

Role of Women in Purchasing FMCG Products in Rural Markets

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Abstract –

The aim of this research study is to identify which role women plays in purchasing FMCG products in rural markets in India. Rural markets in India is growing rapidly and provides chance for the markets to grow in rural markets. Markets are aware about the characteristics of rural markets and they are not leaving any stone to leverage the profit from rural markets. There are lot of changes happening in rural markets because of rural development, increased literacy level and rising in income levels etc. The consumers from rural markets are looking for value for money and they are making choices for FMCG purchase accordingly.

Keywords – Rural Markets, FMCG Products, Rural Women, Purchase Decision

Introduction –

In the era of globalization, the market in India is Changing tremendously. The Indian economy is distinguish as a developing economy market. The Market of India is mainly classified in 2 sectors, Urban and Rural sector. Rural India contributes almost 70 percent of the total population of India. As per the census 2011, from 1.21 billion population, 833 million live in rural India.

Nordea Trade Portal indicated that India will overtake China as the world's most populous country by 2024. It has the world's highest youth population, however, according to the OECD over 30 percent of India's youth population is NEETs (not in employment, education or training). Indian economy continues to suffer from a lower GDP per capita, and almost 25% of the total population still lives below the poverty line and the country's dissimilarities are strong the richest 1% of the total population own 53% of the country's total wealth.

Main Indicators	2017	2018	2019	2020(e)
GDP(billions USD)	2,652.25	2,718.73	2,935.57	3,202.18

GDP per capita(USD)	2,014	2,038	2,172	2,338
Inflation Rate	3.6	3.4	4.5	3.3

Source: IMF – World Economic Outlook Database, 2019

(e) - Estimated

What Rural Means?

Rural areas are also called as the 'countryside' or a 'villages' in India. It has a very low population density. In rural areas, agriculture is the main source of livelihood along with fish farming, dairy farming, poultry farming, pottery etc.

It is said that the rural population constitute up to 70% of India's total population.

Marketers defines rural as population living in villages and has a different lifestyle than the population living in cities or towns. Almost every economic agency today has a different definition of rural.

FMCG Companies defines rural market in India by their characteristics like Low population density, Low income level, low literacy rate, Main source of income is Agricultural activities etc.

Companies like HUL and ITC, any place with a population up to 20000 is considered as rural market.

What is Rural Women?

SupriyaPrathapan, a poet from Delhi, India wrote a poem called “Woman of Rural India“

Woman of rural India courteous and dutiful,
Victim of Patriarchy, but Oh! So beautiful.

A symbol of strength and perseverance,
Few admire her power of endurance.

According to poet, the woman of rural India is courteous and dutiful but she is still a victim of patriarchy. She is a symbol of strength and perseverance but only few people admire her power of endurance.

The rural Indian women are symbol of strength and courage as they perform their household and agricultural work efficiently. Still, their efforts remains unrecognized and thankless.

Life of Rural Women in India –

The rural women of India performs her household chores from dawn to dusk. After completing her household chores, many has to work in the farm. As agriculture is the main source of living for rural families, rural economy is driven by female workforce in many areas.

Rural Indian women are mostly illiterate, they don't get much education like their male counterparts. Rural families are not very keen on educating their girl child, so most of the women don't get the primary education.

In rural area, the dropout rate of girls from primary school is high as the elder girl have to look after their younger siblings when parents are away from home for work.

Most of the rural women in India has no right to choose their partner for marriage. It is mostly decided by elders of the family and the marriage is arranged accordingly.

The life of women changes completely after marriage, she has to change her name and has to live with husband's family whole life. In many regions, the dowry system is still there. Though government has prohibited the dowry system, it still exist in some cultures.

In India, traditionally the male member of the family owns the land and houses or other assets, very few women have ownership of properties.

Indian Rural Market and FMCG Companies –

About 70 percent of the total population of India lives in remote parts of the country and rural consumers consumes about 60 percent of the total goods and services, mostly FMCG products. Most of the big companies in this sector have formulated strategies to penetrate the unlimited potential of Indian rural market is offering. Hindustan Unilever, started its 'Operation Bharat' to tap the rural market by introducing small sample packets of the products to reach out 20 million consumers. Also, Dabur generates over 40% of the total domestic revenue from sales in the rural market.

Increased rural consumption is regularly leading to increased demand for branded products and services in rural India.

FMCG is the 4th largest sector in the India's economy where the urban counterpart provides about 55 percent to the total sales generated by the sector. Although, with increasing internet usage, growing awareness, improved education system, increasing income and lifestyle changes, the FMCG market of India has seen faster growth in rural area as compared to the urban market.

According to Franchise India report of July 2019, FMCG products are estimated to account for 50 percent of the total rural consumers spending is a proof of the faster growth in the semi urban and rural markets in the FMCG industry. Rural markets in India plays vital role for FMCG companies to stay in business.

The huge growth of the rural market in India has moved the marketable fields for the FMCG companies from urban to rural market. The rural market today is opening unlimited opportunities for the companies to reach out to the one-third of the country's total population. Internet accessibility has given room for information availability for the rural consumers which are influencing their purchase. The aim of the consumers is shifting from price-based buying to value-based purchases. They are now comparing price with utility, features and value of the products. Companies which used to treat the rural market as a clearance ground for lower end products are now understanding the need to aim on the rural customers.

Digitization is speeding the demand for FMCG products in rural India and availability of internet is providing a more efficient way to increase companies' penetration. Online portals are progressively becoming the main medium for companies to penetrate the rural market. Using the strength of internet, companies are looking to spread their reach by overcoming geographical barriers.

Role of Women in Purchase decision –

Traditionally, in rural India, the decision of making purchase was male dominated. Be it household items like FMCG products, Consumer durable products, agricultural products etc.

Women were asked to perform only household work like cooking, cleaning, looking after children, cattle and elders members of the family. They hardly left house for work. There is use to be pardasystem for women. Women would get to leave their house only on social gathering or visiting family members in other village or town, so women were not very familiar with outside world.

But today, the scenario is changing. Women are getting basic education, and are getting more aware about medical requirement, educational requirement of the family. The influence of Television, word of mouth, mobile phones are changing the purchase behavior of women in rural parts.

Many FMCG organizations like HUL, ITC have come forward to empower rural women in India by giving them monetary benefits and making them financially independent.

Objectives of Study –

1. To determine what role rural women play in purchasing FMCG Products
2. To study the buying behavior of rural women
3. To identify the factors influencing Purchase decision of rural women
4. To find out the process of purchasing FMCG products by rural women
5. To study the perception of rural women towards FMCG Products

Review of Literature–

- **Arundhati Bhattacharyya; Rural Women in India: The Invisible Lifeline of Rural Community**

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This paper deals with the general condition of the rural Indian women and the impact of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) on the overall empowerment of the rural women. MGNREGS is for the rural people, including rural women, who are unskilled or semi-skilled.

- **Bharti Ahuja and Malcom Cooper; Women's Role in Indian Rural Tourism: Towards a Social-Infrastructure Model for Rural Development –**

In this research paper, authors studied the contemporary age of globalization and found that women in rural areas through the Asia Pacific Region are still leading a life of dependency that does not allowed them to achieve their economic and social goals. This study examine the situation of rural women in tourism, a new industry in many rural areas. Rural women and rural tourism is a more recent form of research than that of research about women and tourism in general. The study explores the rural situation for women in two

Indian states, Kerala and Rajasthan. The findings suggests that rural tourism can be used as a tool to bring socioeconomic changes in the lives of rural women.

- **Mrs. V.Raji and Dr. V. Darling Selvi; Brand Selection Attributes of Women towards FMCG Products –**

Women consumers are highly involved in marketing and these consumer structures as an important part of the Indian marketing. Significant information is available on the reasons behind male and female purchases with respect to residing place, age, education and income groups. The variables taken for brand selection are date of manufacturing, medical value, freshness, company image, size available, price, herbal, package, advertisement, color and taste. On an overall assessment, it is assessed that the women whether working or at home prefer the FMCG products mainly on the basis of Date of manufacturing, Freshness and Medical Value. The women are least bothered about the Price, Advertisement, Color and taste of the products.

Research Methodology -

This paper is based on descriptive study where thorough research is been carried out by researcher from different sources of secondary data. The secondary data is used for the study. The data is collected from different websites, books, research journals, research papers, articles published and news.

Findings–

- 1 Women in rural household play an important role in purchase decision of FMCG products as they make their own purchase.
- 2 Women purchase groceries and day to day household products after consulting with the family members of the house.
- 3 Women like to travel out of their own village to nearby city or town to shop.
- 4 Women likes to look for value for money after purchase.
- 5 Women like to change their brand preferences to experience new products

6 Women looks for opinions of their friends and relatives, opinion leaders. They prefer word of mouth that advertising.

Conclusion–

In this research paper, it can be concluded that women are taking steps towards the purchasing for FMCG products in rural markets. Study indicates that the women's plays an important role in purchasing FMCG products. The buying behavior of women from rural markets differs from their urban counterparts. The word of mouth advertising plays significant role in rural markets. So marketing companies should focus more on rural women's buying behavior towards FMCG products.

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