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RESEARCH ARTICLE

A STUDY ON RURAL MARKETING PERSPECTIVE OF FAST MOVING CONSUMER GOODS (FMCG). (WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT)

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Abstract

India is a synonym with a wide range of diversity. Even in the state and union territories, which have been carved out based on culture and lingual communality, witnessed a marked variation in the economical socio-cultural background communality distinct. The rural consumers are not always "distant cousins" of the urban fold. They have their distinctpersonality and independent thinking based on the strong set of beliefs and values. Thanks to television and developments in transportation, today, a customer in a rural area is quite literate about the countless products that are on offer in the market place.
The sector is excited about burgeoning rural population whose incomes are rising and which is willing to spend on goods designed to improve lifestyle. Also with near saturation and cut throat competition in urban India, many producers of FMCG are driven to chalk out bold new strategies for targeting rural consumers in a big way.

Introduction: -

The Indian Fast Moving Consumer Goods (FMCG) industry began to get shaped during the fifty years. The FMCG sector is a cornerstone of the Indian economy. This sector touches every aspect of human life. Indian FMCG market has been divided for a long time between the organized sector and unorganized sector. Unlike the US market for FMCG presents a tremendous opportunity for makers of branded products who can convince consumers to buy branded products. FMCG refers to consumers' non-durable goods required for daily or frequent use

With the liberalization and growth of the Indian economy since, the early 1990s, the Indian customer witnessed an increased exposure to new domestic and foreign products through different media. Apart, from this, social changes such an increase in the Indian consumers' personal consumption.

Generally, a consumer buys FMCG goods at least once in a month. This sector is considered as the lucrative sector with a total market size of around Rs. 52,000 crores. In any country, the good performance of FMCG segment reflects the growing incoming level among the consumers. At the beginning of the privatization process in our country, many MNC's had given priority to FMCG sector.

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Objectives: -

The objectives of the study are as follows

- To understand the socio-economic profile of the respondents
- To study the perception of respondents on FMCG products.

Scope of The Study: -

Rural consumers have customs and behavior and marketers may find it difficult to serve them as they are mostly equipped with urban-based marketing skills. This study has confined its scope in understanding the level of awareness about FMCG products, examine the purchase pattern of selected FMCG products, the purchase decision taken by the rural consumers. In addition, it also analyses the factors influencing the same. Further this study also takes into consideration regarding the perception of respondents on FMCG products and their level of satisfaction towards them.

Limitations of The Study: -

The study is based on the opinion of the sample respondents from rural area of Coimbatore district. All possible efforts have taken to see all the respondents reveal the true facts and figures and what they feel about selected FMCG products.

- The present study deals with some selected FMCG products via Washing powder, Toilet soaps and Health drinks. It has not covered the entire FMCG products.
- Only individual consumers have been chosen as sample respondents.
- The study has covered only the rural parts such as Chettipalayam, Aalaandurai, Iruttupallam and Madhampatti which is in the interior parts of Coimbatore district.
- The study is based on the feedback of the respondents. It always calls for credibility issues.
- The result may not be generalized to other villages.

Review of Literature: -

- Purba Basu (2004), explains the need of understanding the rural consumers among the marketers and fine tune of their strategy to reap benefits in the coming years except a few life styles based products which depends mainly on urban India. The greatest hindrance to reap the opportunities in rural India is understanding the consumer behavior.
- Nandha and Chinnaiyan (2003) found that product quality was the first factor influencing the brand preference of soft drinks in the rural areas of Tamil Nadu followed by the availability and retail price. Rural price, advertisement, word of mouth and retail shop keepers are the other factors which influence the brand of soft drinks in the study area.
- Dhillon et al., (1999) identified that the number of all durable goods possessed by urban home makers was more than the rural ones. The desire to acquire the latest model of durable goods and to enhance the works efficiency for reducing the drudgeries of daily household chores were found the major factors for replacement of durable goods for both the rural and urban home makers.
- Keshav et al., (2002) found the rural consumers believed in joint buying decisions making in consultation with the elders and the ladies of the house. However, the youngsters purchase items of their personal use as per their own independent buying decisions. Advertisement with rural culture and regional / local language attracted the audience. All the respondents felt strongly about their customs and traditions. The respondents were aware of their availability of the products. They preferred quality to price.
- Ghosh (2007), pointed out in his study on, "FMCG companies in rural Indian Markets", that there are key challenges for FMCG companies who are penetrating the rural markets, which include infrastructure issues like poor distribution system, improper logistics of the fragmented rural market, given the heterogeneity of the Indian population. The companies who understand these challenges and tune their strategies accordingly will surely be the winners in the years to come, taking advantages of this economic boom in the rural sector in India.
- Samuel (2005), in his study on rural consumer behavior towards selected non-durable goods in Coimbatore district, revealed that the rural people change their tastes and preferences in procuring non- durable goods, the purchase decision pattern and consumption of certain non- durable goods in the daily market.
- Ambika (2007), revealed in her study that advertising itself cannot sell the product. It cannot sell the product of poor quality, product which is too costly or items which do not come up to the expectations of the consuming public. The product that we use in day to day life like butter, potato chips, tooth paste, household care products, packaged food and beverages etc.,

Methodology: -

- The study has used values based on primary data which has been collected from the individual respondents using interview schedule.
- Convenient sampling method was adopted to collect the responses from 200 respondents who are the individuals purchasing household care products, personal care products and food & beverages at various POP outlets including grocery stores, weekly market, nearby stores and medical shops located in the rural areas of Coimbatore.
- The data collected have been analyzed with SPSS package based on the objectives of the study.
- The statistical tools applied for the studies are
  - Simple percentage analysis
  - Garrett ranking

Analysis andInterpretation: -

Table 1: -Socio - economic profile of the respondents

Particulars	**Variables**	**No.**	**%**
Age	Below 20 years	41	20.5
	20-25	34	17
	25-30	34	17
	30-35	22	11
	Above 35	69	34.5
Educational Qualification	Illiterate	21	10.5
	School Level	111	55.5
	College Level	47	23.5
	Professional	21	10.5
Occupation	Business	44	22
	Agriculture	29	14.5
	Employee	46	23
	Professional	18	9
	Others	63	31.5
Marital Status	Single	66	33
	Married	134	67
Family Type	Joint	56	28
	Nuclear	144	72
Family Size	2 Members	4	2
	3 Members	40	20
	4 Members	56	28
	5 Members	54	27
	Above 5 Members	46	23
Family Income	Below Rs. 5000	58	29
	Rs. 5000 – 10000	55	27.5
	Rs. 10000 – 15000	57	28.5
	Rs. 15000 – 20000	15	7.5
	Above 20000	15	7.5

It is observed from the above table that among the total respondents,

- Majority of the respondents belongs to the age group of 35 years and above.
- Majority of the respondents have studied up to school level.
- Majority of the respondents have other occupations.
- Majority of the respondents are married.
- Majority of the respondents belong to nuclear family
- Most of the respondents have 4 members in their family.
- Majority of the respondents earn up to Rs.5000.

Perception of respondents on FMCG products: -

Table 1: - Perception of Respondent on Washing powder

Quality	Score		Rank
	Total	Mean	
Removes stain	11175	55.88	5
Washes well in any water	12087.5	60.44	2
It washes more clothes	12162.5	60.81	1
Consumes less water	11512.5	57.56	4
Easy to handle	6000	30	7
Non-allergic	10225	51.13	6
Keeps the clothes fresh	12062.5	60.31	3
Good fragrance	4175	20.88	8

Interpretation: -

It is seen clear from the above table that among the perception on FMCG- washing powder, the perception 'Washes more clothes' has secured the higher mean score and stood at the top, followed by ' Washes well in any water' received the secured second place, 'Keeps clothes fresh' stood at third by securing the highest mean score,' Consumes less water' stood at fourth,' Removes stains' stood at fifth, stood ' Non allergic' at sixth, 'Easy to handle' stood at seventh and finally, ' Good fragrance' has secured last score and stood at last.

Majority of the respondents prefer washing powder because of it washes more clothes.

Table 2: - Perception of Respondents on Toilet Soap

Quality	Score		Rank
	Total	Mean	
Good cleaning	10887.5	54.44	3
Good for skin	10337.5	51.69	4
Good fragrance	6387.5	31.94	7
Easy availability	13137.5	65.69	1
More lather	100337.5	50.19	5
More refreshing	9287.5	46.44	6
Low price	7087.5	35.44	8
Brand image	12812.5	64.06	2

Interpretation: -

It is seen from the above table that the perception of the respondents on Toilet soaps, the perception on ' Easy availability' has secured higher mean score and stood at the top, followed by ' Brand Image' has secured next higher at second place, 'Good cleaning' has secured next higher score and stood at third, ' Good for skin' stood at fourth, ' More lather' stood at fifth, ' More refreshing' stood at sixth, ' Good fragrance' stood at seventh and finally, 'Low price' has secured last score and stood at last. Majority of the respondents prefer toilet soaps keeping in mind of its availability.

Table 3: -Perception of Respondents on Health Drinks

Perception	Score		Rank
	Total	Mean	
Flavor	8237.5	41.19	3
Taste	7612.5	38.09	6
Color	7550	37.75	7
Refreshment	7175	35.88	8
Smell	8587.5	42.94	1
Packing	7837.5	39.19	5
Brand image	8075	40.38	4
Durability	8375	41.88	2

Interpretation: -
It is understood from the above table that the perception of respondents on Health drinks, perception under FMCG category, 'Smell' has secured higher mean score and stood at top, followed by 'Durability' has secured next higher and stood at second, 'Flavor' has secured next higher score and stood at third, 'Brand image' stood at fourth, 'Packing' stood fifth, 'Taste' stood sixth, 'Color' stood seventh and finally, 'Refreshment' has secured last score and stood at last.

Majority of the respondents prefer health drink because of its smell.

Suggestions: -

- **Price Reduction**
  The study revealed that people with formal education give top priority to price of products. Being a low involvement product of regular purchase, the prices of personal care products may be reduced by avoiding unnecessary expenditures, instead of frequent price discounts and extra quantity offers which disturbs the brand loyalty.
- **Need for more products research**
  The women consumers who increasingly dominate the decision making and consumption of FMCG products having increasingly started looking for specialized products to offer customized solutions to their needs. This requires increased thrust on product research and innovation.
- **Promotion and distribution**
  The FMCG players need to concentrate on increased consumer awareness through advertisement campaigns, new brand advertisement, free samples and expansion of franchisee network.

Conclusion: -

It is concluded from the study that FMCG sector is growing and shall continue to grow very fast. The future for the FMCG sector looks extremely encouraging. This sector having undergone a structural change is all set to emerge stronger in future.

One of the greatest achievements of the FMCG industry has been the 'sachets', which helped companies to introduce the product in small package size, at lower price points, to reach new users and rural consumers to expand the market share for value-added products in India.

The FMCG market remains highly fragmented with almost of the market representing unbranded, unpackaged home-made products, who can prompt consumers to use their branded products. If the suggestions given in the study is carried out by the FMCG, then the sector will not only grow by 50% in the forthcoming year, but also grow to newer heights soon.

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