CHAPTER-1

INTRODUCTION

Before we venture to analyze the causes of the growth of the Indian economic scenario, it should be only in order if we delve briefly on its historical account that gives us a fair idea as to how one thing or action led to another, as a sequel to the present overall health of our economy, and what steps are to be undertaken further. Before the advent Liberalization the economy of India was in a very bad shape, and was reeling under severe economic crisis. License Raj did not allow private firms facilities conducive to growth nor were there any multinational companies or global brands in our country during those times. For many goods and services India had to import these from other countries, which made its economic conditions even worse. India was not able to pay its necessary import payments and due to a high deficit of finances, it borrowed finances from extraneous sources. The G.D.P. growth rate of India at that time reached as low as 1.3%, and investment as a proportion of G.D.P was between 23.1% to 27.7% in 1991-92. (RBI 2003a, Table 211)

1.1 Pre Liberalization

Policies before policy reform: In 1947 when India gained freedom from the British Colonial rule, India desired to attain socialistic model (pattern) of society. In order to achieve this goal, major policies were taken to initiate appropriate centralized
planning for public investment decision for building basic infrastructural network required as also economic planning to amplify the public investments in the major industries along with exercising controls and regulatory measures to check the arbitrary market forces at work. The initial phase, post-independence, Indian planers settled on mixed economy model. The highlights of the policy were:

- Development of private agriculture stands on public support in major areas such as research, extension and irrigation.

- The enacting of the logic of investment in the fundamental planning was meant to coordinate investment in major segments of the economy.

- Handing over of an important job to investment under the state support.

- A compounded system of regulatory tools aimed primarily at communicating with foreign exchange was initiated but with the progression of time it was extended to prevent the development of the so-called monopoly houses.

- A purposeful policy of nurturing small and medium industries to help resolve ownership.

- The State power used to control the flow of the private capital from foreign markets to Indian market

- The implementation of a rule of administered charges in the main sector to regulate both the uncertainties and the acknowledged in equalities of the market system.(Prakash, B.A 2012)
In the sector of foreign trade, more importance was given to the strategy of export encouragement policies and import exchange-oriented policy. During 1950s, the stress was given on import exchange policies and in 1960s by the side of export oriented policies, a huge import exchange policy was also exercised. To restrict the import goods many limitations and licensing were forced. These extreme intrusions which were undertaken to control the market, distorted the market prices, foreign exchange rates, interest rate etc. Due to the continuous deficit, the government of India had borrowed huge amounts of money from foreign sources, which caused rapid public debt, and the economy of India started to suffer from serious crises until the end of 1980’s.

In 1990 India was in the middle of an exceptional balance of payment crisis. To counteract this crisis, the policy makers of India declared new major economic policy reform designed specially to offset the imbalance and re-establishing the growth factor in the economy. The three- branched path was pursued to achieve stabilization, reformation and globalization of the Indian economy. To begin with, the stabilization of the Indian economy entailed harmonizing cumulative demand and supply, by decreasing rising budget deficit of the central government. Secondly, to bring Indian industry at par with the global scenario newer foreign policies to reform the economy was designed. Thirdly, it entailed the globalization of the Indian economy through reducing custom duties, permitting the flow of foreign capital without much hurdles, service sectors were opened for foreign capital to ease the economy.
Major policy changes were incorporated in 1991 which pertained with respect to fiscal, agricultural, trade, foreign exchange, foreign investment and industry. The economic motivation at the back of the policy reforms were focused to make market forces more congenial and transparent permitting the market to work more freely, which is adequately suitable than restricting the market working through controls and regulations. (Prakash, B.A 2012)

- Major changes were seen in industry policies, according to which most of the central government industry control was given in the hands of private sector. Earlier, public sector had control over 18 industries which were reduced to only three.

- License policy was withdrawn due to which high tariffs were minimised.

- Foreign companies and investors were allowed to operate in the country on the condition of their getting registered with Reserve Bank of India.

- Policy reforms were instigated in India at the time of Congress Government, under the Prime Ministership of P.V. Narsima Rao and Dr. Manmohan Singh as Finance Minister. According to new reforms License Raj was abolished and economic reforms became friendlier to the industry. (Alhuwalia M .S, 2002)

The groundwork of these policy reforms were set by the government during 1991 and 1996. In the time zone 1996-1999 the central government of India was not stable politically, hence the reform were not strongly pursued. However reforms were followed strongly in the B.J.P tenure lead by prime minister Atal Bihari
Vajpayee between 1999-2004, some new reforms were also initiated during this time span. The Congress Government under Prime Minister Dr. Manmohan Singh continued the reform from 2004-2014. (Prakash B.A. 2012)

After liberalization, the Indian market has emerged as an economic power and has facilitated global market to operate successfully in the country. A fascinating component of this mystery is the Indian consumer market, categorized by diverse languages, religions, economic and social status, spread over variegated regions.

1.2 The Changing Consumption Patterns of Indian Consumers

- **Global Integration:**

  As a result of open opportunities available in a liberal economy many multinational companies came to India to find an opportunity of getting a foothold of their business. India has provided them with a market of high possibilities as it has a huge middle class who are the potential consumers for their goods and services.

- **Regular growth in GDP:**

  A consistent growth has been seen in Indian G.D.P rate in the past few decades. In 1990 India was in crisis, they were suffering from deficiency of finances. In 1991 the G.D.P. growth rate was 1.3% (RBI 2003a, Table 211) which accelerated and reached to 7.6% according to Trade Economics.com. It transformed the scenario of the Multinational companies about Indian market, that wished to do more Business in India.
Increment seen in real income in spite of high inflation:

13.88% was average inflation rate in India in 1991 (indexmundi.com, 2017) which was recorded 8.69% from 2012 to 2014 and now it has reduced to 5.17% till March 2015. Despite of high inflation rate, a continuous growth has been seen in income of Indian consumer. Increased income brought changes in consumption pattern of consumers. Now their buying capacity has also increased with their increasing incomes. So there created a likelihood of a good potential market for business units.

Increase in competition resulting higher effort in market development:

Many multinational companies came to India for business and contributed to the competition in Indian market. Consumers have increased choices in same type of product ranges made by different manufacturers and brands. Competition among companies has provided with better quality with lower price to the consumers.
Resultantly companies are also working hard to attract consumers by using different tactics in advertising and marketing.

- **Deeper access of media in regional area:**

Media is also expanding its business and trying to find huge number of unexplored advertisers. It is essential for media to explore new market for its own survival also. It may provide alternatives to a total dependence condition on only a few conglomerates. To reach the rural consumer, companies have to advertise their product on national as well as regional and local media.

Media is readily advertising the product for rural area as it is important for media to go local. In the current scenario media is also in search of alternative revenue sources. At regional and local level new advertisers are emerging, media have to reach them to meet their aspiration. In a country like India where 68.84% population lives in rural area according to census 2011 so, rural area comes as a big market which has a great potential to generate high rate of revenue.

- **Increasing literacy and aspiration level of young population:**

Literacy in India has showing a remarkable growth. According to 2011 census of India the literacy increases from 52.21% in 1991 to 74.04% in 2011. Increasing literacy rate also brought changes in buying pattern of consumer. Now they are more confident about their needs and buy products according to their needs. Literacy is also a socio-economic indicator so increase in literacy also gives increment to economy of India. (Kotler,P. et al., 2013)
Almost all the MNC’s were focussing on urban medium class since 1991, but gradually they have started realizing that urban middle class market getting saturated now they have to find a market of possibility, many businesses directed their interest towards the rapidly emerging rural sector. The Indian rural market is still developing, and the segment poses multiple challenges. The consumption patterns of the rural consumers are totally different from urban consumers. Apparently that urban Indian has evolved much quicker than the rural consumer because of higher exposure of media and changing life style, the rural consumers are not far behind (Vidyavathi 2008). Rural India constitutes "the heart of India, generating more than half of the national income”. According to Mckinsey Global Institute’s Report, “The Bird of gold: the Rise of India’s Consumer Market”(may 2007),

Consequently they have started moving towards rural Indian market. For example Marico a consumer product company is trying to take Saffola which is their ‘premium’ product to rural market “Saffola has been restricted to the top 6 to 10 metro market and doesn’t have any rural distribution. Since there is headroom for growth in rural market, we are prototyping Soffola for this market with enhanced distribution as there is softening of urban demand”, said by Sangata Gupta, CEO-FMCG, Marico, during the conference of analysts.

Maruti Suzuki provides data that rural area is a big market for them as every third car was sold in rural area in last 6 month of current fiscal, and they are expecting more growth in it. (Sasi. November, 2013) Many other companies are also
showing their interest in the market like Dabur, India Ltd, Mahindra & Mahindra etc.

1.3 Rural Consumers in India

Rural consumers are unlike from their urban counterparts. Rural consumers only buy pocket friendly products. Rural market is homogeneous in nature so there is mass consumption among them about a specific product or brand. In rural India, not many women deal with the market work, mostly male make the buying decision. R. Yuvrani concludes in her thesis brand loyalty and awareness among the rural consumers is comparatively less than their urban counterparts. The degrees of brand loyalty differ in the rural consumer. Their loyalty depends on the nature of products. But if they are loyal towards any brand, it is very difficult to change their preferences and choices.

Census 2011 discloses that 83.3 crore people that is about 68.84% percent of India’s whole populace lives in villages. Though, Level of urbanization increased from 27.81% in 2001 Census to 31.16% in 2011 Census. Unlike to urban population, rural population is spread through the 640,867 villages. Rural market which is spread over the significantly heterogeneous in respect of purchasing power, literacy, electrification, sanitation, culture and so on (Selvaraj A. 2007).

Rural consumers are inclined by product price and their personal experience that is derived from the consumption of the product. Their purchasing behaviour is motivated by their own experience, friends, relatives and family member’s
experiences. Most significantly, easy availability and quality of the product are the chief and vital elements of the consumer buying behaviour. The methods of product marketing than have a limited effect. “Rural consumers are very much attached to and influenced by touch and feel aspect of any promotional activity” (Shivaraj B. 2006).

1.4 Rural Consumer Behaviour

Rural consumer showcases certain behaviour, which make it significant for marketers to understand their consumer through marketer research. According to Kotler et al. (2013) in rural India people incline to direct a more relaxed lifestyle in comparison to urban people and showcase less urgency, rural consumer tent to have more trust in Government endorsed product and services. Consumer in rural market likely to be more brand loyal, as habits once formed are difficult to change. They rather choose a good deal on premium priced product.

Cultural value and norms of rural consumer have a strong impact in determining purchasing and consumption behaviour. Villages in Rajasthan have a restricted system in terms of food. In rural Rajasthan women live in more traditional ways, consequently western wear and modern clothes for women are more acceptable in urban region whereas it has poor acceptability in rural market. For developing advertising for rural audience marketer should keep these norms about the role of women and their behaviour. A new shift can be seen in rural consumer behaviour it is getting influenced by their counterparts’ urban consumption pattern. Many factors responsible for this behavioural change of rural consumer like increasing
popularity of satellite television, increasing migration, escalation in use of telephone and other means of communication.

Rural communities are likely to be more closely knitted in comparison to urban society reference group in rural market have a great influence on the consumption pattern. In rural area joint family structure still exist and very less nuclear families can be seen in villages. In rural customer collective can be seen as most products are bought for the consumption of whole family. The head of the family take buying decision in rural area. Caste system is still strongly prevalent in rural India impacts in the buying behaviour of rural consumers specifically in the role of status of individuals and families.

In rural area, the occupation and income of buyer direct consumption to a great extent. Another key factor which effect rural demand is the instability of the income of farmer. Daily wage labourers earn and get payment on a day to day basis so they buy their product in small quantities.

1.5 Economic Environment of Rural India

Rural households make their incomes from numerous sources comprising agricultural wage labour cultivation, livestock and other non-farm occupations.

"A preliminary analysis reveals a grim picture of rural areas with three in four rural households earning less than Rs.5, 000 per month and almost 90 percent of households have incomes of less than Rs.10, 000 per month," Himanshu an agricultural economist working with Jawaharlal Nehru University, New Delhi.
Shift has been seen in the consumption pattern of rural consumer.

- The proportion of rural households with motorcycles or scooters more than doubled in the 7 years prior to 2011-12 from 7.7% to 18.4%, while in the urban sector the proportion increased from 26% to 38%.

- Educational expenditure per person per month (including the entire population in the denominator and not only students) was about Rs.50 (3.5% of MPCE) in rural India and Rs.181.50 (about 7% of MPCE) in urban India.

Source (House Hold Consumption of Various Goods and Service by NSSO, 2014)

These points indicate that consumption expenditure has increased in rural India.

1.6 Communication to Rural Audience

Rural consumers live in a community structure which play an essential role in information seeking and problem acknowledgment phase. Both the phases are highly influenced by reference group. Kotler et al. (2013) Due to low penetrations of mass media and strong community dominance which influence problem identify phase through word of mouth. In fact publicity done by Government and non-Government organization has a huge impact on rural people for creating awareness. Opinion leader who are supposed to be more knowledgeable play a significant role in providing advice and information. Before buying a high value products people in rural surrounding prefer to discuss it with their family members before buying. Since penetration of mass media is low in rural area, so people
depend on people more for advice, information and suggestion with the regard to their buying decisions.

It is a big challenge for marketer to develop and execute marketing strategy for rural audience. It is said that after every 20-25 km local dialect change in India. Communication task further complicated by the literacy level and variation of media reach in rural India. There is a requirement of deeper insight about social, behavioural, and their psychology sensibility of rural people. A typical depiction of rural setting of one region may not connect the other consumer of other rural consumer. Gimmicks and quickies do not have much appeal for the rural consumer. An advertisement of shampoo with a beautiful bouncy hair girl does not elicit a positive reaction get a desired effect. In that part of country, it was not found appropriate to depict her hair in that manner for girls.

There is a limited influence of conventional mass mediums such as television, radio cinema due to its lack of presence. This situation is improving with the increase in level of literacy and penetration of technology. (Kotler, et al. 2013) it was found in 2011 that 70 percent of new DTH connections in India are from rural or small town of India. The difficulties of low penetration in rural India require strategies which are integral and innovative communication.

Companies trust on rural centric and unconventional methods to reach in rural market such as video van, melas, mandis and many more. Distributors of companies also organize service camps for generating brand awareness. Mobile
video van became very popular in rural India, since traditional and audio visual media has its huge impact on rural consumer.

1.7 Building Relationship with Rural Consumer

The inadequacy of technological structure (electricity, television etc.) in rural India often given an image, that establishing consumer relationship is difficult there. But mostly companies ignored the fact that rural market flourish on the personal acquaintance of customer and seller. The local grocer, in spite of stocking a range of brands, has a worthy relationship with his or her buyer through years of deals. Some companies like Hindustan Unilever Limited have worked on implementing it to make a good relation with its customer in rural India. In present study products of HUL are found most purchased product in rural Barmer and Rural Jaipur.

1.7.1 HUL’s Rural Marketing Strategies

Hindustan Unilever Limited has been at the vanguard of conducting innovative experiments and approaches to influence the rural consumer. Kaur M. (2013).

**Indirect Coverage Approach**

Hindustan Unilever Limited began its initial effort towards reaching rural market from 1960’s onwards by indirect excess of nearby rural market with high business possibilities through network of urban stockist and distributors. Underneath this method company forefronts were switched by vans belonging to Redistribution stockist, which examined a handpicked group of nearby markets. Rural market
with less business possibility but reachable were allotted to retail stockist for gaining access to all villages on quarterly basis.

**Harvest Operation**

The access of conventional media and, hence awareness of various goods in rural markets was unconvincing. Moreover it was not always achievable for the distributors to reach all these rural markets because of high expenditures involved. Yet, these rural markets were vital since growth prospects were very huge. Operation Harvest tried to enhance the part of conventional media in rural India, in the procedure, relationships and loyalty with rural consumers. Operation Harvest also comprises conducting of goods awareness programs on vans.

**Cinema Van Operations**

The distributors financed these vans. These vans have films and audio pieces with song and dance pieces from famous films along with advertisements of Hindustan Unilever Limited products.

**Project Streamline**

Hindustan Unilever Limited, in 1998, in order to gain a foothold in the rural distribution system appointed selected sub dealers that could promote sales in their neighbouring villages. Through this project, HUL made also a center and spoke system for penetrating rural markets. This project was introduced in those villages with the population around 2000. The Rural Distributor (RD) had 15-20 sub-stockists with him. All these sub-stockists were responsible to handle distribution in neighbouring villages and used unconventional methods of transport like tractor, bullock cart, scooter and cycles etc. to carry the products to deep and far of villages
to make their goods available to the populace of the area through retailers. The sub-stockist gave the retailer products on credit and collected money from retailers, as when the goods were sold. This is how HUL successfully sold their goods through penetrating into villages.

**Project Shakti**

Project Shakti was another important milestone in HUL marketing schemes to access rural markets that had population below 2000. This was introduced in 50 villages of Nalgonda district of Andhra Pradesh, since 2001 HUL has been instigating Project Shakti. HUL imaginatively coordinated with Self Help Groups (SHGs) of rural women. The project was unique in the sense that through uniting SHG, they were able to generate income for themselves as well as for the women of those villages. They chose the member from SHGs as an entrepreneur for this project, known as ‘Shakti Amma’. The process was a direct-to-home supply of HUL goods in rural markets. The Shakti Ammas is a tool that sold directly to consumer as also the merchants in the villages’. Each Shakti Amma was responsible to sell HUL products in 6 to 10 villages. On cash and carry bases through making available micro credit from SHGs and local banks whichever was applicable. Through this a wide range of HUL goods relevant to rural consumers like Lifebuoy, Ponds, Lux, Clinic Plus, Nihar, Wheel, Pepsodent was marketed through this project. A Shakti entrepreneur manage an average business of about 15000, on which she made an extra income of rupees one thousand. As most of these women are BPL (Below Poverty Line). “Currently, there are over
45,000 Shakti Amma covering over 100,000 villages across 15 states and reaching to over 3 million homes. Plans are being drawn up to cover more states also. Shakti project - Extended Through Shaktimaan.” Report of HUL

HUL is a leading brand in rural India proves that consumer relationship in rural India can be maintained.

1.8 Fast Moving Consumer Goods

Goods which have a speedy sale out and relatively low cost are known as Fast Moving Consumer Goods (FMCG). FMCG goods are those that get traded within a year. FMCG usually comprises wide range of regularly bought consumer products such as tooth cleaning products, toiletries, soaps, shaving products cosmetics, and detergents, as well as further non-durables such as bulbs, glassware, paper products, batteries, and plastic products. FMCG also comprise packaged food products, pharmaceuticals, soft drinks, consumer electronics, tissue paper, and chocolate bars. Fast moving consumer products are also called Consumer Packaged Goods (CPG).

1.9 FMCG Sector in India

The Fast Moving Consumer Goods (FMCG) segment is one of the flourishing segments of the Indian economy which has endured outstanding development in the past decade. Rapidly rising economy, growing per-capita incomes, and growing trend of urbanization, the FMCG market in India is expected to further expands to Rs 400,000 crore by 2020. (Business Standard, 2013)
As per the IBEF (Indian Brand Equity Foundation) Report, The Indian FMCG segment with a market is the 4th largest segment in the economy of India. The FMCG market is estimated to grow more than double from USD 30 billion in 2011 to USD 74 billion in 2018. This segment includes of five main sectors, which include branded and packaged food, household care, personal care, beverages and tobacco. Personal care comprises of oral care, hair care, toiletries, soaps and cosmetics; household care comprises of fabric wash and household cleaners; and beverages include health beverages, soft drinks, cereals, dairy products, bakery products, chocolates and staples.

Fast Moving Consumer Goods is a significant contributor to Indian GDP (Gross Domestic Product) and it is also the fourth largest segment in the Indian economy, which is giving employment to around 5 percent of the entire factory occupation. This segment also creates employment for about 3 million people in downstream things, which are usually carried-out in small towns and rural India. At current scenario, urban India has total 66 percent FMCG consumption, whereas rural markets account for 35 percent of the total FMCG demand.

In the present scenario, when a sufficient amount of money is being spared for rural advertising and marketing by various brands it is required to explore the brand awareness of the people in rural area and also the effect of television advertising on the purchase decision of people.
In rural India distribution and product availability is a huge issue due to the competition among brand is limited. (Kotler et al., 2013) there are many reason behind the low intensity in competition in rural market.

- Policies and priority of companies.
- Companies resources and capabilities are limited to work in rural market
- Insufficient information pf rural consumers.

The biggest problem for brands in rural market is fake or imitation of brands. According to Kotler, et al. because of low level of literacy in rural India, consumers there identify brands through logo and package color.

### 1.10. Status of Women in Rajasthan

“Women, who contribute half of the world’s population by virtue of an accident of birth, perform two – thirds of the world’s work, receive one – tenth of its income and own less than one – hundredth of its property”.

The UN Commission on Status of Women (Karmakar K.G., 1999)

A woman is the core of the family, specifically in rural India. She not only gathers fuelwood, water, food and fodders but also plays a key role in enduring culture, children grooming and preparing them for future. Although women constitute 48.91 % of the total population of Rajasthan, their contribution for development in our society is more than that of men. Rural women initially begin their day in early morning with fetching water, cook food and getting fodder. She looks after their
children and other family members, their health, education and orientation of
children and attends numerous income generation activities. In village women
handle household affairs, take care of family assets and livestock, handle buying
and finance of household. She works for more than 14-16 hours a day. But
unfortunately, despite their commendable and selfless role which cannot be
replaced by any men and machine, women still have been repeatedly subjected to
suppression at home and outside, both. All this is happening despite of women not
being acknowledged as mother but as a superior scholarly institute by our ancient
saints and scriptures. It is said in Manu Samita (Chapter II, Para 145)
Upadhyaayan-dasacarya acarryanam satam pita; Sahasram tu
pitṛnmatgauraveratiricyate “A Guru who teaches Veda is 10 times superior to an
ordinary teacher and the father is a hundred times more than a Veda teacher, but
the **Mother** is 1000 times more superior than the father”.

In Rajasthan, a study of the state of women and children was conducted by the
UNICEF in 1991. Before that, the UNICEF, led a study in collaboration with
NCERT, and published an article titled Hamari Betiyan in 1989. It was a
situational examination of the girl child. After 1991, a few researches have been
conducted. These analyses have constantly discussed the fact that all the indicators
of status of women in rural Rajasthan i.e. sex ratio, literacy, employment, age at
marriage, health and nutrition are extremely low.
As per Census 2011 in rural Rajasthan, the sex ratio is 933 female per 1000 male.

Source:
Literacy rate of rural women is increased in compare to the last census which was done in 2001. It has increased to 45.80% in 2011 from 37.33% in 2001. According to the report of census 2011

Women in Rajasthan still marry early. 54.7% women of age group of 20-24 years agrees about the fact that they got married before legal as (18years) according to annual health survey 2012-2013 conducted by census of India.

Rural women are mostly involved in agriculture and similar works where they can justify their duel responsibility easily and also this does not need any special training and education as required for other occupations. According to census Rajasthan 2012 and 2013 factsheet 2012-2013 25% of rural women in Rajasthan are involved in different work practices which support their family financially.

Social, economic and political position of rural women is miserable than their urban counterparts, despite the fact that these rural women have been contributing extensively in social and economic growth of the country. Although their input in development programmes have not been acknowledged and only little room is there for them and they are considered as passive recipient instead of active associate. Due to lack of deliberate political and social motivation they remain politically inactive.

Vina Mazumdar (2002) while conducting a study ‘Face to Face with Rural Women CWDS Search for New Knowledge and an Intervention Role’ compares rural women of Punjab and Rajasthan and says that there is a tremendous difference in
the attitude, perspective or the priorities that dominate. Women in villages of Punjab were very conscious of their subordinate position in the family and the community, but pragmatically opted for concentrated work on employment generation before they could challenge the power of the institute that subordinated them.

Empowerment of women is the most often used word in discussions of growth and development of society today. The idea of getting women empower has its beginning throughout the world in women movements.

In 1980 UNO article Pointed out that “women are 50 percent of the world’s population, do the one-third of the world’s work hours, receive 10 percent of world’s income area and own less than 1 percent of world’s property”.

Government of India is running many schemes to provide employment opportunities in rural areas. One of the schemes is STEP which is specially working for rural women.

**Support to Training & Employment Programme for Women (STEP)**

The scheme was started with a goal to make a major impression on women by promoting skills for employment on the basis of self-sustainability and income generation for marginalized and asset-less rural women. The vital approaches include training for skill development, organizing women in workable groups, positioning for marketing relations and easy opening to credit. The scheme covers 10 sectors of employment i.e. Agriculture, Animal Husbandry, Dairying, Fisheries,

Iyer L. (1991) “Women Entrepreneur Challenges ans Stratergies” in his research “Women Entrepreneur’s Challenges and Strategies” discusses the key problems and limitations confronted by women entrepreneurs. She concentrates on economic liberation of women and believes that female can consider a fresh way to begin their own commerce. She points out on the particular policies and programmes for developing entrepreneurial skill among ladies. She also appraises the list of organizations who are giving valuable training to women entrepreneurs.

There are many NGO (Non-Governmental Organizations) and self-help group are also working for these rural women.

NGOs are groups of people who are working for the development and welfare of needy people. NGOs work both independently and alongside other agencies or self- help groups.

‘Mahila Mandal Barmer Agor’ is the outcome of efforts of Mrs Mumtaz Ben President of this agency; she started this agency in 1983. She started working on the difficulties of rural ladies like water, road, school, electricity, etc. Mahila Mandal builds self-help groups (SHGs). It trains rural females numerous skills using which they can earn their livelihood.

The SHGs are also called as “solidarity group” as they provide financial and moral help to the persons in need. The SHGs associate with the villagers in their difficult
times. The elementary ideologies of the SHGs are communal trust, group approach methods, establishments of small and manageable group, requirement based loaning, security free women friendly credit and peer group force for refund taken loan. Thus, the key purposes of establishing of SHGs are social and economic progress of women, increasing their savings skills, developing entrepreneurship skills in ladies for village growth. The SHGs started playing an important part in rural development. People who are below poverty line they joined together and framed a group. SHGs have been measured as influential tools for rural women to develop talents for commercial activities. Now SHGs clutch power, offer strength and deed as an antipode to the vulnerability of the poor rural women. It has become a stepladder for ladies to go up economically, socially, mentally.

The load and distress levels of rural women in India differ extensively with the social and economic status, their local customs and many other factors. In rural areas, women from higher castes are subjugated more within the limits of their homes, because they are not allowed to venture outside the premises, whereas women from lower castes suffer more not inside homes but outside, as they are easy prey for the predatory men who employ them and consider these women sexually available for exploitation. The conventional Socio-cultural rules like female infanticide, child marriage, purdah, sati, labeling women as a dayan (witches) are still followed in the state. The additional form of suppression is in form of domestic violence, which is mainly present in villages and tribes. As the
men don’t work, are addicted to liquor and the money which is earned by women are taken by them for buying liquor.

According to Social Assessment Report of Government of Rajasthan, Department of Rural Development and Panchayati Raj traditional practice of Nata and Dapa among tribes has now transformed to virtual selling of brides. Widow is considered bad omen among certain social groups in villages and widows are not welcomed at many social-cultural gathering. There are some regions in Rajasthan which have specific women issues. Parents are not like to marry their daughters in the families of Dang area. This is due to the terror of dacoits, tendency of polyandry (there are cases where one woman is married to 8 people) and Danga geographical situation. The women in Rajasthan largely have poor health and generally are under weight and malnourished. Women with less education have poor health (The National Health Survey) and literacy rate of Rajasthan is 66.27% which less than the 13.53% less than the national average literacy rate i.e.79.8% (Social Assessment report of Government of Rajasthan Department of Rural Development and Panchayati Raj).

1.10.1 Panchayati Raj

State has 50% of reservation for women in Panchayti Raj institutions. The presence of women in PRI’s is because of this reservation according to the Social Assessment report RDPR. Municipal elections of 2010 shows that there are 123 head out of them 36 are women.
Some of these women Sarpanch are working outstandingly for their villages like Chhavi Rajawat is one of India’s youngest sarpanches. In 2010, an MBA graduate quit her corporate career with one of the country’s biggest telecom firms to become sarpanch of Soda. She is one women army who has been working for the development of her ancestral village. She brought clean water, toilets, solar power, paved roads, and a bank to the village. (panchayatgyan.gov.com)

Radha Devi is sarpanch of Bhadsiya village, district Nagaur, Rajasthan. Worked allot to reduce the school dropout rate of girls in her village. When the information came to her notice about the students of government Girls higher Secondary school are missing their classes and carrying heavy buckets of water from hand pump which is placed outside the compound of school to the kitchen, where their mid-day meal was prepared. She stop the principal for getting the students to do that work, she also encouraged girls of her village to attend school regularly and also ensured a fall in the dropout rate in the three institutions under the panchayat and increased enrolment as well as literacy rate.( panchayatgyan.gov.com)

Pratibha Choudhary is a sarpanch of Pachhmata village Gram Panchayat in Rajsamand district, Rajasthan, she has completed five year as the head of villages. There is a noticeable improvement in both social service and infrastructure of villages. She has approached Kiran Maheshwari, who is our Member of Parliament and the Minister of Public Health Engineering, Ground Water, to get acquiescence for a water pipeline for their area and today each village in her panchayat, has water connections in every household.( thecitizen.in)
**Nisha Devi** is a sarpanch of Balabhgram made her whole village alcohol free village even after getting life threats from liquor seller. She created women self-help group for making their village alcohol free village (Bhaskar news).

**Sharmi Bai** is a woman sarpanch of Garasiya tribe from Sirohi district in Rajasthan. She was one of the selected community leaders who interacted with Ex. President Barak Obama at an expo on democracy and open Government at St. Xavier's College Mumbai in 2010. She built first-ever school for girls in Nichlagarh by mobilized the local community, since than she has been elected as the village head. She has been supported by a NGO for conducting many social audits in the panchayat, for proper enactment of the National Rural Employment Guarantee Scheme which promote education among girls and generate awareness of women on domestic violence. (The Hindu, 2010)

These women are working for their villages and for the issues of women of their villages.

Hence many problems of women can be appropriately solved by focused study and with close communication. But while interacting with the rural women, the main hurdles are the elder male members of their family; they used to consider their women submissive. According to these men women should never step outside the house on their own. Hence, communicating women endangered their position and dominance.
Globally, women are becoming the main decision-maker when it comes to FMCG goods which make them main target audience of the FMCG products advertisements. In India also FMCG marketer shows interest in understanding women specially housewives. Since the initial days of Indian television advertising, marketers of FMCG goods have targeted housewives when it’s about household goods. But now a day house wives, have much more say on many other types of good as well.

Rama Bijapurkar, a consumer behaviour proficient, says that in India, however, the growing number of working women is not dynamically changing as much as the number of house wives growing who has attained working women mindset. She discusses that the working women does not have predicted influence on consumption as these multitasking women carry on their traditional role at home and usually they don’t change their practices at home. Whereas their likings regarding personal products may change but their behaviour towards household goods hardly change.

In the recent years some women have magnificently overcome deep-rooted cultural struggle to drive change as the Sarpanch of village.

Shabana Azmi (2000) discusses in her study that political empowerment of women is essential because women who outside the home are likely to become well-informed about issues at home and outside. Women in political practice and at higher level have arisen into authority because of their family association with politics or some women came with agenda. So their approach was not attuned with
agenda of women and do not relate with other women's needs. So real political empowerment needs empowering women who have relates to women’s agenda and women's needs.

1.11 Sanitation in India

When we come to the subject of sanitation and clean habits of a country populace, there are various parameters GDP, HDI, Literacy rate, per capita income, infrastructure etc. although with these variance we do get a picture of a country's health and development, when Gandhi ji was asked as to what is a measures of an ‘Ideal Village’ he very simply replied “An ideal village will be so constructed as to lend itself to perfect sanitation….The very first problem the village worker will solve is its sanitation.” growth in GDP and HDI can easily be seen by the condition of toilets. It is also said that if clean toilets are available to everyone in a country, the country is developed.

In lined with the cleanliness standards as define of a country condition through clean toilets. The ‘Swachch Bharat Mission’ was strongly taken up by the Government of India on 2nd October, 2014 as the occasion of birth anniversary of Mahatma Gandhi.

The President of India Pranab Mukhrjee addressed a Joint Session of Parliament on 9th June 2014 and shared the vision of government of India regarding ‘Swachch Bharat Mission’
“We must not tolerate the indignity of homes without toilets and public spaces littered with garbage. For ensuring hygiene, waste management and sanitation across the nation, a ‘Swachch Bharat Mission’ will be launched. This will be our tribute to Mahatma Gandhi on his 150th birth anniversary to be celebrated in the year 2019” as per the guideline of Swachch Bharat Mission

The Swachch Bharat Abhiyan (Gramin) which was instigated by the Ministry of Drinking Water and Sanitation (MDWS) for rural India was aimed at brings about a complete change, and overhauls the entire sanitation outlook of its people. And the first and foremost challenge was to put a stop to open defecation, littering of garbage around by the year 2019. These are major challenges because of different socio-cultural and economic conditions. In SBM (G) MDWS targeted to guarantee that all the families of rural India have access to toilets. For the purpose different designs of toilets are available like Twin Pit, Septic Tank and many others, these toilets design are made according to the various hydro geological conditions. An incentive of rupees 12000 given by ministry MDSW under the SBM (G) was announced to each village family under poverty line, to ensure that they have a clean toilet in every house. This incentives also given to marginal farmers, landless labourers, physically challenged people and women headed households.

WHO (World Health Organization) study relevels that one child out of ten child deaths died due to diarrhea and respiratory infection. Had there been adequate sanitation these infection-spread diseases could have been averted.Washing hands
with soap could significantly reduce diarrhea and respiratory infections. Improved health and productivity is directly related to good Sanitation condition, 80% of sickness in rural area are water borne illness.

Another campaign which is running under the banner of Swachch Bharat Mission is **Swachch Bharat: Swachch Vidyalaya**. The vital feature of this drive is to ensure that all school in India have group of necessary intervention as safe drinking water, sanitation and hygiene facilities for the usage of children and teachers. Well maintained water, sanitation and hygiene in schools denotes to a group components that are essential to produce a fit school environment and to support and develop suitable health and hygiene behaviours. In this drive MDWS is ensuring that the following component should be available in school.

- Separate toilets for boys and girls, with one unit generally having one toilet (WC) plus 3 urinals. There should be one unit for every 40 students.
- Plenty amenities for washing hands in groups which embrace 10-12 students for hand washing at the same time. The handwashing place should be of simple technique, workable and trusting on usage of minimum water. These handwashing amenities can be produced by utilizing local materials. Hand wash with soap in group sessions are performed before the mid-day meals are served, and are directed by teachers, who stress on good handwashing methods. The sessions of hand washing are used as a chance for conveying hygiene messages, particularly the message that hands should be washed at two critical times: before eating and after using the toilet.
In this drive MDWS organizes activities that promote and practice the hygiene and sanitation among children that help to prevent diseases.

This significant drive was aimed at improving of hygiene-awareness, in children. Aimed was from children in schools made to wash hands with soap, so that their parents to could pick up the habits. If practiced religiously followed, would translate into major health benefits of children. The initiative is then to be taken up by the women of the village as they are responsible for inculcating any habit among children. To healthy hygiene practices at every household, it is mandatory to educate the women of house as literary rate of women in India is very low 65.46% according to census 2011.

It is through this very simple formula starting at the lowest village levels that will, in the years to come until 2019, will have effected a very healthy change in the perception of our village outlook towards cleanliness and the impact is sure to lead the country on to the path of major development.

1.12 Theoretical Framework

1.12.1 Communication Theory

One Step Flow Theory: states that there should be no opinion leader in between the communicational channel and the audience. The message should not be influenced by other factors. The theory proposed by Bennett and Manhiem (2006) they State that “Communication.... will ... have substituted their own audience selection and targeting skills for the role formerly assigned to peer group
interaction.” This is One Step Flow theory. The present study also depend on this theory that the channel of mass communication right away communicate to the audience and when it occurs, it turns into the most efficacious medium to connect with the masses.

**Two Step Flow Theory:** first introduced Paul Lazarsfeld, Bernard Berelson and Hazel Gaudet in their book titled “The people’s choice: How the voter makes up his mind in a presidential campaign. New York: Columbia University Press”. According to this theory media work in two different phases. At first stage opinion leaders obtain information through the mass medium. Than on second stage these opinion leader pass on information to other people with their own perception. Opinion leader are reasonably influential in getting people change their perspective and behaviour regarding things. This theory expands our understanding that how mass media impact on decision making of an individual.

![Two Step Flow Model](image)

**Figure 1.1: Two flow theory**
Present study also points out some advertisements are so influential that they effect on audience buying decisions regarding their brand of FMCG product. In this study mass medium are playing as an opinion leader and consumers are the individuals who are getting influence from these medium.

**Gratification Theory:** Katz (1970) proposes the Uses and Gratification Theory and explores how individuals use media for satisfaction of their needs. Uses and Gratifications Theory is a popular method to comprehend mass communication. The theory focuses on the consumer or the audience instead of the message itself by lifting a question, “What people do with media?” instead of “What media does to people”. It discusses that the addressees are not unreceptive but are very active and play a part in understanding and assimilating media into their personal lives. The theory also propounds that audiences are responsible for selecting media medium to fulfill their needs. The theory presumes that audiences use the mass media to achieve precise gratifications. This theory suggests that the media contest with other information sources for audience' gratification. (Katz, E., Blumler, J. G., & Gurevitch, M. 1974)

The Uses and Gratifications Theory prompts us that audiences use mass media for numerous purposes. As the selections for the audience will be amplified this theory draws the attention of the researchers. The methodology follows a simple model. This is an audience-centred theory.

In the event of the individuals being wide open to the media, he/she is more likely to be motivated to buy goods and services for his/her gratification. The
acceptability on the part of the consumer helps the advertiser to achieve its target of sales more easily than if they were to encounter a non-receptive audience.

**The Agenda Setting:** is suggested by McCombs and Shaw (1972, 1993). The theory was illustrated from their research that took place in Chapel Hill, NC. The agenda-setting theory intends that the news media have a huge influence on addressees by their selection of what information to taken as newsworthy and how much space to give them. The core hypothesis of the agenda-setting theory is salience transfer which is the skill of the media to take matters of significance from their own agendas to agendas of public. "Through their day-to-day news selection and display, news directors and editors gain our attention and influence our ideas of the important issues of the day. This ability to influence the selection of topics related to public agenda is called the agenda setting role of the news media."

In today’s world, the mass media have not only developed as the ‘eyes’ and ‘ears’ but also the brain of the community. With varying grades of achievement, the media update us about everything happening around us even if it is not seen or heard by us directly.

**Cultivation theory:** The cultivation theory is a profound theory advanced by George Gerbner. It is one of the primary theories of media effects. According to the theory, individuals who watch television regularly are more likely to be persuaded by the messages from television world. The impact is so powerful as to create a limited to change in time with the wider aspects of the television
advertisement, which tips the balance in the favour of what an advertiser expect in times of achieving its objectives.

1.12.2: Consumer Behaviour Theories

The Information- Processing model is propounds by William J. McGuire. He describes consumer behaviour in response to an influential message like advertising. This model interpret he receiver of a message as an information workstation and problem solver, who drives through six stages: at the first stage the influential message must be communicated to the receiver in second stage he says receiver must join to the message, at next stage receiver comprehend the message. Fourth stage receiver must be persuaded by the quarrel and yield to the message, in this stage receiver must retain information and at final stage he must bring out the anticipated behaviour.

This model proposes that advertising will not succeed if it is not capable to persuade the audience at any stage. In present research this theory improves understanding how advertisement can be successful or unsuccessful to influence the buying decision of an individual.

Behavioural Learning Theory stress on the role of external, environment stimuli in instigating behaviour; these behovioural learning theories assumes learning theories arises through the link between a stimulus and a response. Two behovioural learning theories approach are classical and operant conditioning
**Classic Conditioning** believes that learning is an associative procedure with an existing connection between stimuli and response. Through conditioning a significant role can be play in marketing. Consumer can be conditioned to build promising impression and image of different brands through the associative procedure. Advertiser endeavor to confederate their goods and services with the perception, emotion and images well-known to induce a positive reaction from consumer. A study By Gerland Gorn castoff this method to analyze how background music in advertisements influence product choice. He points out that consumer were more possibly to select a product when it is offered with the background music they like rather than the music they don’t like. The outcome of his research proposes that sentiments generated by the advertisement are vital because they may become associated with product which is advertised through classic condition.

![Figure 1.2: The classic conditioning process](image)

**Figure 1.2: The classic conditioning process**
**Operant Conditioning:** Classic conditioning considers the consumer as a passive contributor in the learning procedure who simply receives stimuli. But in the **Operant Condition** consider, the consumer must actively function or act on some part of the environment for learning to happen. Operant condition is some time called as instrumental conditioning because the consumer reaction is instrumental for getting positive or negative reinforcement. Behaviour i.e. reinforced make the bond between a stimuli and a response more stronger. Thus if an individual buys a product in response to an advertisement and get a positive experience out of it will increase the likelihood that the individual buy that product again and again. If that experience is not good it will reduce the chance of buying also reduce, it sales. In the present study depend on this theory that at which condition consumer buys product

![Diagram](Image)

**Figure 1.3: Instrumental conditioning in marketing**
**Cognitive Learning Theory:** the cognitive approach emphasizes studying learning and decision making, which has led the arena of consumer behavior in recent years. Though consumer behavior characteristically involves choices and decision making, this theory has a specific appeal to marketers, particularly for those who have goods and service appeals for significant and involved buying decisions. Cognitive procedures such as insight, belief building about brands, attitude development, and assimilation are important for understanding the decision-making process for many types of purchases.

![Cognitive Learning Process Diagram](image)

**Figure 1.4: the cognitive learning process.**

### 1.13: Operational Definitions:

- **Indigenous Product:** These are the natural products or goods which are used by consumers. Such as Milk, Neem twigs, fullers earth, etc.

- **Brand:** It is a characteristic that identifies products, goods or services of one merchant which is different from other merchants. It can be name, design, symbol or any other characteristic from which that product gets identified. It can be used to
recognize one item or a group of items which manufactured by one merchant. Such as Marico, Hindustan Unilever, Dabur etc.

- **FMCG-(Fast Moving Consumer Goods):** These products are every day consumer goods which sell quickly, they includes food and non-food products. These are low price and low risk product, marginal profit from this product is also less for example soup, oil, toothpaste, rice etc.

- **Buying Behaviour:** An attitude, preference and decision of consumer while purchasing the product to satisfy their needs.

- **Rural Market:** A place in rural area where buyer and seller assemble to buy and sell the product. In this market one controlling contributor is from rural area. It has a huge potential.

- **Brand loyalty:** A faith of customer with particular brand, which make a consumer buy that product repeatedly which produce by a same merchant instead of other alternative product produced by competitors.

- **Advertisement:** Advertising is a means of communication with the users of a product or service. Advertisements are messages paid for by those who send them and are intended to inform or influence people who receive them, as defined by the Advertising Association of the UK.
• **Sanitation**: the development and application of sanitary measures for the sake of cleanliness, protecting health, etc.

• **Villages of Barmer**: village taken for sample in Barmer.

• **Village of Jaipur**: village taken for sample in Jaipur.