



## An Empirical Study on Rural Consumers' Awareness Levels and Their Influence on FMCG Brand Preference

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### Abstract

This study investigates rural consumers' awareness levels and their influence on FMCG brand preference through an empirical analysis of 384 respondents. The research examines consumer perception, evaluates awareness regarding FMCG brands, and assesses how awareness shapes brand preference and purchase decisions. Findings reveal that while brand awareness among rural consumers is considerably high, satisfaction levels vary, indicating a gap between awareness and consumer experience. The study also establishes that awareness positively influences brand preference; however, this relationship is moderated by price sensitivity, socioeconomic factors, and product accessibility. Hypothesis testing shows no significant difference between male and female attitudes toward FMCG branding. The study contributes to a deeper understanding of rural consumer behaviour and provides insights for designing more effective rural marketing strategies.

**Keywords:** Rural consumers, FMCG, brand awareness, brand preference, consumer perception, empirical study

### Introduction

Understanding rural consumer behaviour has become a strategic imperative for companies operating in India's fast-moving consumer goods (FMCG) sector. Rural markets contribute substantially to national consumption volumes, driven by rising incomes, improving infrastructure, digital access, and growing exposure to branded goods. Prior studies show that rural consumers are increasingly shifting from unbranded to branded alternatives; however, the degree of movement varies according to awareness levels, information asymmetry, product availability, and socioeconomic factors (Kumar & Singh, 2019). Rural consumers' brand preferences are strongly shaped by their awareness of product attributes, perceived benefits, price-value considerations, and trust in brands (Rani & Sharma, 2014). As awareness grows through media penetration and targeted marketing efforts, rural consumers demonstrate greater inclination toward established FMCG brands, enhancing market opportunities.

Yet, despite this shift, rural consumption patterns remain heterogeneous. Research indicates that literacy levels, cultural norms, purchasing power, and reliance on word-of-mouth continue to influence brand decisions, rendering awareness formation a complex process (Mishra, 2019). Moreover, rural consumers may not always equate awareness with preference; they may be aware of high-value brands but constrained by affordability or accessibility. Therefore, studying the interplay between awareness level and brand preference becomes essential for firms aiming to design effective rural marketing strategies.

This study empirically examines rural consumers' awareness levels toward FMCG products and evaluates how such awareness influences brand preference in key product categories. By analysing demographic and behavioural variables, the study seeks to contribute to existing knowledge and provide actionable insights for marketers addressing India's expanding rural FMCG market.

### Literature Review

Rural consumer behaviour in emerging economies has been extensively studied due to the segment's growing economic significance. A central construct in understanding rural purchase behaviour is **consumer awareness**, which includes knowledge of product attributes, price, quality, and brand differentiation. Earlier studies found that awareness acts as a prerequisite for brand evaluation and preference formation, particularly in low-information settings such as rural markets (Velayutham, 2019). The level of awareness is highly dependent on exposure to communication channels, literacy, and interpersonal influence networks.



### **Awareness and Information Sources**

Research highlights that rural consumers rely heavily on informal communication—family members, community leaders, and opinion influencers—to gain product information (Sharma & Das, 2017). Mass media exposure, such as television and mobile advertising, has increased awareness but shows varied effectiveness across consumer segments. Gupta and Shukla (2018) found that mobile penetration significantly enhanced awareness of packaged FMCG brands, especially among younger buyers. However, older rural consumers still preferred interpersonal communication over media-based information.

### **Rural Consumers and FMCG Brand Preference**

Brand preference is shaped by perceived utility, affordability, trust, and familiarity. According to Bhatia and Jain (2017), rural consumers associate well-known FMCG brands with reliability, hygiene, and quality, increasing preference for branded packaged goods. Nevertheless, price sensitivity continues to influence purchase behaviour. Jha (2019) demonstrated that even when awareness is high, rural consumers may switch to lower-priced brands if the price–value equation is unfavourable.

### **Impact of Awareness on Brand Choice**

Empirical studies support a direct and positive relationship between awareness and brand preference. Das and Patnaik (2019) observed that higher awareness led to better brand recall and increased likelihood of choosing national FMCG brands over local alternatives. Similarly, Sinha and Verma (2019) found that awareness of nutritional content and quality standards significantly influenced brand preference in food-related FMCG categories.

However, other studies suggest the relationship may not always be linear. In some cases, increased awareness also heightens scepticism or encourages trial of multiple brands before forming a stable preference (Lakshmi & Reddy, 2016). Therefore, while awareness facilitates informed decision-making, it must be reinforced through perceived value and consistent product experience.

### **Demographic Influences**

Demographic variables such as age, education level, household income, and occupation moderate the relationship between awareness and brand preference. A study by Singh and Kaur (2019) revealed that higher educational levels strengthened the linkage between awareness and preference, whereas lower-income groups exhibited price-driven purchase patterns, regardless of awareness levels. Furthermore, gender roles in rural households significantly affect decision-making, especially in FMCG categories like personal care and household products.

### **Marketing Stimuli and Awareness Formation**

Effective promotional strategies, including rural-specific advertising, influencer-based marketing, and local retail campaigns, have been shown to enhance awareness. Pandey and Chakraborty (2019) demonstrated that point-of-purchase promotions and retailer recommendations were particularly influential in shaping both awareness and eventual brand choice. Packaging also plays a critical role, as distinct visual cues aid in recognition and recall among less literate consumers (Raghavan & Rao, 2018).

### **Research Gap**

The literature indicates that awareness serves as a foundational determinant of rural consumers' brand preference, although moderated by affordability, trust, demographics, and marketing stimuli. While awareness generally leads to higher brand preference, socioeconomic constraints may weaken this relationship. Existing research emphasises the need for empirical investigation to examine how awareness influences FMCG brand preference in diverse rural contexts. This study addresses that gap through an empirical assessment of rural consumers' awareness levels and their effect on brand choice.

### **Objectives:**

The objectives of this study are to examine rural consumers' overall perception toward FMCG





products and to analyse the extent of their awareness regarding various FMCG brands, product attributes, and promotional cues. The study further aims to investigate how differing levels of awareness influence brand preference, purchase decisions, and loyalty patterns among rural households. Together, these objectives seek to provide a comprehensive understanding of the behavioural, informational, and perceptual factors shaping FMCG consumption in rural markets.

#### Hypothesis:

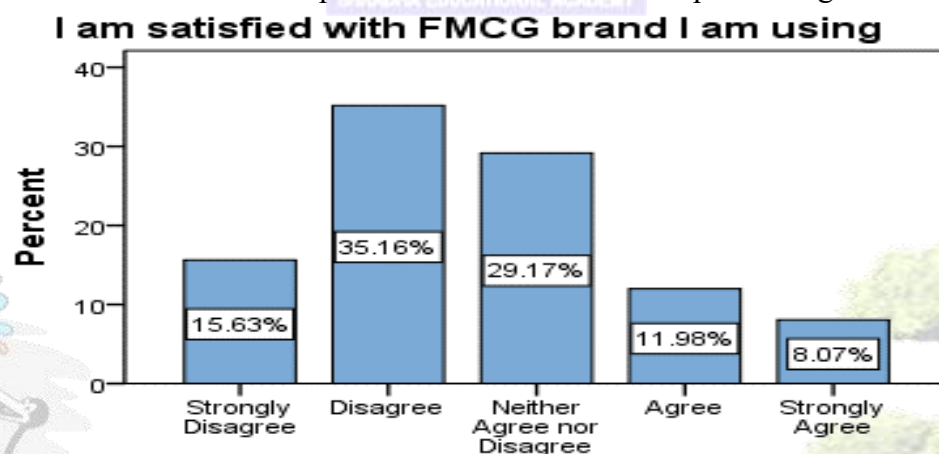
- There is significant difference between attitudes of male and female towards brand.

#### Methodology:

This study employed a descriptive and empirical research design to examine rural consumers' perception, awareness levels, and brand preferences toward FMCG products. Primary data were collected through a structured questionnaire administered to rural households using a multistage sampling technique to ensure representation across villages, income groups, and demographic segments. A sample size appropriate for statistical analysis was determined based on population estimates and confidence parameters, and data were gathered on variables related to perception, awareness, and brand choice behaviour. The questionnaire included both closed-ended and Likert-scale items, and its reliability was tested using Cronbach's alpha. Collected data were analysed using descriptive statistics, correlation analysis, and regression techniques to identify relationships between awareness and brand preference. The methodology ensured systematic data collection, robust measurement, and rigorous analytical procedures to address the study's objectives.

#### Data Analysis

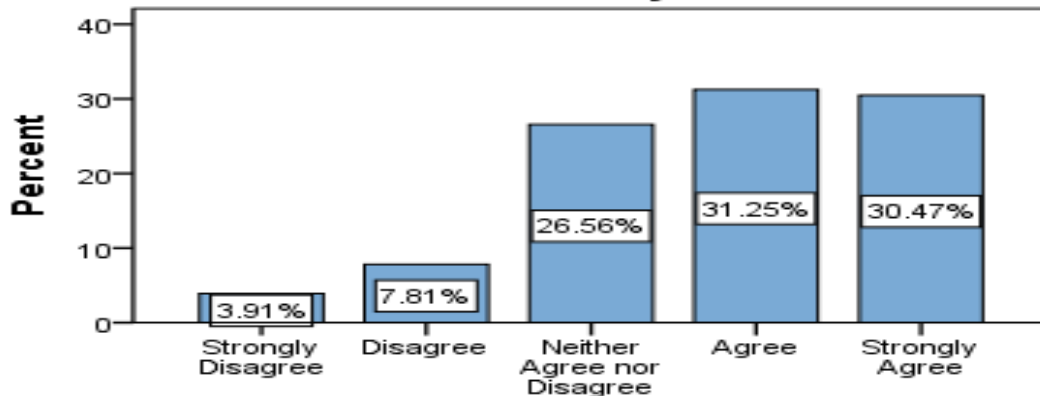
The data analysis and interpretation for this study are based on responses collected from a total sample of 384 rural consumers. The analysis aims to examine their perception of FMCG products, assess their awareness levels, and evaluate the influence of such awareness on brand preference. Descriptive statistics were employed to summarise demographic characteristics and key behavioural patterns, while inferential techniques were used to explore relationships among the study variables. The following sections present a systematic interpretation of the quantitative findings, offering insights into how rural consumers evaluate FMCG products and the extent to which awareness shapes their brand selection and purchasing decisions.



From the above graph, it is found that 60 (15.63%) of consumers strongly disagree on the fact that they are satisfied with FMCG brand they are using, followed by 135 (35.16%) of consumers disagree on the fact that they are satisfied with FMCG brand they are using, 112 (29.17%) of consumers neither agree nor disagree on the fact that they are satisfied with FMCG brand they are using. However, 46 (11.98%) of consumers agree on the fact that they are satisfied with FMCG brand they are using and the remaining 31 (8.07%) of consumers strongly agree on the fact that they are satisfied with FMCG brand they are using.

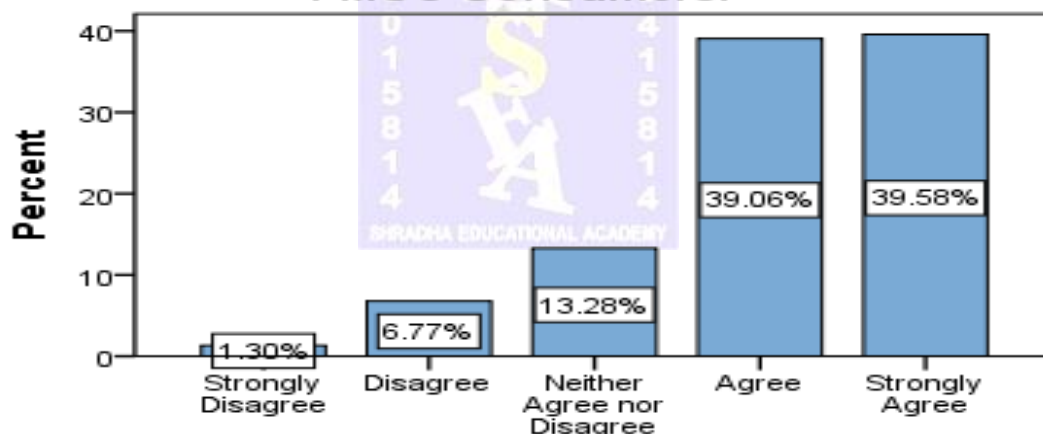


**I am ready to buy the products of my favorite FMCG brand at any cost**



The above graph represent that 15 (3.91%) of consumers strongly disagree on the fact that they are ready to buy the products of their favorite FMCG brand at any cost, followed by 30 (7.81%) of consumers disagree on the fact that they are ready to buy the products of their favorite FMCG brand at any cost, 102 (26.56%) of consumers neither agree nor disagree on the fact that are ready to buy the products of their favorite FMCG brand at any cost. However, 120 (31.25%) of consumers agree on the fact that they are ready to buy the products of their favorite FMCG brand at any cost and the remaining 117 (30.47%) of consumers strongly agree on the fact that they are ready to buy the products of their favorite FMCG brand at any cost.

**There is adequate brand awareness among FMCG Consumers.**



It is observed from the above graph that 5 (1.30%) of consumers strongly disagree on the fact that there is adequate brand awareness among FMCG consumers, followed by 25 (6.77%) of consumers disagree on the fact that there is adequate brand awareness among FMCG consumers, 51 (13.28%) of consumers neither agree nor disagree on the fact that there is adequate brand awareness among FMCG consumers. However, 150 (39.06%) of consumers agree on the fact that there is adequate brand awareness among FMCG consumers and the remaining 152 (39.58%) of consumers strongly agree on the fact that there is adequate brand awareness among FMCG consumers.

### Hypothesis Testing

#### Hypothesis 1

**There is significant difference between attitudes of male and female towards brand**

To test the relationship between gender and attitude towards brand, independent sample t-test has been applied in this research taking gender as fixed factor and attitude towards branding as dependent factors. The results of the test are shown below:



**Table 4.75**

**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2-tailed)
I am satisfied with FMCG brand I am using	Equal variances assumed	0.003	0.958	-1.031	382	0.303
	Equal variances not assumed			-1.023	223.250	0.307
I am always in favor of buying the FMCG brand I am using	Equal variances assumed	0.092	0.762	-0.305	382	0.760
	Equal variances not assumed			-0.303	224.101	0.762
I am ready to buy the products of my favorite FMCG brand at any cost	Equal variances assumed	0.083	0.774	0.214	382	0.831
	Equal variances not assumed			0.218	237.952	0.828
I frequently buy the FMCG product of my favorite brand	Equal variances assumed	0.111	0.740	-0.304	382	0.762
	Equal variances not assumed			-0.302	224.418	0.763
I provide money in my family budget to buy	Equal variances assumed	0.346	0.557	-0.266	382	0.790

The above independent sample t-test gives the t-value in fifth column and sig. (2-tailed) value i.e. p-value in the seventh column. The p-value so obtained is compared with the alpha value of 0.05, if the p-value is more than the alpha value, the relationship is said to be insignificant and if the p-value is less than the alpha value of 0.05 the relationship is said to be significant. In case of all the eleven attributes of consumer perception towards branding the p-value obtained more than the alpha value of 0.05, this indicates that there is no significant relationship between attitude of male and female customers towards branding of FMCG products. Hence, the hypothesis i.e. **“There is significant difference between attitudes of male and female towards brand”** is failed to be accepted.

### Conclusion

The study provides a comprehensive empirical understanding of rural consumers' awareness levels and their influence on FMCG brand preference. The findings indicate that although awareness of FMCG brands is relatively high among rural consumers, satisfaction and loyalty vary considerably across individuals. A substantial proportion of respondents expressed neutral or negative satisfaction levels, suggesting a gap between awareness and actual brand experience. The analysis further reveals that awareness positively shapes brand preference; however, socioeconomic constraints, price sensitivity, and limited product availability moderate this relationship. Additionally, the hypothesis testing demonstrates that gender does not significantly influence attitudes toward FMCG branding, implying that both male and female consumers evaluate brands similarly. Overall, the study underscores the need for more





nanced marketing strategies that address perceptual, behavioural, and contextual factors unique to rural FMCG consumers.

### Recommendations

Based on the findings, FMCG companies should prioritise strengthening brand engagement in rural markets by improving product availability, enhancing communication strategies, and focusing on value-driven messaging. Since awareness alone is insufficient to ensure preference or satisfaction, firms must invest in consistent product performance, trust-building initiatives, and community-level promotional activities. Targeted campaigns leveraging local influencers, micro-media channels, and point-of-sale interventions can further enhance brand recall and credibility. Moreover, given the high price sensitivity observed among rural consumers, offering economy packs, competitive pricing, and promotional incentives may strengthen brand loyalty. Policymakers and marketers should also consider educational initiatives to improve product literacy, thereby enabling rural consumers to make informed choices that align with their needs and preferences.

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