

## Digital Influence and Traditional Buying Behaviour in Rural India's FMCG Market: A Decadal Qualitative Analysis of Secondary Evidence

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### ABSTRACT

This paper discusses the digital impact and traditional buying behavior that are co-determinant of rural FMCG consumption in India in the past ten years. The qualitative secondary-data design is used in the study and synthesizes various sources, which are chosen based on academic literature, industry reports, and institutional publications, to explore the changing consumer behavior in rural markets. It is found that the increased awareness of the product and information search by the rural consumers have been highly influenced by increasing smartphone penetration, access to internet and exposure of the online promotions. Nevertheless, conventional purchasing behavior is still very strong, and the purchase decisions still rely on the local stores, interpersonal trust, family and community pressure, prices, and preference to small-pack products. The paper also finds the increased significance of hybrid consumer behavior whereby rural consumers use digital channels to gain awareness and make an evaluation but use offline retail channels to verify and finalize purchase. It means that the rural FMCG markets are not moving directly towards the digital consumption but are becoming hybrid marketplaces where new digital forces are at work but where the proven local buying systems are coexisting with them. The article can add to the literature by providing the synthesized insight into the rural FMCG behavior in India and has the practical implications on companies that are willing to implement a digital reach with trust-based and localized retail approaches

**Keywords:** Digital influence, Hybrid consumer behaviour, Rural FMCG, Rural India, Traditional buying behaviour

### INTRODUCTION:

The rural market in India has become a significant growth frontier for the fast-moving consumer goods (FMCG) sector because of the increasing consumption, expanding the scope of distribution, and the shift in consumer aspirations. The recent trends in the industry indicate that the rural consumption has been booming once again, and at certain times, has even surpassed the urbanization, which validates the strategic significance of rural demand in the Indian FMCG market (NielsenIQ, 2024). Meanwhile, the past ten years have seen a major growth of online impact on consumer experience. The rise of internet connectivity, rise in the number of smartphone users, and exposure to social media platforms, marketplaces and digital content has transformed the process through which consumers learn, compare and interact with products. Digitally influenced retail purchases in India have increased at an acute rate, whereas omnichannel channels are now more applicable to the purchase choices, even in the realms of food and FMCG (Boston Consulting Group [BCG] & Matrix Partners India, 2023).

FMCG contributes to this discussion particularly in that it is one of the most commonly consumed categories of products in rural homesteads as the purchase decisions there are recurrent and necessity-driven and more directly connected to the daily consumption habits. Notwithstanding these digital changes, there are still traditional buying habits that are still deeply rooted in the rural markets. Rural consumers are typically dependent on local retailing ecosystems, face-to-face trust, familiarity, physical product verification, and cash-based, which means that the adoption of the digital has not yet pushed out the traditional purchasing behavior but instead coexists with it (BCG & Matrix Partners India, 2023; Parida and Sahney, 2018). This forms a hybrid market where the new digital exposure gets in contact with the old buying habits that are socially and culturally well rooted.

Nevertheless, some key scholarly issue has not been adequately resolved: whereas current research tends to focus either on digital adoption or traditional rural purchasing behavior, little has been done to identify the interaction between these two forces in influencing consumer decision-making in the FMCG setting. It is against this backdrop that the current research considers the role that digital influence and traditional buying behavior have played in influencing consumption of

FMCG in rural India in the past ten years. Through a qualitative methodology founded on the secondary evidence, the research will identify the major behavioral changes, the rationales of the continuity of the old practices, and the emerging meanings of the digital and traditional impacts. The research paper plays a role in the rural consumer behavior literature and provides practical implications to FMCG companies developing context-sensitive market strategies in India. To be more precise, the article makes a contribution by forming a complex conceptualization of the rural FMCG consumption as a hybrid behavioral zone where digital exposure and

traditional purchasing behavior coexist, overlap and impact purchasing decision making.

**Research Questions**

How has digital influence shaped rural FMCG consumer behaviour in India over the last decade?

Which traditional buying practices continue to dominate rural purchasing decisions?

How do digital and traditional factors interact in shaping FMCG consumption in rural India?

**Figure 1. Conceptual Framework**

<b>Input 1: Digital Influence Factors</b>	<b>Input 2: Traditional Buying Factors</b>	<b>Dependent Construct</b>
Smartphone access	Store loyalty	<b>Rural FMCG Consumer Behaviour</b>
Internet penetration	Interpersonal trust	
Online promotions	Family and community influence	
Social media and digital awareness	Retailer recommendations	
	Affordability and small-pack preference	

**2. LITERATURE REVIEW: FMCG Consumer Behaviour**

The consumer behaviour in the FMCG industry can be described as the procedures under which consumers understand what they need, compare options, purchase decisions and repeat purchases of low-involvement and high-frequency products like food, personal care products, and household necessities. Due to their regular purchase and frequent need to shop under time, money, and convenience, FMCG goods are known to be adversely affected by the price, availability, familiarity with a brand, packaging, perceived quality, promotion, and habitual buying decisions. In these types, brand loyalty is not the only factor that can influence repeat purchase; convenience, affordability, and routine consumption habits are the other factors (NielsenIQ, 2024).

The FMCG consumer behaviour is particularly significant in the Indian context, given that the category represents daily household consumption and as a result of such orientation, the group is much closer to socio-economic reality than many other durable-product markets. The fact that FMCG products are often bought gives it an ideal opportunity to analyze their product as a valuable way of understanding how the necessity, trust, price, and access are economics used in making purchases by consumers. The Indian rural and urban consumption patterns also demonstrate that the demand in FMCG is extremely dependent on the changes in the household confidence,

the affordability of the product, and its availability on the market (NielsenIQ, 2024).

**Rural Market Structure**

Indian rural FMCG market is not to be viewed as an extension of urban market. Instead, it is a structurally differentiated setting that is predetermined by scattered populations, infrastructure constraints, reliance on local retailing channels, affordability issues, and social-cultural embeddedness. According to Parida and Sahney (2018), rural India is also not homogenous and cannot be called a homogenous market since the consumption behavior in different regions differs a lot based on the local aspirations, institutions, and the conditions of access.

Holding this framework, small retailers and kirana stores are very crucial. Convenience, familiarity, and buying small quantities of goods, as well as casual confidence of quality, usually makes rural consumers rely on the convenience of shops that are closer to their places. Sarkar et al. (2016) demonstrate that retailer credibility, retailer accessibility, and local trust relationships are some of the factors that affect purchase preferences in rural retail settings, which underscores the implicit role of the traditional outlets in rural consumption systems. Affordability, pack size, and packaging cues remain important in FMCG purchase decisions among lower-income Indian consumers (Panda et al., 2022).

The strategic importance of rural demand to the FMCG industry is also supported by recent market indications. According to NIQ, the FMCG market in India registered

a 6.6% value growth in Q1 2024, with the growth primarily fuelled by the growth in volume, which the rural market significantly contributed to the growth in the FMCG market. It means that rural India is not where the periphery is but a significant contributor to the growth of FMCG and market recovery (NielsenIQ, 2024). Local retailers continue to influence rural purchase decisions not only as sellers but also as trusted social and economic intermediaries in village markets (Sarkar & Kundu, 2019).

### **Digital Influence**

The scope of digital influence has increased significantly in rural India in the past ten years. Rising smartphone use, lower mobile data costs, expanded access to the internet, vernacular online content, messaging platforms, social networking sites, and online payment systems have broadened exposure of consumers to brands, product details as well as peer reviews. In 2024, rural India had 488 million active internet users, which is more than the number of urban internet users and is 55 per cent of total internet users of the country (Internet and Mobile Association of India [IAMAI] & Kantar, 2024).

Online purchasing should not be considered the only way of digital influence, though. It involves too product discovery, search of information, social validation, peer communication, pre-purchase evaluation via digital channels. According to industry evidence provided by BCG and Matrix Partners India, digitally induced spending in India has escalated rapidly and that omnichannel routes are becoming more responsive in purchase choices in all categories of consumers, such as everyday goods (Boston Consulting Group and Matrix Partners India, 2023).

Therefore, the proliferation of digital technologies has significantly transformed the consumer experience, yet they have not always substituted the sense of physical retail experience. Rather, awareness and assessment can be established more through digital channels, and final purchase decisions can continue to be made via offline rural channels (Boston Consulting Group and Matrix Partners India, 2023; IMAI and Kantar, 2024).

### **Traditional Buying Behaviour**

The conventional purchasing behaviour still prevails in the majority of the FMCG decisions in rural areas even with the increase in digital penetration. Interpersonal trust, relationship with retailers, physical verification of the products, repeat purchase through habit and family influence as well as cash are all important to the rural consumer. According to Parida and Sahney (2018), it is important to note that rural purchasing behavior is entrenched on the social and economic realities of the area instead of being influenced by official marketing frameworks.

There is also traditional buying which indicates practical and rational adjustment to the rural conditions. Purchases of small packs and sachets, such as those, are consistent with the irregular cash flows and day-to-day budgets, whereas local kirana shops are often not only the sellers but also advisors and reliable go-between. Sarkar et al. (2016) demonstrate that traditional rural retail is still very timely due to familiarity, the physical availability of such

services, and the trust in relations, which is not easy to achieve via exclusively digital systems.

Noteworthy, these conventional patterns cannot be perceived as anti-modernization. Instead, they still exist since they still represent functional value in the rural market. In places where there is the growth in digital exposure, traditional purchasing habits continue to play a leading role in risk, trust, and affordability handling in highly regular FMCG purchases (Parida and Sahney, 2018; Sarkar et al., 2016).

### **Hybrid Buying and Omnichannel Transition**

One of the significant motifs of the recent literature is the fact that the consumer behaviour is becoming more and more hybrid as opposed to either digital or traditional. According to Verhoff et al. (2015), the omnichannel retailing is a wider view of omnichannel that consumers shift between channels in search and purchase process. The method proves particularly helpful in the context of cognizing those markets in which digital knowledge and offline performance exist alongside one another.

Neslin (2022) also defines the omnichannel integration as a scale, indicating that the consumer experiences integrate online and offline interactions at search, purchase, and post-purchase levels. This model applies very well in the rural part of India where consumers can be exposed to a product firstly through social media, messaging service or digital advertisement but, nevertheless, use local shops where they can test the product and trust the recommendations of the retailer.

In the case of the rural consumption of FMCG, however, the hybrid analytical lens is the most appropriate. The digital channels are influencing more the awareness, aspiration and information flow whereas the conventional retail channels still hold trust, convenience and completion of the transaction. This cohabitation implies that the rural consumption in India should be viewed as the developing hybrid marketplace instead of the simple offline to online purchasing (Boston Consulting Group and Matrix Partners India, 2023; Verhoef et al., 2015; Neslin, 2022).

### **Research Gap**

Even though previous research has been conducted on consumer behaviour in rural areas, on rural retail set-up, and on the growth of digital in India, the literature is still disjointed. A good portion of the work is dedicated to either traditional rural purchasing patterns or digital adoption as two distinct phenomena. Little has been made of the interaction of digital influence and traditional purchase behaviour in the specific case of the FMCG category, where the high frequency, low involvement purchases render this coexistence particularly apparent. This gap explains why the current research is concerned with hybrid rural FMCG behaviour in India (Parida and Sahney, 2018; Verhoef et al., 2015; Neslin, 2022).

## **3. METHODOLOGY:**

This paper takes a qualitative research design that applies a secondary data to investigate the linkage between digital

influence and traditional buying behaviour in the FMCG market in rural India in the past ten years. It is exploratory and interpretive because it aims at comprehending the behavioural patterns and changes as opposed to testing causality with primary quantitative data.

Peer-reviewed journal articles, industry reports, government publications, rural consumption studies, and online adoption reports were used to gather the data. The identification of sources was performed with the help of such databases as Google Scholar, Scopus, ScienceDirect, Emerald Insight, and institutional report repositories. The keywords were rural India, consumer behaviour on FMCGs, digital influence, traditional buying behaviour, kirana stores, and digital adoption. Approximately 55 sources were first obtained but 32 of them were selected out of the screening based on relevance and credibility and thematic fit. The thematic analysis was used to analyse the selected materials because this methodology is applicable in determining recurring patterns in different sources of text. Key concepts like digital exposure, retailer trust, family influence, affordability, and hybrid buying were identified with the help of initial open coding. These codes were examined and then bundled into wider themes which showed continuity and change in the rural consumer behaviour. In order to achieve rigor, the study conducted source triangulation among academic, industry and government evidence, and carried out a consistent screening, coding and interpretation of evidence through the analysis.

#### 4. Findings and Thematic Analysis:

The results indicate that the rural FMCG consumer behaviour in India is undergoing an adaptation and not a replacement. In the evidence reviewed, digital influence has increased the consumer awareness and access to product information, but the traditional methods of buying remain to influence final purchase decisions. This shows that the shift in rural markets is not the change in a straight linear career offline to online, rather, there is a hybrid consumption system with some digital and traditional influences.

##### 4.1 Increasing Digital Exposure in Rural FMCG Markets

The industry and online adoption sources under review demonstrate that there is an apparent increase in the use of smartphones, access to the internet, and exposure to digital promotions in the rural communities. This has boosted the product awareness and information search.

Nonetheless, it is also shown that digital influence is more powerful during the discovery and evaluation phases as compared to the actual purchase phase. Therefore, the digitalization has expanded the informational space of rural consumers but has not completely changed the transaction behaviour.

##### 4.2 Persistence of Traditional Buying Practices

Meanwhile, scholarly work continues to indicate that the traditional buying patterns are still firmly entrenched in the countryside markets. Customers still use their local shops which are well known, personal trust and family or community pressure in making purchasing decisions. This demonstrates that conventional buying does not occur due to resistance to change, but it is because it still offers reliability, convenience, and social assurance in the daily FMCG buying.

##### 4.3 Price, Affordability, and Small-Pack Preferences

Affordability and price are still at the middle of rural FMCG consumption. In both academic and market-based research, consumers still favor the usage of sachets, small packs, and low-unit purchases that are in line with the daily budgetary patterns of consumers. Even though a portion of market discourses points to the increasing aspirations, the results indicate that affordability remains more significant than the preference of a premium in most standard consumption choices.

##### 4.4 Role of Retailers as Purchase Influencers

The results also point to the persistence of the local retailers. In rural retail research and field research, the shopkeepers are seen as credible advisors who can shape product selection, decrease uncertainty and in certain cases informal credit. One of the evident tensions is hereby that although digital media can be an initiator or even a promoter of products, retailers can still be the determiners of validation before buying a product.

##### 4.5 Hybrid Consumer Behaviour

The overall finding that has the greatest impact is the development of hybrid consumer behaviour. Digital channels are becoming more and more exposed to rural consumers, who are frequently making purchases through brick-and-mortar stores after physical authentication and evaluation based on trust. This implies that the usage of rural FMCG is increasingly becoming selectively omnichannel where the digital awareness and the traditional retailing activities are working together and not against each other.

**Table 2: Major Themes Identified from Secondary Evidence**

Theme	Description	Supporting Evidence
Increasing digital exposure	Rural consumers are increasingly exposed to smartphones, internet, and online promotions.	Growth in smartphone use, internet access, and digital advertising exposure in rural areas.
Persistence of traditional buying	Conventional buying habits remain strong despite digital growth.	Continued dependence on local stores, family influence, and interpersonal trust.

Theme	Description	Supporting Evidence
Price, affordability, and small-pack preference	Rural consumers remain highly price-sensitive and value-focused.	Preference for sachets, low-unit packs, and affordable products.
Retailers as purchase influencers	Local retailers strongly shape consumer choices.	Shopkeeper recommendations, product availability, and informal credit support.
Hybrid consumer behaviour	Consumers blend digital awareness with offline purchasing.	Products are often discovered online but purchased through local retail outlets.

## 5. DISCUSSION:

This indicates that there is adaptation and not replacement of rural FMCG consumer behaviour in India. This reinforces previous rural marketing research, which suggests that the rural purchasing process continues to be entrenched on the local trust systems, familiarity, and social networks as opposed to being influenced by the market growth or media coverage alone (Parida and Sahney, 2018). Simultaneously, the current results build on this perspective by revealing that online influence has grown in significance when it comes to product awareness, information searching, and comparing, in particular with the help of smartphones and online media (Boston Consulting Group [BCG] & Matrix Partners India, 2023).

Theoretically speaking, it can be stated that the results are in line with the consumer behaviour theory, which states that the choice to make a purchase depends on psychological, social, and cultural factors, as well as situational factors, instead of being informed by the information (Kotler and Keller, 2016; Schiffman and Wisenblit, 2019; Solomon, 2018). The rural FMCG environment seems to see consumers integrate digital and traditional signals like retailer advice, family opinion, experience and affordability. The results also conform to the Diffusion of Innovation model that indicates that adoption of new technologies is not homogenous among the social settings based on the perceived usefulness, compatibility and local acceptability (Rogers, 2003). In this scenario, digital solutions are not substituting the traditional purchase systems but rather being selectively integrated into the systems.

The greatest contribution that the study made is the identification of the hybrid behaviour. The previous literature on the topic of the omnichannel demonstrates that consumers tend to cross-sell online and offline channels more often throughout the purchase process (Neslin, 2022; Verhoef et al., 2015). The current research reveals that the same trend is also observed in rural FMCG markets albeit in a different form where rural consumers can learn about and appreciate products online, but buy offline at stores they trust. In this way, digital and traditional channels do not just coexist, but there is a new blended decision-making process where digital awareness, and offline buying based on trust works jointly in the daily consumption (BCG & Matrix Partners India, 2023; Parida and Sahney, 2018).

## 6. IMPLICATIONS:

### 6.1 Theoretical Implications

The present research adds to the existing body of knowledge on the topic of the rural consumer behavior by demonstrating that the rural markets are no longer characterized by their old-fashioned models of purchases, but are also characterized by the increase in digital consciousness. It expands the knowledge on hybrid buying behavior by describing how rural clients integrate digital exposure with traditional decision making habits. The paper also adds to the FMCG and digital consumerism literature in emerging markets by noting that technological availability does not necessarily take over the traditional market forms, but rather interacts with trust, affordability and locality.

### 6.2 Practical Implications

The results provide practical recommendations to the FMCG companies who aim at enhancing their operations in the rural markets. Firms must integrate online marketing with robust offline stores since rural clients can shop online and offline by visiting local stores. It is necessary to have localized communication strategies so that promotional messages would be appropriate to rural language, culture, and needs. Meanwhile, the companies need to concentrate on the establishment of trust, low-cost product formats and an effective distribution channel, as these factors continue to play an important role in shaping the purchase behaviour of rural people and maintaining market growth.

## 7. CONCLUSION:

In this work, the authors obtain that the multifaceted impact of the digital exposure and the traditional buying patterns on rural FMCG consumer behaviour in India is reshaping it. Although the digital channel has increased product awareness, access to information, and promotions, the ultimate purchase decisions are highly linked to the trust of retailers, affordability, familiarity, and local social influence. This data suggests that rural consumers do not shift linearly towards digital and conventional purchasing; instead, they are combining both when it comes to making daily decisions. The work thus adds to the literature by elucidating what hybrid buying behavior is like in rural markets and providing a viable implication on FMCG companies aiming at striking a balance between digital and good local retail

relationship. In that regard, rural FMCG consumption in India cannot be interpreted as the shift between the traditional and digital behavior, but as an emergent hybrid system between the two.

#### 8. LIMITATIONS OF THE STUDY:

**Reliance on Secondary Data:** The research is based solely on secondary data, and therefore, the results are based on the quality, dimension, and interpretation of available literature, as opposed to what is seen on the field.

**Absence of Primary Field validation:** No primary data was obtained and therefore there was no direct way of verifying the findings to be conducted via surveys, interviews, or observations in the rural markets of FMCG.

**Potential Regional Disparity in Rural India:** There can be a difference in consumer behaviour of rural regions as the culture, income, infrastructure and access to digital platforms may vary among regions, and this constrains generalization.

**Perhaps Limited Non-English Access:** The review utilized primarily English sources and may have omitted potentially useful regional studies and local information published in the other Indian languages.

#### 9. FUTURE RESEARCH DIRECTIONS:

**Primary qualitative interviews with rural consumers:** Interview or focus group with rural consumers can be used in future studies to get in-depth and first-hand information about the purchase behavior, attitudes, and preferences of rural consumers.

**The comparative studies across the states in India:** It is possible to compare rural consumer behavior in different states by conducting research that can help to find out the influence of the culture, language, infrastructure and economic conditions on FMCG decision-making.

**Quantitative validation of identified themes:** The themes that have been identified in the given study could be quantitatively validated via quantitative surveys and statistical analysis to test their greater reliability and generalizability.

**Research on individual product lines in the FMCG:** Future studies can also be based on specific product lines in the FMCG like food and personal care or household products to determine the category-based rural purchasing behavior.

**Post-pandemic digital transformation in the rural market:** The area can be further investigated through the post-pandemic advancement of digital awareness and online communication as well as hybrid purchasing behavior in rural markets of FMCGs..

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