“Concern for branding and occupation in rural Maharashtra”
(With reference to food and grocery segment of FMCG)

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Abstract
The consumption patterns are different in rural areas as compared to the urban. The occupation of the consumers in rural areas includes farming, agriculture, small businesses like retail shops, and employment in government as well as private sectors. As the rural consumers are not much aware about the branded and non branded products available in the market. Researcher considers two groups of consumer occupations which include services and farming may we say as a agriculturist. The said study provides a deep insight on the occupation of the rural people and its impact on purchasing of branded fast moving consumer goods. This research is carried out on the basis of primary data collected from Chandrapur district of Maharashtra.

Keywords: Retail, Rural Retailing, Fast moving consumer goods, Brand.

1. INTRODUCTION
Retail activity is a part of tertiary sector of nation’s economy along with wholesale, transportation and distribution, restaurants, entertainment (like movies, radio, television, theatre, music, etc.), clerical services, media sector, tourism sector, insurance & banking sector, healthcare, and law. David Gilbert, defined retail as any business that directs its marketing efforts towards satisfying the final consumer based upon the organization of selling goods and services as a means of distribution. Retail is the business regarding sale of goods or services to the ultimate consumer.

Retailing is defined as a conclusive set of activities or steps used to sell a product or a service to consumers for their personal or family use. Retailers are liable for matching and arranging individual demands of the consumer with supplies of all the manufacturers. Retailer is a person (or an organization) who buys goods in bulk and divide them into smaller lots to be sold to individual consumers.

Retailing as a whole contributes to almost 10% of India’s GDP, and employs almost to 8% of India’s employable population. The organized sector accounts for a mere 5 per cent indicating a huge potential market opportunity that is lying in the waiting for the consumer-savvy organized retailer.

Rural Retailing
Retailing is the last stage of the distribution channel which helps to grow in the rural Indian markets. In rural areas, food and grocery merchandise are purchasing by the consumer frequently on weekly basis. Rural consumer buys this merchandise in small packs, at low price, sometimes depending on credit facility available with that particular retailer.

In rural India, brands rarely compete with each other; just as retailers have to be show at the right place; many brands are building strong rural base without much help of marketing activities. Less brand choices are available in rural areas. The number of fast-moving consumer goods brands in rural areas is half that of urban area.

Retail marketing in rural sector
Mostly in a rural area where life has revolved around deep rooted community values, joint families, traditionally bound, social customs and taboos, marketers realize that the traditional routes of market entry and brand building is not that much easy as compared to urban areas in India.

As Adi Godrej, Chairman of the Godrej Group, says, “The challenge [for brands] is to understand the [psyche] of the rural consumer, create better distribution, and [appreciate] the heterogeneity.”

Now, greater part of Indian economy occupies by rural market, and it will grow at least four times of the present size. In India, the consumer of urban sector taking the advantages of organized retailing, but at the same time retailers know the fact that the urban sector for retail is saturating hence they are searching for the new and untouched market for retailing. Most of the region of rural sector in India is open for the retail business. Consuming pattern in the rural area is changing due to the growth in agriculture sector. Hence demand for food and grocery item is increasing.

Occupational and consumption pattern
The shift can easily be seen from cultivator to wage earner from last few decades in rural areas. Rural people are also moving towards jobs and retailing professions. But there is a difference in wage and salary earner consumption/investment pattern. A daily wage earner has to account for variations in income, whereas a salary earner brings home an assured fixed amount and therefore can plan in a better way. 3/4th of rural household heads are either cultivators or wage earners, whereas 3/4th of urban household heads are salary earners, petty shopkeepers and wage
earnners. The cultivator’s disposable income is highly seasonal with more disposable income available immediately after the harvesting season. This is therefore the time when he is more inclined to make purchases, especially of consumables and durables. Rural markets emerging as a huge opportunity for retailers reflected in the share of the rural market across most categories of consumption.

**Fast Moving Consumer Goods**

Fast Moving Consumer Goods (FMCG) are the merchandises that are sold very rapidly and at comparatively low cost. Example includes non durable soft drinks, toiletries, food and grocery items. Though the absolute profit made on FMCG products is relatively low, they generally sell in scale of economies, so the increasing profit on such products can be substantial. FMCG appears as a major product group in rural consumption in India.

**Brand**

Brands permit the consumer to purchase with assurance and confidence, and select a product from variety of choices. A brand with strong equity enters the hearts and minds of consumers. In modern marketing there is wide use of brands by manufacturers as well as middlemen and the general acceptance of the same by most of the consumers. According to American Marketing Association, brand name is part of brand consisting of a word or group of words comprising a name which is intended to identify the foods or services of a seller to differentiate them from those competitors.

The physical product is only a part of the product image. It cannot stand before the potential buyer. Impression is all about creating an image about one’s value. Image construction plays a great role in enhancing business prospects. That’s where the need for personal branding comes in. These brands can help high in the professional’s build, maintain and improve their image in the industry or market they are in.

### 2. OBJECTIVE

To study the concern for branding and occupation in rural Maharashtra.

### 3. RESEARCH METHODOLOGY

#### 3.1 Area of the Study

The data has been collected from the “Chandrapur” district of Maharashtra state, India. The district includes fourteen taluka. The choice of sample taluka’s has done by stratified sampling methods, although, selection is random. Out of these fourteen taluka’s, eleven taluka’s have been chosen for the stated research along with Chandrapur city. The places includes Chandrapur City, Ballarpur, Gondpipari, Warora, Rajura, Bhadrawati, Chimur, Bramhapuri, Nagbhid, Pombhurna, Mul, Korpana.

#### 3.2 Sampling Technique

**Universe:** FMCG Retailers respondents in the rural areas.

**Sampling Unit:** Sampling unit is limited to the Chandrapur district of Maharashtra, India.

**Sample Size:** 270 consumer respondents from the rural areas (20 from each taluka of Chandrapur district and 50 from Chandrapur city).

**FMCG commodities:** Randomly 10 fast moving consumer goods commodities were selected of food and grocery segment for the study purpose including Vegetable Oil, Rice, Wheat flour, Tea Powder, Sago, Spices (Chili powder, Cumin, & Other), Dry Fruit, Mouth Freshener, Rawa and Pickles.

#### 3.3 Data Collection

The objective of the research is to study the impact of occupation on purchasing of branded fast moving consumer goods merchandise in rural Maharashtra. The study is principally based on the primary data gathered with the help of structured questionnaire and interview. The essential data for this study had been collected through an interview by directly approaching the respondents. All the information was collected by the field work. The data had been collected form 12 places which consist of 11 talukas of Chandrapur district and Chandrapur city. Researcher conducted interviews on the basis of prepared questionnaire of about 20 retailers in each taluka and 50 retailers from Chandrapur city itself. As per questionnaire, interviews were conducted face to face so as to capture the attitude and experience of retailers who had retail shop. But constraints on time, manpower and costs have influenced decisions on the study sample size.

**Primary Data:** The structured questionnaire was used to gather the primary data.

**Secondary Data:** Books, Journals, Magazines, Newsletters and Internet.

### 4. DATA ANALYSIS AND INTERPRETATION

The data analysis is done on the basis of data collected from field.

**Table 1** shows the distribution of rural retail consumer on the basis of Occupation

<table>
<thead>
<tr>
<th>SN</th>
<th>Occupation</th>
<th>Number of Response (In %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Service (Job)</td>
<td>52.41</td>
</tr>
<tr>
<td>2</td>
<td>Farmer (Agricultural)</td>
<td>47.59</td>
</tr>
</tbody>
</table>
Table 2 shows the distribution of branded and non branded FMCG commodities

<table>
<thead>
<tr>
<th>SN</th>
<th>FMCG Commodities</th>
<th>Number of Response (In %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brand</td>
<td>59.35</td>
</tr>
<tr>
<td>2</td>
<td>Non Brand</td>
<td>36.63</td>
</tr>
<tr>
<td>3</td>
<td>Not willing to answer</td>
<td>4.02</td>
</tr>
</tbody>
</table>

It has been observed that service class of rural Maharashtra mainly preferred branded food and grocery segment fast moving consumer goods. On the other hand, agriculturists of rural Maharashtra are not concerned about brand.

5. CONCLUSIONS
From the response obtained, it is concluded that in rural Maharashtra 52.41% of service class consumer preferred 59.35% branded food and grocery products of fast moving consumer goods while 47.59% agriculturist preferred 36.63% of non branded food and grocery products. 4.02% found not willing to answer.
The service class consumers are more attracted towards branded commodities and agriculturist class consumer are not concerned about the brand, hence they are more attracted towards non branded commodities.

6. SUGGESTIONS:
The study further concludes that in rural Maharashtra, it is necessary for retailer to market themselves as well as create the awareness about the brand. It will help retailer as well as rural consumers to build good relationship and retention of customer at the same time.
Mostly the service sector consumers in rural areas are migrating from the urban area and they are aware about the brand. So it will suggest keeping branded fast moving consumer goods marchandise to get the business from such consumers.
Also remaining 4.02% of the total population used for the study may be prospective customer for branded food and grocery products of fast moving consumer goods group.
Hence retailers are suggested to focus on this part of the population to upgradge thier market share using various marketing activities.

REFERENCES

AUTHOR
Mr. Satish P. Rewatkar received the MBA degree in Finance and Marketing Management from C.P. and Berar College, Nagpur in 2008. Currently working as a lecturer in School of Business, Ballarpur Institute of Technology, Ballarpur. The core area of his teaching is marketing. His research area includes software marketing and retail marketing. His three research papers have been published in International Journals and four papers in national conferences.