__Original Research Article__

Brand Awareness and Brand Preference towards Herbal Personal Care Products of FMCG Brands: A Comparative Study between Rural and Urban Consumers of Namakkal district

ABSTRACT

Indian consumers are more health-conscious, preferring safe, natural, organic, and herbal items, particularly in personal care and cosmetics. Its popularity and demand are growing every year. Herbs are becoming increasingly popular in the personal care product segment. The growing demand for herbal products begun with the launch of Patanjali products in 2016. It also affected the sales of other conventional products. Other companies and multinational corporations have also started launching herbal and natural products. The aim of this study is to analyze and understand the behavioural differences between rural and urban consumers to develop a marketing plan for herbal products. About 150 people in Namakkal district were surveyed about their awareness and preferences as well as their consumption and satisfaction with branded herbal personal care products.

Keywords: *herbal personal care products, FMCG, Awareness level, factors influencing, problems*

INTRODUCTION

India is a diverse economy with a healthy balance of rural and urban markets. The urban sector earns about 55 per cent, while the rural sector earns 45 per cent. FMCG has a unique position in both the urban and rural markets. Fast moving consumer goods (FMCG) is India's fourth-largest industry (FMCG). FMCG products are made in large quantities at a low cost, are designed for immediate use that generate repeat sales. FMGCs are also known as non-durable products, which are tangible items that are quickly consumed, and are consumed in a single or few uses **(Majumdar, 1998)**. Today, everyone relies on fast-moving consumer goods companies (FMCG) to provide products that meet our basic needs **(Dhanaraj and Ponmani ,2020)**. Every family’s monthly budget includes a significant purchase price for FMCG. For example, household and personal care products account for 50% of the sales in the industry, healthcare accounts for 31-32% and food and beverage accounts for the remaining 18–19%. Due to the introduction of sachets, rural residents who generally avoid large-scale purchases began to buy branded FMCG items like Rs.1-shampoos from rural stores. As a result, rural consumers now prefer branded goods over traditional brands. The FMCG sector is important to the Indian economy since it touches every aspect of people's lives.

Natural, organic, and herbal products are becoming increasingly popular among urban and rural customers. Its use in personal care products has doubled due to consumer preferences for natural and pharmaceutical products. Rural consumers prefer the above said products, and the growth rate of it in rural areas is higher than in urban markets **(Kalyani,2020)**. Herbal products are botanical nutritional ingredients produced from plant sources that are primarily used to maintain or improve health. People nowadays are turning to "safe" and Ayurvedic medicines such as the Himalayas, Biotique, Dabur, Lotus, Patanjali, and others as they become aware of the potential dangers of chemical reactions to existing products.

The Indian Personal Care Products market is therefore driven by a change in consumer preferences in personal care products with herbs rather than artificial chemical products due to increased awareness of various products. In terms of holistic personal care products, herbal personal care products are now counted as a major component. According to the report of FMCG industry Indian Personal Care Market was valued at USD 4.72 Billion in 2020 and is projected to reach USD 7.98 Billion by 2028, growing at a CAGR of 6.1% from 2021 to 2028.

REVIEW OF LITERATURE

Gurung (2021) investigated brand awareness of fast-moving consumer items and determined that people are more conscious of established brands than new ones. Furthermore, it was proposed that new companies develop some strategies and use social media marketing to familiarise their products with customers**. Sundari and Murugan (2011**) The study revealed that both primary and secondary factors were closely related to every consumer's choice of purchases. Price, quality, and quantity are the 3 primary benefits. However, the product's ingredients, function, unique characteristics, manufacturer's reputation, and product certification are some of the secondary benefits. Quality is the most important factor affecting male consumers' purchasing decisions. They typically purchase cosmetics from a single store convenience **(Kumar &Prakash ,2007**).

OBJECTIVE OF THE STUDY

The main objective of the study is to determine the level of consumers brand awareness and factors influencing the purchase of herbal personal care products available under fast-moving consumer goods (FMCG) brands among rural and urban consumers.

RESEARCH METHODOLOGY

The study's approach is based on both primary and secondary data. But the research mostly depends on primary data obtained through a structured interview schedule. The secondary data is gathered from books, reports, periodicals, magazines, articles, and websites.

For this study Namakkal district's rural and urban areas were specifically chosen. Because the majority of relevant research has been undertaken in developed regions like as Chennai and Coimbatore.

Convenience sampling, a non-probability sampling technique, was chosen as the sampling method. The sample size was around 150, and it included respondents from 7 different taluks in the Namakkal district. Of those, 75 were from the revenue villages and 75 from the town.

The tools used in this study were percentage analysis and the relative importance index. Demographic characteristics and awareness level were determined by using percentage analysis. The relative importance index was used to assess the factors influencing the purchase. So that 9 questions were scored on a 5-point Likert scale. Weightage was assigned so that strongly agreeing carries 5 points and strongly disagreeing carries 1 point.

RESULT AND DISCUSSION

Table 1. Demographic characteristics of respondents

n=75

Demographic characters	**Rural respondents**		**Urban respondents**	
	No of respondent	**Percentage**	**No of respondent**	**Percentage**
Gender				
Male	37	49.00%	27	36.00%
Female	38	51.00%	48	64.00%
Age (years)				
Below 20	13	17.33%	5	6.66%
Between 21 to 30	35	46.66%	44	58.66%
Between 31 to 40	15	20.00%	20	26.66%
Above 40	12	16.00%	6	8.00%
Marital status				
Married	40	47.00%	44	41.00%

Unmarried	35	53.00%	31	59.00 %
Occupation				
Agriculture	10	13.33%	0	0.00%
Business	9	16.00%	13	17.33%
Gov. employee	4	5.33%	9	12.00%
House wife	20	26.66%	25	33.33%
Private employee	17	22.66%	15	20.00%
Student	15	20.00%	13	17.33%
Educational status				
Illiterate	2	2.66%	0	0.00%
Primary	5	6.66%	3	4.00%
Secondary	16	21.33%	7	9.33%
Higher secondary	12	16.00%	15	20.00%
Graduates	40	53.33%	50	66.66%
Family size				
Small	25	33.33%	38	50.66%
Medium	40	53.33%	32	42.66%
Large	10	13.33%	5	6.66%
Family type				
Nuclear	43	57%	47	63%
Joint	32	43%	28	37%
Family income(annual)				
Below Rs.70,000	10	13.33%	4	5.33%

Between Rs.70,000 to 2.75 lakhs	42	56.00%	31	41.33%
Between Rs. 2.75 lakhs to Rs.8.50 lakhs	16	21.33%	30	40.00%
Above Rs.8.50 lakhs	7	9.33%	10	13.33%

(Source: primary data)

The table 1 showed that demographic characteristics of respondent customers. In this study female respondents (51 per cent) exceeded male respondents in rural areas, and female respondents (64 per cent) exceeded male respondents in urban areas. The study found that the majority of these people (46.66 per cent in rural areas and 58.66 per cent in urban areas) were between the ages of 21 and 30. In terms of marital status, married respondents were higher compared to unmarried respondents in both situations. Similarly, joint families were less common than nuclear families. Rural had medium family sizes than other categories (53.33 per cent), whereas urban respondent had small family size (50.66 per cent), In terms of occupation, the majority of respondents (26.66 per cent) were house wife, followed by private employees (22.66 per cent) among rural respondents, while 33.33 per cent were students among urban respondents. The majority of respondents (53.33 per cent and 66.66 per cent, respectively) were graduates, in both rural and urban areas. The majority of respondents in both rural and urban areas belonged to the lower middle-income category (56.00 per cent and 41.33 per cent, respectively).

Table 2. Brand awareness between rural and urban respondents

S.no	Brand	Rural respondents				Urban respondents			
		Aware		Not aware		Aware		Not aware	
		No.	(%)	No.	(%)	No.	(%)	No.	(%)
1	**Himalaya herbal**	70	93%	5	7%	71	95%	4	5%
2	**Lotus herbals**	20	27%	55	73%	33	44%	42	56%
3	**Lever ayush**	52	69%	23	31%	55	73%	20	27%
4	**Patanjali**	67	89%	8	11%	70	93%	5	7%
5	**Emami herbals**	27	36%	48	64%	35	47%	40	53%
6	**Vicco**	53	71%	22	29%	68	91%	7	9%

7	**Dabur**	66	88%	7	9%	70	93%	5	7%
8	**Induleka**	60	80%	15	20%	69	92%	6	8%
9	**Overall Average**	51.87	69%	22.87	31%	58.87	79%	16.12	21%

(*Source: primary data*)　　　　n=no. of respondents(75)

From the table 2, An Average awareness level of branded herbal personal care products among rural and urban respondents were 69 per cent and 79 per cent respectively. Himalaya Herbals had a high level of awareness (93 per cent and 95 per cent) in rural and urban respectively, while Lotus Herbals had a low level of awareness 27 per cent in rural and 44 per cent in urban.

Table 3. Factors influencing the purchase of herbal personal care products among rural and urban consumers

Rural respondent's			Urban respondent's		
Factors	**RII**	**Rank**	**Factors**	**RII**	**Rank**
Brand image	0.755	I	Health consciousness	0.771	I
Peers group influence	0.743	II	Natural/herbal ingredients	0.762	II
Health consciousness	0.735	III	Quality of the product	0.759	III
Quality of the product	0.729	IV	Personal hygiene	0.710	IV
Natural/herbal ingredients	0.705	V	Peers group influence	0.678	V
Personal hygiene	0.620	VI	Brand image	0.660	VI
Promotion& advertisement	0.611	VII	Doctor's recommendation	0.623	VII
Doctor's recommendation	0.597	VIII	Promotion& advertisement	0.608	VIII
Price of the product	0.585	IX	Price of the product	0.600	IX

(Source: primary data)

The above table 3 indicates that the brand image and peer group influence have the greatest impact on rural consumer decisions to buy products, according to RII scores of 0.755 and 0.743, respectively. Health consciousness is the primary factor influencing urban consumers purchases of herbal personal care products. The product price factor ranked ninth among the both rural and urban consumers.

FINDINGS

- The total average awareness of brands of herbal personal care products was 50.7 in the rural respondent and 57.7 in the urban respondent. In both cases, Himalaya Herbals had the highest level of brand awareness, followed by Patanjali.
- Brand image and peers group influence were the most important influencing factor for the purchase of herbal personal care products among rural consumers. Health consciousness and natural/ herbal ingredients were the most important influencing factor for urban consumers.

CONCLUSION

Brand awareness and brand acceptance are important element that FMCG firms can concentrate to increase their market share in herbal products. Among the existing competition in the industry, Patanjali and other branded herbal products now facing significant competition from Himalaya herbals. The urban market is almost reached stagnant level with increasing competition, hence companies that operate in urban areas should expand into rural areas in order to grow and sustain their businesses. FMCG companies can benefit enormously from changes to the marketing mix elements for herbal personal care products that are attractive to and suitable for the rural market. They should simultaneously implement various urban marketing strategies for urban consumers. The FMCG brand participants can use this study to better understand how the behaviour of rural and urban consumers differs. FMCG brands make a big contribution to understanding how people differ based on exposure and preference levels.

COMPETING INTERESTS DISCLAIMER:

Authors have declared that they have no known competing financial interests OR non-financial interests OR personal relationships that could have appeared to influence the work reported in this paper.

REFERENCE

Dhanaraj, V. T., & Ponmani, U. (2018). Brand Awareness and Brand Preference of Rural Consumers towards (FMCG) (with special reference to rural-urban hhs of erode district of tamilnadu). *Journal of Management (JOM)*, *5*(6).

Kalyani, M. S. R. (2020). Study on Consumers Satisfaction and Preference for Colgate Swarna Vedshakti Tooth Paste–with Reference to City of Mumbai. *International Journal of Innovations in Engineering Research and Technology*, *7*(12), 63-71.

Majumdar, R. (1998). Product Management in India. (2nd ed.), New Delhi: Prentice Hall India, pp26. (n.d.).

Nair, V. K. (2007). A study on purchase pattern of cosmetics among consumers in Kerala. *International Marketing Conference on "Marketing & Society", 8-10.*

Shabnam Gurung. (2021). Brand Awareness of Fast-Moving Consumer Goods: Empirical Study of Selected FMCG. International Journal of Innovation & Research Analysis, vol. 1, no. 1, 2021, pp. 28–31.

Sundari, R., & Murugan, M. S. (2011). Brand loyalty's influence on women's buying behavior with special reference to personal care products. *International Journal of Commerce, IT and Management*, *1*(2), 56-62.