

Concepts of Brand Awareness and It's Application for Sales Enhancement in FMCG Sector

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Abstract

Products that are fast to produce and sell at a cheap price are called fast moving consumer goods. Packaged foods, dairy products, cooking oil, bread, butter, cereals, beverages like tea & coffee, pharmaceuticals, confectionery, biscuits, glassware, stationary items, watches, toiletries, detergents, shampoos, skin care products, cosmetics, toothpaste, dish washing liquid, energy drinks, soft drinks, clothing, furniture, accessories, and electronic goods like cell phones all fall under this category. India's economy is diversified, with healthy representation from both rural and urban sectors. The demand for goods in rural areas is substantial and increasing. The rural market in India is not an autonomous sector; rather, it is profoundly impacted by the country's pre-existing social and behavioural norms. Untapped potential, a large population, and enough room for expansion all characterise rural markets. However, there are obstacles to thriving in this market, and the urban market is nearing saturation; as a result, rural growth must be prioritised immediately. More than 70% of India's population resides in rural areas, making up a sizable consumer base.

Introduction

Consumers' familiarity with FMCG brand names in remote places is affected by a number of variables. Companies who want to successfully sell their goods in rural regions need to have a firm grasp of these elements. Several crucial factors include: Poor Media Access: Televisions, radios, and newspapers aren't always easily accessible in rural locations. To reach customers, brands need to be creative and use methods like community events, fairs, and word of mouth. Cultural Awareness and Language Proficiency: All interactions must be conducted in the local language and with respect for cultural norms. If you want your message to connect with your audience, you need to study up on the local customs and traditions.

Rural communities especially need well-oiled distribution systems. If brands want their goods to be easily accessible in rural areas, they need to build meaningful partnerships with local shops and make use of the distribution infrastructure that already exists there. Cost-effectiveness and monetary worth: Consumers in rural areas often have a smaller budget. Brands should prioritise making their goods accessible to a wide audience without sacrificing quality. Value for money is an important selling point that may assist win over customers. Promotion of Knowledge and Understanding - Conducting instructional programmes regarding the advantages and use of goods may add to brand recognition. This may be done via community workshops, demonstrations, and relationships with local influencers.

Leaders and opinion-shapers in your community: Brand recognition may be improved by employing local opinion leaders and influencers. Influential members of the community like these may do wonders for a company's reputation. Presence and Exposure: Attractive packaging is essential for bringing in customers. Products with legible and visually attractive packaging attract buyers even in low-exposure retail environments devoid of traditional promotional channels. Adaptive Methods of Advertising: The rural market is very varied, thus a cookie-cutter strategy may not work. Companies should tailor their advertising to the unique interests, lifestyles, and ages of their intended rural consumers. Involvement in the Community: Brand awareness may be boosted via corporate sponsorships and active involvement in local activities. Brands may become important components of the community by sponsoring local projects and addressing community concerns.

Control Systems: The only way to learn what customers want and solve their issues is to set up some kind of feedback system. A strong brand reputation might benefit from this kind of interaction. Establishing a strong reputation for a brand in a rural setting calls for a deep familiarity with the area's unique culture and history, strong communication skills, and a

commitment to gaining the community's trust and respect. Investment in these areas by brands increases their chances of attracting and retaining loyal customers in rural areas who buy fast moving consumer goods.

Review of Literature

Companies selling FMCG to rural customers cannot use the same techniques they do in urban areas, according to research by Md. Abbas Ali¹, Venkat Ram Raj Thumiki, and Naseer Khan (2022). Instead, they need to design rural specific methods. In this process, they need to comprehend critical concerns pertaining to rural consumer behaviour and more especially relating to diverse geographic areas of the nation. This research looks at the influences on FMCG sales in rural areas of South India.

Despite having adequate disposable income each month to buy a branded goods, customers in rural areas often lack the funds necessary to make a single large purchase, as investigated by Mohammad Ali Daud (2023). Because of this, in places where name-brand goods are readily accessible, consumers can often find them for sale in bulk.

Brand recognition in rural regions is on the rise, according to research by Anupam Jain and Meenakshi Sharma (2022). This is especially true in the beauty care sector as a result of the consistent and incremental enhancement of consumer and healthcare goods. Customers aren't concerned about the asking price. When people are able to spend more money, they are demonstrating a desire to do so. Since using well-known brands produced by respected firms will increase their standing in the community. In this research, brand perception was quantified using the following variables: brand quality; brand price; brand availability; brand family preference; brand advertising; brand diversity; brand credit.

Consumers are more likely to trust advertisements as a source of information than the recommendations of friends, neighbours, or others in similar social situations, according to research by Dr. Mohammad Naquibur Rahman (2022). No income bracket is immune to the power of advertising, but neither did we find that repeated exposure to pricey items or messages changed our purchase habits.

Srivastava and Kumar (2023) assessed that FMCG industry is a key contributor to India Gross Domestic Product. It has been adding to the demand of poor and middle-income classes in India. In India, middle-class families account for over 52% of the population and purchase over 73% of all fast-moving consumer goods. Most fast-moving consumer goods (FMCG) corporations now prioritise marketing in rural areas. The rural India market is massive and the potential are infinite. After finding the urban market saturated and highly competitive, many fast-moving consumer goods (FMCG) businesses are now shifting their focus to the rural market and developing new tactics to reach the rural customer. So, we look at how different FMCG firms have fared in the rural market in terms of growth, opportunity, and obstacles. One of the most alluring factors for businesses to target rural customers is the fact that both individual income and the buying power of lower and medium income groups are on the upswing in rural regions, and that these groups are willing to spend money to better their standard of living. This study analyses the role of the fast-moving consumer goods (FMCG) sector in the expansion of India's rural market, and it seeks to have a conversation about the inclination of rural consumers to make more informed decisions when buying FMCG products as a result of rising brand awareness and familiarity.

The research conducted by Mrs. P. Banumathi & Dr. S. Mabel Latha Rani (2018) sheds light on how consumers in the Thoothukudi District see FMCG brands generally. The study's primary source is feedback from consumers, and it places an emphasis on the convenience of having a large number of locations to choose from. The higher price tag is not anything that high-quality products should be wary of. When it comes to fast-moving consumer goods, health and cleanliness are key factors in sales. More people shop at retail establishments that are well-run and provide excellent customer service. Shops and outlets must provide buyers all the information they need about the items they sell. By drawing these conclusions and making these recommendations, the researcher has finished the study. This task is undertaken

owing to the increased rivalry of the retail marketplaces and shops. In today's corporate world, FMCGs are always in demand since they are used by people of different economic levels, locations, social standings, etc. Therefore, the researcher has taken action to characterise the value that FMCG producers provide to the market as a whole. In today's market, food and hygiene products come in first, followed by electronics and automotive supplies. It follows that this kind of research is essential for determining the potentials of the Fast Moving Consumer Goods market, especially in the Thoothukudi such city. Stores and malls of the future will be equipped with a variety of amenities designed to attract shoppers and pique their curiosity.

Objectives of the Study

The research aimed to compare and contrast customer attitudes towards FMCG products in both urban and rural settings. The following are some of the goals of this study: The goals of this research are

1. to learn how consumers' socio-economic backgrounds affect their brand preferences and
2. to learn how brand awareness and preferences for fast-moving consumer goods differ between consumers in rural and urban areas.
3. To provide useful advice and findings for FMCG Products

Research Methodology

Data Collection

The study's approach makes use of both primary and secondary sources of information. The study rests mostly on the primary data obtained via a structured interview schedule, the secondary data are acquired from journals, magazines, publications, reports, books, daily, periodicals, articles, research papers, websites, corporate publications, manuals and booklets. The research justifies its sample strategy by dividing the study region into four sub-districts within the erosion district. The opinions of FMCG shoppers in the district's rural and urban regions have been gathered using proportional random sampling techniques. A total of 600 respondents were selected at random to represent 10 out of 60 communities. To achieve the goals of the research, primary data from consumers will be analysed using SPSS 23.

Table – 1 Reasons Why Rural Residents Buy Particular FMCG Products (Chi-Square Test)

Factor	Calculated Value	Table value	D.F	Level of significance
Respondent Age	14.102	11.514	5	Significant at 5% level

Table 1 suggests that the computed chi-square value is larger than the table value, and hence the result is statistically significant at the 5% level. The data shows that the age of rural respondents is strongly correlated with the characteristics that influence their purchasing of FMCG brands.

Table – 2 ANOVA- Findings from a Survey of Consumers in Rural and Urban Areas Concerning Their Priorities with Respect to Various Forms of Brand Awareness

Source of Variation	SS	df	MS	F	F crit*
Between Groups	5.011111	1	2.87541	9.41	4.11*
Within Groups	9.214571	599	0.36214		
Total	13.02415	600			

The determined F value is 4.11, as shown in table 2. When $df_1=1$, $df_2=599$, and =5% level of significance is used, the F table value is 3.84. The computed value of F is larger than the critical value, hence F is bigger. Brand marketers that want to improve their brand marketing

strategy are increasingly putting greater emphasis on the customer experience.

Table – 3 ANOVA Findings from a survey of rural and urban consumers' preferences for products with the most appealing benefits

Source of Variation	SS	df	MS	F	F crit
Between Groups	1.54211	1	0.95412	0.55	4.11*
Within Groups	61.3214	599	1.23521		
Total	62.2145	600			

Table 3 shows that the F value is 0.55 when the data is analysed. The computed value of F is smaller than the critical value of F given the following parameters: $df_1=1$, $df_2=599$, and $\alpha=5\%$ level of significance. So they are assessing the enticing perks equally.

Conclusion

Since rural regions in India represent an unexplored market with enormous potential, this research will focus on the level of brand awareness and brand choice of rural customers with respect to fast-moving consumer goods (FMCG) brands. The urban market is very competitive and rather stagnant. Businesses in the city need to expand into rural areas if they want to keep growing. It is in the best interest of FMCG companies to adapt their marketing strategies so that they are more appealing to and successful in the rural market. Rural consumer attitudes and preferences towards Dabur India, Cadbury India, Nestlé India, ITC (Indian Tobacco Company), and Hindustan Unilever Ltd. were the primary research foci. Brands in the fast-moving consumer goods industry may use this research to their advantage by learning more about consumer preferences in both urban and rural areas. An important addition via this research study is that it provided and evaluated hypothesis establishing the link between the different elements impacting consumers and their awareness preferences in purchasing FMCG brands utilising rural buyers as sample. In addition, the elements that influence consumers' preferences while choosing FMCG brands are isolated in this study. It is important to analyse the variations between users with varying degrees of exposure and preferences, and studying the disparities between consumers of different socioeconomic groups on variables impacting their awareness and preferences for FMCG brands is a key contribution to this goal.

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