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A review of rural consumer behavior marketing strategies and consumer protection for FMCG

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Abstract

Rural consumer is one who to the their nearest cities or area where he/she can but product to fulfill their daily needs including basing needs items, or other items to fulfill the daily buying requirement of the family. Rural marketing is the process of creating, pricing, advertising, and distributing rural-specific goods and services in order to meet the requirements and wants of rural customers while simultaneously achieving organizational goals. In India, the notion of rural marketing. The economy has always had a significant impact on people's lives.

The various components of 4 A may be described, particularly in the context of rural marketing as Affordability, Availability, Acceptably and Awareness. Consumer purchasing power has increased in rural India over the last few years along with a desire to improve their present level of living. The Indian government's efforts to alleviate poverty have certainly improved the situation of the rural people. Due to which, rural consumers have changed their lifestyles by changing their consumption habits to include more nutritious foods and purchasing lifestyle products such as mobile phones, cosmetics, beverages, and other essentials.

Keywords: Rural marketing, consumer behavior, FMCG, marketing strategies

1. Introduction

Rural India is quietly shifting, developing, and becoming distinct, according to the NCAER's Market Information Survey of Households (MISH) report. The rural market today has a lot of untapped potential. In another 20 years, rural India, according to a McKinsey survey published in 2007, will be larger than the whole consumer market in countries like South Korea or Canada. Here are some simple facts to back this up: In 2010, the Life Insurance Corporation of India (LIC) sold 55% of its policies in rural regions, and 41 million Kisan credit cards were issued, compared to 22 million credit-cum-debit cards in metropolitan areas. With India's rising market and purchasing power, it's only logical that rural markets play a significant role in the overall market. Rural markets dominate the Indian marketing scene, and they require special attention for marketing expansion. According to Nielsen survey data, rural areas purchase 40% of fairness creams for males, and the category has been rising at 40% over the previous three years. Instant noodles, juices, sanitary napkins, and milk foods are examples of urban-centric categories where rural expansion is outpacing urban growth.

2. Objectives of the study

The main objectives of the study are given here as under.

- To examine the marketing strategies adopted by the FMCG companies.
- To examine the consumer behaviour towards the marketing strategies adopted by the FMCG companies.
- To study the consumer's awareness and behaviour towards the use of consumer protection measures.
- To study the role of government towards the effective implementation of consumer protection act / Consumers right.
- To draw conclusions and suggest remedial measures towards the effective implementation of consumer's rights and protection measures.

3. Review of literature

In order to prove the significance of service branding various attempts have been made earlier.

But the existing research provides guidelines, direction and basis for the new researches in the field of trust generation in service industry through service branding. The previous studies help in finding out the concept of service branding and pay attention to various small elements that contribute to service branding such as quality of service etc. Branding is everything a marketer does to the offer (products or services) so that the customer discriminates a brand in its favor. Building of this favor in the customer mind is the ultimate aim of branding. In other words, the main purpose behind branding is to “add value”. That is why, while branding one thing to be borne in mind is the branding process, which is directed at customer value creation. Branding is winning through value. “Value” here is “the customer’s estimate of the product’s or service’s perceived performance in relation to the expectations. Therefore, the success of any brand lies in consistently delivering “value” over a period of time.

Jugal kumar Boro (2018) stated that “With such a large population, high levels of poverty, unemployment, and low literacy, consumer rights knowledge among the rural people is very low. The only method to limit the misdoings of manufacturers and traders is to educate the consumer. This study shows that consumer awareness is minimal, and they have little knowledge of consumer rights in depth, hence they are unable to exercise these rights. As a result, the government and connected parties must take the required steps to educate consumers, and basic consumer rights must be taught in schools.

Dr. G. Rambabu and L. Vinod Kumar (2017): Their study clearly indicates that most of the consumer aware of quality marks and ISI marks. But, many of them not aware of consumer rights due to illiteracy and poor family background. From this study we come to know that Only 34% respondents are aware of consumer rights, 32% are having partial awareness and 34% do not have awareness about consumer rights.

Jamuna (2014): The study was conducted to find out the consumer awareness level. In this study responses were received from the respondents connected with consumer responsibilities. Majority of the respondents had chosen first rank to get guarantee and warranty card. It was also found that 67.14% respondents have good awareness about the consumer forums and 53.21% respondents felt that procedures are simple. Majority of respondents disagreed with the argument that Consumer awareness increased with Consumer Protection Act. Only 20% respondents had given the opinion that Consumer Protection Act created quality awareness among the consumers.

Dr. P. Jayasubramanian and Miss A. Vaideke (2012) [8] studied consumer awareness and Attitude towards consumer protection measures. Their study revealed that no significant association between gender and attending awareness meetings. They also studied the association between age and attending awareness meetings. Study also found the association between age and attending awareness conferences.

Dr. N. Sundaram and C. Balaramalingam (2012) [8], Women awareness on consumer rights-A Study with reference to Vellore city. The result showed that women consumers showed low level of awareness about consumer rights. The main reason for low awareness of consumer rights among women consumers is low education and low socio-economic status.

Dr. S. Mohan and V.Suganthi (2013) [5]: This study was conducted to know the awareness level of rural consumers about the consumers’ rights. The study revealed that there is a significant association between age, educational qualification, marital status and monthly income of rural consumers and their awareness about consumer rights. And there is no significant difference between gender, type of family, occupation and monthly income of rural consumers and their level of consumer rights awareness.

Dr. Horen Goowalla (2013): A study on consumer protection: Its awareness among the rural people in Assam: A case study with special reference to Jorhat district of Assam. A survey was conducted on 400 consumers. 90% of the people surveyed have felt exploited by the seller at one time or the others. 75% people were aware of the Consumer Protection Act, 25% of the people are not. It is also found that 40% of graduate respondents were aware of the products and their quality while 30% Post Graduates.

Deepika, D. Ratan Kumari (2014): A Study on Awareness on Legal act of Consumer Protection among Students. The study was conducted to find the awareness level among the students towards various consumer protection legislations. Majority respondents are aware of the Indian Penal Code, 1860. Majority respondents are aware of various acts. Low level of awareness was reported towards the Hire Purchase Act and the Railway Claims and Tribunal Act. In the study, it was found that majority students getting awareness through newspapers, journals and from course syllabi. The awareness towards Consumer Protection Act is 53.3% Sewanand (2012) [6] Consumer Awareness and Consumer Protection Act-A study. This study reveals that all the respondents are having general awareness in relation to consumer protection. They are well-versed with the term JAGO GRAHAK JAGO almost in all respect. Quality parameters/standards Like ISO, ISI Agmark, etc., are also not new to them.

Dr. AK Chandra (2011) [11] studied the working of Consumer Forum of Raipur district and he also analyzes the consumer movement and highlighted the problems being faced by the Consumer Forum of Raipur district. He examined the hypothesis regarding consumer knowledge and awareness.

4. Limitations of the study

Every research has its own limitation; the present research is also not an exception to it. In designing the preset research study the researcher has attempt all those steps which is required to make it as scientific as possible but despite all those precautions there might be some limitations. The measures used to conclude the research are based upon the individual perceptions and awareness level of the respondents participated in the survey, therefore the potential for data inaccuracies is possible due to this reason and misinterpretation of predisposition to certain responses on one hand. On the other hand the responses regarding awareness of consumer protection and buying behaviour have been solicited form the consumers of FMCG Product in Meerut District only. The perception of people may vary from those of the rest of the Country. The selection of more representative sample form the rest of the country may bring more illuminating and comprehensive database forward for better and well informed marketing strategy decisions making with regards to FMCG Company. A Brief Description of the limitation is as follows:

- The study was conducted in a specific geographic region, and the findings revealed that individuals are aware of consumer protection.
- The research was conducted only in District Meerut, which may not be considered to be an adequate description of the total Indian customers' FMCG Product purchase behavior.
- The findings may differ from the customers' behavior in metropolitan cities. As the customers in bigger cities are exposed to advanced systems and technologies, the expectation and behavioral patterns may differ from customers of smaller cities.

The research provides an idea about the customers' awareness regarding consumer protection rules in case of FMCG Products in rural area, their buying behaviour may be directed by marketing strategy formulated by FMCG Companies.

5. Conclusion and Suggestions

Rural marketing is a new notion with a lot of untapped potential as a part of any economy, and marketers have only just understood it. For individuals planning to move to the countryside, improvements in infrastructure and reach offer a bright future. Individual areas of the rural market are not particularly huge, despite the market's overall size. There are disparities in terms of geography, demographics, statistics, and logistics. The positioning and realities of each of these market segments differ, and these differences are at the heart of developing a rural market strategy. Gone are the days when consumers in rural areas had to go to a nearby metropolis to get branded goods and services.

- The consumer behaviour towards the marketing strategies adopted by the FMCG companies significantly varies with gender.
- The consumer's behavior towards the Use of Consumer Protection Measures does not vary with the variation in the gender of the consumer.
- The consumer's attitude towards the implementation of the consumer protection measure does not vary with the gender of the consumer.
- Engaging in rural marketing can bring company a large consumer base and larger market share.
- Company should stick with their gender specific marketing strategy as the consumer behaviour towards the marketing strategies adopted by the FMCG companies significantly varies with gender.
- Consumer protection awareness programs must be organized as per the educational qualification of the consumer as the educational qualification significantly vary in rural areas.
- Every marketer and company must understand that the rural customer is not a miser. He isn't just shopping for the cheapest item in each category.
- Successful examples of these strategies include direct selling through business delivery trucks, syndicated distribution between non-competitive marketers, and setting up temporary stalls in rural melas/haats.
- Any macro-level approach for these markets should priorities availability, accessibility, and affordability. Continuous scanning and filtering of ideas and plans is required at all times.
- Companies need to make sure the availability of their preferred products at stores, Because store loyalty is

more essential in rural areas than brand loyalty, rural consumers are less inclined to switch to another shop to buy their favorite brand.

- Providing rural youngsters with employment possibilities in product sales and distribution will improve the company's reputation in the eyes of the people.
- Consumer education activities on a large scale are required, particularly in rural areas, to educate the public on basic issues like the Maximum Retail Price (MRP), the Indian Standard Institute (ISI) mark on items, and expiration dates.

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