Finding, Suggestions and Conclusions

From the survey and data analysis there are certain findings which suffice the objectives of the study. The findings have been written in the order of the analysis done from the questionnaire. For each finding there is a conclusion and marketing implication, the respective objective of the study and the question numbers in the questionnaire have been mentioned along with the findings.

6.1 Demographic Findings (Objective 2, Question 1. a to f)

After studying the literature and taking the expert’s opinion on the inclusion of all the items in the questionnaire the data was collected from 1600 respondents in the selected villages across Gujarat. The data was then analyzed through the software and various finding were made by the same. The findings give understanding of the dynamics of the rural consumers. Also interviews were taken of the retailers to understand the rural retils. The findings suggest that the rural women are more actively involved in the purchase of the products and they have their own opinion in the shopping of products. Thus the marketers need to design the marketing strategies to draw the women customers. Maximum of the respondents ranged between the age group of thirty six to forty five, which means the earning member of the family is making decision about the purchase. Most of the respondents were having some kind of education taken though it would be in the local language only as most of the villages were having schools in vernacular language only. It was found that the monthly family income of fifty percent respondents was in between the range of INR 5000-15000.

The demographic profile is very important to the marketers to study the needs and preference of the customers as per their gender, age, education and income. This helps the marketers to design the strategies which would be helpful in selling the products to customer of different age group, gender, education and income.
6.2 Preferable brands (Objective 1, Question 2. a,b,c)

6.2.1 Skin care products brands

In the skin care products for the bathing soap respondents had preference for Godrej No.1 and then lifebuoy. Not only were this but there were respondents who had preference towards Dove also. This shows that respondents are well aware of the various brands. Though they said they have heard of many brands but they used only those brands which are not priced heavily and easily available.

Since years people in India have been having a liking for the fairness products. The brown skin turning white is a priority for majority of people in India. On surveying the rural customers buying the skin care products, it was found that they too have a special liking for fairness creams. Also they preferred the creams having fragrance and prevention of drying. Fair and lovely is the most preferred brand among the rural customers.

In the Talcum powder category the preference was widely towards Ponds. Some respondents used some local brand also called Gokulsanthol which resembled to the Santoor brand of products. There were also respondents who preferred brands like Cinthol, Nycil etc, but preferring and buying a brand seemed two different things which were found through the observation study. Further in the study it was also observed that the respondents were cheated with the look-alike and the spell-alike products too. So when they talk of preference it was not sure what they actually bought.

From the above conclusions it can be implement that the more focus for the marketers should be on the fairness component of the skin care products. As the respondents prefer to have good fragrance in the products, the FMCG companies directing their sales towards the rural can consider this as an important attribute.

6.2.2 Hair care products

In the hair care products the respondent showed their preference towards Navratna Oil. There is also locally made oil known as VVD which was also preferred by some respondents. The bend towards Navratna could be because of the coolness in the oil or
may be the advertisement which targets the mass public. During the survey it was observed that there were many look-alike and spell-alike products of Navratna, having the same kind of packaging and bearing the same old man’s picture and also same kind of logo. Through this it could be concluded that it is so easy to convince the villagers in making them accept the fake products. The respondents were of the opinion that the oil was good and had a soothing effect on their head. The second best option preferred by respondents was Parachute, may be because of the advertisement effect or wide availability. There were many look-alike and spell-alikes of Parachute Oil also in the market.

As for shampoo the preference was for Chik shampoo. Chick shampoo was launched primarily for fulfill the need of people with low income and low purchasing power. In the study it was observed that even there were products which were fakes of Chik shampoo also which already originally a low priced product.

From the above conclusion it can be implied that respondents cannot much distinguish between the genuine products and the fakes. Here the FMCG companies should be using their resources in making people understand the availability of counterfeit/fake products in the market and it can be harmful to use these products. Through advertisements people may know the product through its package but it is a genuine product only that should be taught to them.

It can be suggested here that if the marketers of the FMCG companies should concentrate on educating villagers to use products which would not harm their health. If they can recognize the products by their packaging shown in the advertisement then they should also be able to distinguish between the counterfeit and the original products. special programs should be arranged to educate the villagers about the products and the genuine brands.

6.2.3 Laundry Products

The preference in the laundry products was Nirma. For years traditionally any washing powder has been known as Nirma only. In fact, the brand has become a home name in this category. The other preferable washing powders were Rin, Wheel and Tide. The
preferred washing soap was also in the same brands. It was observed that in the washing category also there were local makers who used the same kind of packaging design which could confuse the villagers for counterfeiters.

From this it can be concluded that since the villagers are aware and can name the brands by their brand names they should only be taught to differentiate between the genuine and counterfeit brands.

6.3 Important attributes influencing the buying of selected products categories (question 4. a, b, and c)

6.3.1 General Attributes

From the study it was found that there were some general attributes which influence the buying behaviour of the villagers. Price or value for money has been found the most important factors. The rural customers would prefer any brand which would be either low priced, may be in their budgets or may give them the value for their money. Here the companies in the FMCG need to understand the income of the customers and their readiness to buy the brands in the prices set by the companies. People in the rural areas prefer to buy low priced products, thus they end up buying either the local brands or the counterfeits. As more than seventy percent of the population resides in the rural areas the marketers of genuine brands can design product which can be easily purchased by the rural customers in their pay-budgets.

6.3.2 Specific Attributes

The consumers have a specific preference for the attributes which are required to purchase the various products in the selected categories. In the skin care products category the customers are influenced by the fairness component in the cream. The second attribute is the fragrance, removes dirt and then preventing the drying of the skin. In the hair care product category the preference was again for fragrance and also silkiness in the hair. It was observed that respondents would like to use shampoo to clean hair with fragrance in the shampoo. Fragrance could be the reason for which the respondents preferred Navratna hair oil.
6.4 Mediums which Influenced the Purchase Behaviour (Q5. A)

The rural customers are well aware of all the brands but they are unable to distinguish between the genuine and the counterfeits. Also the retailers are an important medium to influence them to buy the products. As price seems to be an important factor for the purchase of a product, the pricing strategies should be worked on well by the marketers to attract more rural customers towards the genuine products. Discounts and offers are also very important to the rural customers. The marketing technique to attract the villagers through discounts and offers can also be considered.

The study also found that the villagers buy most of their requirements in the village fairs. The marketers can design the discounts and offers to attract customers in these fairs. There are around 3500 fairs and 1000 festivals are celebrated in Gujarat with great zeal, all through the year. Some important fairs are Bhavnath Mahadev Mela (February), Dangs Darbar (March), Chitra –Vichitra Mela (March), Dhrang Fair (April), Trineshwar Mahadev also known as Tarnetar Fair (September-October), Vautha Fair, Shamlaji Fair, Kutchch Utsav, Sanskruti Kunj Fair. The visit to the fairs is made to fulfill the religious need and also to have all kinds of enjoyments. The villagers make purchase of all the kinds of goods from the fairs. The leading cold drink brand coca cola has captured the rural markets through strides with fairly low prices at these fairs (see Annexure for pictures). This is where the marketers can capture a market for their products. As the fairs are a big attraction with the people, stalls can be bought at the fair to not only sell the products but also to make villagers aware of the difference between the genuine and the counterfeit brands.

6.5 Awareness Medium (Q6. A, b and c)

With the advent of the technology and a huge vogue for television, it has become easy for the marketers to make people in general aware about the brands and the different products available in the markets. Even the villagers love to watch television and get attracted by the moving visual, jingles and different kinds of advertisements. Strategies
can be so designed which can not only make the villagers aware of the products but also make them to understand the difference between the genuine and the counterfeit products.

Advertisement can be designed in local languages with melodious jingles and song to attract the attention of the villagers. These advertisements can be shown on the local channels. It is found that the villagers are also attracted towards the village fairs and buy products of their needs in the fairs. The marketers can have special screening of their products advertisements to make them aware of the new products, the difference between the genuine and counterfeit products and also the consequences of using the counterfeitters.

6.6 Preference of genuine Brands and use of counterfeiters (Question 8)

By studying the preference of the selected product category brands it has been found that almost all respondents have heard of all the major brands available in the markets. Whether the products are available or not in the markets in their villages yet due to the advertisements seen on the television the villagers are aware of all the major brands in the selected products category. Thus the marketers of the FMCG products need to design strategies to increase the buying of their brands and should not concentrate on making people aware of their brands.

From the study it was observed that respondents or rural people would like to prefer to use the branded products in the selected product category. Though the respondents are not able to make a difference between the genuine and the counterfeit brands, yet they feel that they are using the genuine brands. These counterfeit brands are the look-alikes and spell alikes of the genuine brands and look exactly like the genuine brands. This may be the reason that the villagers are not able to distinguish between the genuine and the counterfeiters. The roles of the marketers become very active here as they need to work on strategies which would make the rural customers aware of the difference between the genuine and the counterfeit products. Also the rural customers should be made to know the terrible consequences of using the counterfeiters. The villagers need to learn that the counterfeiters can deteriorate their health in many ways. And this is possible only if the
marketers are able to reach the village people and show them the differences in the products.

There are many attributes due to which the villagers purchase a particular product. The skincare products are purchased for the fairness, skin moisture and fragrance attribute. Attributes like fragrance are very important for the hair care products after fulfilling the cleaning criteria. As far as the laundry products attributes like removes stains, lots of lather and fragrance are important. Special Products can be designed with few attributes desirable to the villagers so as to increase the market share and also to capture the rural markets. The rural market has more potential to the marketers than the urban.

6.7 Importance of Retailers (Question 7)

The villagers trust the retailers blindly and purchase the products on the retailers’ recommendation. The marketers should concentrate on this channel and give retailers their share of profits and other facilities in the way that they are motivated to sell the genuine brands. It was observed in the studies that the availability and the price of the counterfeities is a major reason for the villagers to buy these products. On interviewing the retailers it was found that the distributors of the counterfeit products give them products on credit and the profit margin on these products is very high. The reason for selling these products is the margin factor and the credit facility. The retailers are the most important links between the producers and the customers. This link needs to be utilized in a better manner. The retailers’ opinion is very important to the rural customers. They trust the retailers blindly and believe that the retailers would suggest buying a product which is good for the customer. If the marketers keep good relations with the retailers than the marketers can gain good market share for their products. This can in a big way encourage the retailers to sell the branded products to the villagers.

The good relations can be built by understanding the requirements of the retailers. Through interviews of the retailers it was found that the retailers hoard products which they get on credit as most of the customers are of low income and buy in small quantity on daily basis and that too on credit. The profit margin to the retailers on the sale of
counterfeit products is more. For e.g. while talking to them it was found that the profit one selling one counterfeit shampoo sachet is thirty paisa and selling genuine brand is ten paisa on a one rupee sachet. This shows why the retailers are so inclined to sell the counterfeits.

Other problem which retailers faced was the distribution of products. The distributors of the original brands do not reach to the remotest of the village and the retailers have to go to other villages or nearby towns to buy the products, on the other hand the sellers of the counterfeits send the products through the distributors either on a two wheeler or van. The retailers know very well about the customers trust on them and sell the products which they feel would keep the customer to them only.

6.8 Price or value for money as an important factor

Price is a very important factor for any product to be bought by the respondents. Probably sometime price becomes more important that the people are ready to buy the counterfeit products also. Most of the people being from the lower income group prefer low priced products. Educational qualification also plays a very important role for customers to choose products, as people are not educated or have minimal education they buy products which are of not genuine brands and thus end up buying low priced goods. The other important factor relating to price is the value for money. Customers are keen to have a value for money for all the money spent on the products purchased by them.