Based on 'One Way ANOVA & T-Test'

(Customer Value, Involvement & Information Process)

HYOTHESIS	TEST	STATUS
H_{01}: There is no significant impact of After Sales Services on the Purchasing Decision of consumers for FMCGs.	F Test	It is concluded that there is a significant impact of After Sales Services on the Purchasing Decision of consumers for FMCGsat 5% level of Significance.
H_{02}: There is no significant impact of Brand on the Purchasing		It is concluded that there is a significant impact of Brand on the Purchasing

Regarding the awareness of brands of hair care, it was found that 28.6 per cent consumers were aware of Head & Shoulder, 24.6 per cent consumers were aware of Clinic plus, 23.1 per cent consumers were aware of Pantene and 23.7 per cent consumers were aware of Himalaya. So for hair care on and average consumers were aware all the selected hair care brands.

Figure 4.13: Awareness of Brands (Hair Care)

Table 4.14: Awareness of Brands (Detergent Powder)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Surf	101	15.5	15.5	15.5
	Ariel	134	20.6	20.6	36.2
	Tide	140	21.5	21.5	57.7
	Rin	145	22.3	22.3	80.0
	Wheel	130	20.0	20.0	100.0
	Total	650	100.0	100.0	

Regarding the awareness of brands of Detergent Powder, it was found that 15.5 per cent consumers were aware of Surf, 20.6 per cent consumers were aware of Ariel, 23.5 per cent consumers were aware of Tide, 22.3 per cent consumers were aware of Rin and 20 per cent consumers were aware of Wheel. So there is a least percentage of consumers who were aware of Surf.

Figure 4.14: Awareness of Brands (Detergent Powder)

Awareness of Brands (Toilet Soaps)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Hamam	60	9.2	9.2	9.2
	Pears	140	21.5	21.5	30.8
	Dove	135	20.8	20.8	51.5
	Cinthol	90	13.8	13.8	65.4
	Dettol	140	21.5	21.5	86.9
	Medimix	85	13.1	13.1	100.0
	Total	650	100.0	100.0	

Regarding the awareness of brands of Toilet Soaps, it was found that 9.2 per cent consumers were aware of Hamam, 21.6 per cent consumers were aware of Pears, 20.8 per cent consumers were aware of Dove, 13.8 per cent consumers were aware of Cinthol, 21.5 per cent consumers were aware of Dettol and 13.1 per cent consumers were aware of Medimix. So there is a least percentage of consumers who were aware of Hamam as this brand has disappeared partially in the market and no advertisement has released on this

Awareness of Brands (Tooth Paste)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Colgate	230	35.4	35.4	35.4
	Pepsodent	180	27.7	27.7	63.1
	Close up	195	30.0	30.0	93.1
	Promise	45	6.9	6.9	100.0

Total	650	100.0	100.0	

Regarding the awareness of brands of Tooth Paste, it was found that 35.4 per cent consumers were aware of Colgate, 27.7 per cent consumers were aware of Pepsodent, 30 per cent consumers were aware of Dove, 13.8 per cent consumers were aware of Cinthol, 21.5 per cent consumers were aware of Close up and only 6.9 per cent consumers were aware of Promise. So there is a least percentage of consumers who were aware of Promise as this brand have not established its brand image.

Table 4.17: Branded Products are better than Unbranded Products

		Frequency	Percent	Valid Percent	Cumulative Percent
SValid	Yes	511	78.6	78.6	78.6
	No	139	21.4	21.4	100.0
	Total	650	100.0	100.0	

Regarding the comparison of branded and non-branded products, it was found that 78.6 per cent consumers were responded that branded products are better than non-branded products but on the other hand, 21.4 per cent consumers were responded that both branded and non-branded products have no other differences.

Branded Products are better than Unbranded Products

How long you have been using brands

Q		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 1 Year	46	7.1	7.1	7.1
	1-2 Years	105	16.2	16.2	23.2
	2-3 Years	197	30.3	30.3	53.5
	>3 Years	302	46.5	46.5	100.0
	Total	650	100.0	100.0	

As how long have been using the brands, the 7.1 per cent consumers have been using the brand for less than one year, 16.2 per cent consumers have been using the brand for 1-2 years, 30.3 per cent consumers have been using 2-3 years and 46.5 per cent consumers have been using for more than 3 years.

Figure 4.18: How long you have been using brands

Table 4.19: Various schemes for FMCG products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	582	89.5	89.5	89.5
	No	68	10.5	10.5	100.0
	Total	650	100.0	100.0	

Regarding various schemes for FMCGs products, the study was found that 89.5 per cent consumers look for offers and schemes but 10.5 per cent consumers do not look for various schemes as when they need products they purchase without considering schemes or offers.

FINDINGS & DISCUSSIONS

With the help of obtained results from the previous 'Data Analysis & Interpretations' the current chapter is being carried out as a grand summary of results, which formed the basis of this thesis. Various tools were applied on the data and significant result was obtained to meet the objectives of the research. Results of the analysis are supported by the appropriate literatures to explain the summarized findings. Thus, this chapter is an attempt to discuss the findings of the study in the light of the available literatures. The following discussions on forty hypotheses were carried out and the basis of formulation was the determined objectives. The findings of this study have been discussed in this chapter in lieu of the objectives which were formulated in the beginning of this study and on the basis of these objectives, twenty hypotheses were developed and tested. For this study 650rural consumers were selected on purposive sampling who have purchased FMCGs for different brands. They were asked about the brands and their preferences with regard to quality, price, promotions, after sales services, customer value, product involvement, information process, credit facility etc. The statistical tools One Way ANOVA, T-Test, Regression and Correlati0on & Regression were applied to test these hypotheses.

CONCLUSION & SUGGESTIONS

Conclusion

The present study concluded that, successes of many businesses depend on their ability to create and retaining the customers through examining their behaviour towards branded FMCG products. Companies to sell their products in standard price with good quality, availability of brands in all stores and is less costly to attracting new customers. Brand Loyalty provides companies strong and competitive weapons to fight with competitors in the market place. The importance promotional offers, availability of brands are important that companies must give it sufficient consideration before they plan and implement their marketing strategies. The FMCGs sector is a very dynamic sector in India. A major goal is to satisfy the needs and wants of consumer and their target markets more effectively and efficiently. Hence the researcher hopes that the information provided in this study will assist companies in shaping their marketing strategies and better serving their customers**.**

The rural consumers are able to realize the need of the product, extensive awareness of the product, and suitable information sources of the product. They are meticulous about purchasing from outlets of the FMCG. They derive characteristics through their experience of the product and make careful study on the negative effect and quality of product. They also approach the product of FMCG and make suitable purchase decision. They are able to collect maximum information of the product through Television advertisements. The consumer behaviour of the rural population logically prefers the product, making the purchasing decision and expressing the satisfaction level. The consumers have the tendencies brand shift if not satisfied with the utilization of the product as well as availability in the market. In the post –purchase satisfaction in rural consumers of predominant brand image and quality of the product is important. The royalty of rural consumer purpose is very high, so their strength and their expectation are also maximized. The democratic background of the rural consumer plays a vital role in determining the behavioural aspect as well as the royalty of brand.

Rural customers trust retailers in their villages. As price influences rural purchase of FMCG, it is recommended to pursue the low-price strategy in rural marketing to determine the consumption pattern. For rural customers, value for money results when the purchased FMCG meets the intended benefits. As the study revealed that the rural customers (along with price) also think about quality, performance, reliability, brand and other critical aspects, it is recommended to promote FMCG in lines of rationality rather than just making low price appeals. The promotional strategies for rural markets that can express messages in an easy way to the villagers and compatible with their education and understanding levels. It is recommended to offer FMCG that lasts long.

In the end it is certain that FMCG companies will have to really gain inroads in the rural markets in order to achieve double-digit growth targets in future. There is huge potential and definitely there is lot of money in rural India but the smart thing would be to weigh in the roadblocks as carefully as possible. The companies entering rural market must do so for strategic reasons and not for tactical gains as rural consumer is still a closed book and it is only through unwavering commitment that the companies can make a dent in the market. Ultimately the winner would be the one with the required resources like time and money and also with the much needed innovative ideas to tap the rural markets.

The responses of customers are quite mixed in the rural India. Customers prefer some of the popular brands but they also prefer to use local brands also. The loyalty status for brands is also moderate in the rural markets. It seems that customers do not bother more about the purchase decision of FMCG product. The house makers and other members of the family influence the purchase decision. Rural area people have enough time to talk with their friends and social groups so their decisions are also influenced the reference groups. In brief we can say that the consumer in rural markets is not so sophisticated and not conscious about the brands and purchase decision. This shows an opportunity for the marketers to promote their products by the promotional strategies, which can make a place in the heart of the customers. Some of the companies with local brands win the battle by convincing the retailers about the product. Retailer sometimes work like a salesperson for that company and recommend the product to the customer because they get a smart margin for this. Further the local companies also give discount for space in the shelf of shopkeeper.
To conclude the discussion it can be said the mixed type of structure of the rural markets in consumer behaviour is the major characteristics of these markets in India.

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