

The Role of Spurious Products in Rural Retailing-A Study

- S. Sathyanarayana*

Abstract

When taking the subject of rural marketing in India, everyone related it to the enormous size and demand base as it brings huge opportunities to marketers. Huge revenue is generated in this field owing to the majority of population residing in rural areas. This brings about the threat of counterfeits and pass-offs, the knowledge of which is of utmost importance to the consumers in this part who tend to go about the purchasing based on the look, design and many more features of a brand. Recently, researchers have paid increasing attention to rural marketing, but the rural marketing domain has unique characteristics that require industry specific knowledge development. Marketers in this area face unique challenges in every aspect of rural marketing. Rural marketing, from the point of view of spurious products is an under researched area within the rural marketing discipline. The authors attempt to identify various issues relating to spurious products by examining previously published research in conjunction with the data collected in rural Karnataka state, relying on survey data collected from 310 retailers and 1,620 rural consumers across Karnataka state, the authors find that multi-brand wholesalers, suppliers are the key players behind the whole issue and examine the various methods to reform situations by offering various suggestions based on this research. Rural marketers can use this detailed discussion to fight effectively against counterfeits and pass-offs.

Key words: Spurious products, FMCG, Haats, Logos and Signs.

Introduction

Indian rural market with its colossal size and demand base offers tremendous opportunities to marketers. Almost 65 percent of India's consumers live in rural areas and almost (or nearly or about) one third of the national income is generated from rural India. It is only natural that rural markets form an important part of the total market of India. Everyone sees it as a profusion of opportunities, whether for marketing of durables, textile and garments, personal care products and financial services.

The rural marketer is facing an entirely different set of conditions and problems when marketing in rural areas as compared to urban areas. There are many challenges that FMCG companies face in tackling rural markets, namely their small size, remoteness, poor connectivity, tremendous heterogeneity, low level of literacy, too many languages and dialects, low per capita disposable incomes, acute dependence on the monsoon, seasonal demand and media darkness are some serious limitations.

*Associate Professor, M.P.Birla Institute of Management:Associate, Bharatiya Vidya Bhavan, Bengaluru 560 001.

Rural consumers are basically illiterate and identify a product by its logo, colour and packaging. This makes it easy to sell look-alike products to them. As per Nachlappan (2003) basically there are two types of spurious products which are counterfeits and pass-offs. Counterfeits are fakes that use the similar name, design, colour, trademark and logos. Pass-off products are fakes that use similar sounding names, designed with almost similar colour and packing to deceive or mislead the rural consumers. In other words who fills spurious stuff into the branded packing. Spurious products are increasingly attacking the ₹ 90,000 crore FMCG, drugs, pesticides sector. They damage the brand reputation, create public health hazards and this loss to the government is estimated to be around Rs. 2,700 crore annually in the form of unpaid excise, octroi, sales and other tax. Today the fake products under popular brand names constitutes a parallel industry in India. Most of them give higher margins to the retailer that varies between 25-75%, with lower end consumer prices.

Objectives of the Study

The following are the objectives of the study that the researcher wishes to enquire and understand in the process.

To understand the role of spurious products in rural retailing with respect to the following broad outlines:

(i) Reasons for selling spurious products; (ii) Sources of supply of spurious products; (iii) Identifications of spurious products by consumers; (iv) Repetitive purchase of spurious products; (v) Awareness regarding hazardousness nature of spurious products; (vi) Receipt of complaint regarding on usage of spurious products; (vii) Nature of complaints regarding spurious products, and (viii) Purchase sources of spurious products.

Research Methodology

Nature of Study

The study is exploratory in nature as it endeavors to uncover the latent behavioural aspects of rural consumers and retailers with respect to the role of spurious products in the state of Karnataka.

Universe of Study and Population

The universe of the study is rural retailers and

consumers in the rural villages of Karnataka. The universe of the study is classified as North Karnataka, South Karnataka, East Karnataka and West Karnataka. The scope of the study is limited to role of spurious products in rural areas. The study is based on the empirical survey of 200 villages situated in the state of Karnataka.

Primary Data Source

First hand information was obtained from respondents through a structured questionnaire. An interview schedule was constructed to elicit information from the respondents. The researcher had to construct two sets of questionnaire; one for eliciting information from the rural retail respondents and another distributed across all strata of consumer respondents, the strata decided by the distance to the nearest town and every seventh household in the selected strata. The questionnaire contained different sections and each section concentrated on particular aspect of the retailing and buying behavior of spurious products.

Pilot Study

Before scaling for full research, the researcher initiated a pilot study with 30 rural retail respondents and 100 rural consumers. These collected questionnaires were analysed to determine whether the data collected helped the researcher in fulfilling the objectives of the study, apart from testing the validity of the questions put across to the respondents – both rural retail respondents and rural consumers.

In this section, the researcher discusses the results of the survey with reference to the validity of the questionnaire and profiles of the respondents and retailers simultaneously with the researcher discuss the testing of the proposed hypotheses. The validity of the questionnaire was adjudged using Cronbach's coefficient () calculated to test the reliability and internal consistency of the responses. Cronbach's coefficient having a value of more than 0.5 is considered adequate for such exploratory work. The values of in this study for the three reported questions were found to be 0.736, 0.805 and 0.765 giving an average value of 0.768. It implies that there is a high degree of internal consistency in the responses to the questionnaire.

Sampling Plan

The sampling plan adopted for the survey was stratified two-stage. The census villages were the first stage units (FSUs), while households were the second stage-sampling units (SSUs). The selection of villages was done with probability proportional to population (with replacement), based mainly on the 2001 census list of villages. For first stage units, the sampling frame of the strata was the 2001 census list of villages. The sample blocks were selected by simple random sampling without replacement, also in the form of two independent sub-samples. The list of villages were listed in spreadsheet (MS Excel) and random numbers generated. The condition by which a sample (village) is included is based on the condition whether the random number generates a value greater than 0.5. If the random number generated is less than 0.5 for an assigned village, the village is excluded from the sample.

For fulfillment of the research objective, the rural consumer respondents have been selected from different villages of the four regions viz., North, South, East and Western part (clusters) of Karnataka state. For the second stage, 400 households within each cluster were selected. The selection of households is designed to capture almost all cross sections of rural consumers and their buying behavior residing in the villages of Karnataka state. A total of 4-10 households have been visited per village, based on the size of the village. To elicit the data, questionnaire is administered to rural consumers. For selection of household the researcher selected every 7th household in the sample villages chosen.

Table No.2: Details Observed in General by the Rural Consumer Respondents on the FMCG Wrapper While Purchasing

	Date of Manufacturing and Expiry		Brand Name		Logos/ Signs		MRP	
	F	%	F	%	F	%	F	%
No	280	17.5	512	32.0	528	33.0	160	10.0
Yes	752	47.0	520	32.5	504	31.5	872	54.5
Total	1032	64.5	1032	64.5	1032	64.5	1032	64.5
	Ingredients		Special Offers		Net Weight		ISI Mark	
	F	%	F	%	F	%	F	%
No	848	53.0	544	34.0	816	51.0	808	50.5
Yes	184	11.5	488	30.5	216	13.5	224	14.0
Total	1032	64.5	1032	64.5	1032	64.5	1032	64.5

Source: Field survey

In order to understand the retailer's role, the researcher covered three hundred and twenty retail shops across two hundred villages to study the rudiments of rural – retail channel. In covering each village, an attempt was made to contact two to five retailers depending upon the number and type of shops existing in the village.

Sample Size

The researcher has arrived at a sample size of 1600 for rural consumer respondents and 320 for rural retail respondents from among four zones of Karnataka state comprising approximately 200 accessible villages.

Analytical Method

The data collected is initially organized in a meaningful manner with the help of software. Once organized, the researcher tabulated the frequencies, which provided the requisite profile of the data collected and helped the researcher build the contingency tables for further detailed analysis. On performing detailed analysis, patterns from the data is further put for validation through testing of hypothesis, wherever the researcher deemed important and based on the conditions set for such test.

Data Analysis and Interpretation
Table No.1: Package Reading Habits of the Rural Consumer Respondents

	Frequency	Percent
No	568	35.5
Yes	1032	64.5
Total	1600	100.0

Inference

The intention of the researcher in constructing Table 2 is to understand what information the rural consumer observes on the FMCG packing while purchasing. 54.5% of the respondents indicate that predominantly look for MRP, 47% indicating they look for date of manufacturing and expiry, 32.5% indicating their search for brand name, 31.5% indicating their search and confirmation for logos and signs on the package of FMCG and 30.5% indicating that they look for special offers. Only 14%, 13.5% and 11.5% indicate that they look for ISI mark, net weight and ingredients on the package of FMCG while purchasing them.

Table No.3: Test of Significance: Education Level of the Rural Respondents on Observed Details on the Fmcg Wrapper

The intention of the researcher in constructing Table 3 is to understand the pattern of response for the kind of packing reading habits of the rural consumer respondents classified on the basis of education of the rural consumer respondent. To understand the significance as to the influence of education on packing reading habits, the researcher constructed the following hypothesis and used Pearson chi-square test to prove or disprove the hypothesis.

H0: There is no significant influence of the education on the package reading habits of the rural consumer respondents.

H1: There is a significant influence of the education on the package reading habits of the rural consumer respondents.

Peason Chi-Square Tests

		Observed details on the FMCG wrapper
Education Status	Chi-square	598.281
	df	48
	Sig.	.000

Results: Since the tabulated value of χ^2 is 598.281 with 48 degrees of freedom with a significance level of 0.000 which is lesser than the set significance of 0.05 (95% confidence limit) for tabulated relationship, the null hypothesis is rejected and the alternative hypothesis accepted.

Table No.4: Recognition of Brands by The Respondents

	Reading		By Colour		Logos/ Picture/ Trademark	
	F	%	F	%	F	%
No	544	34.0	784	49.0	832	52.0
Yes	1056	66.0	816	51.0	768	48.0
Total	1600	100.0	1600	100.0	1600	100.0
	Packing Style					
	F	%				
No	1160	72.5				
Yes	440	27.5				
Total	1600	100.0				

Source: Field survey

Inference: From Table 4, it is evident that 66% of the rural consumer respondents recognize brands through reading, 51% recognizing through colours, 48% through scanning of logos/pictures/trademark and 27.5% indicating that they recognize brands through packing style of the product.

Brand Recognition and Sale of Products at MRP Table No.5: Package Reading Habits of The Rural Consumers as Per The Opinion of Rural Retail Respondents

	Responses		Percent of Cases
	N	Percent	
Date of Manufacturing	73	11.9	27.3
Date of Expiry	65	10.6	24.3
MRP	232	37.8	86.9
Special Offers	212	34.5	79.4
Net Weight	21	3.4	7.9
ISI mark	11	1.8	4.1
Total	614	100.0	230.0

Source: Field survey

Inference

The intention of the researcher with Table 5 is to understand from the rural retail respondents what indicators does the consumers look on the packing while purchasing the product. Researcher from the study and discussion have understood the following factors can

be observed on the packing, viz – date of manufacture, date of expiry, MRP, special offers, net weight and ISI mark. From Table 5.15.1, it is evident to the researcher that 37.8% of the consumers meticulously observe MRP, followed by 34.5% observing special offers and 11.9% observing date of manufacturing. Only 10.6% observed date of expiry on the packs of products that they are purchasing.

Table No.6: Method of Recognition of Brands by Rural Consumer Respondents as Per The Opinion of Rural Retail Respondents

	Responses		Percent of Cases
	N	Percent	
Reading	236	21.8	74.9
Colours	289	26.7	91.7
Logo/ Pictures	298	27.6	94.6
Packing	199	18.4	63.2
Other Means	59	5.5	18.7
Total	1081	100.0	343.2

Inference

The intention of the researcher with Table 6 is to understand how consumers recognize the brands as per the perception of rural retail respondents. Researcher has identified that the following are means by which a brand can be easily recognized, viz – reading, colours, logo/pictures, packing and other means of recognition, which are not included in the above. From Table 6, as per the observation of the rural retail respondents, 27.6% recognize the brands by looking at the pictures or logos, followed by colour of packing with 26.7% responses, 21.8% through reading and 18.4% responses stating the identification of products through packing.

Table No.7: Reasons for Selling Spurious Products

	Responses		Percent of Cases
	N	Percent	
More Margin	251	26.6	92.3
Availability	106	11.2	39.0
Credit facility provided	128	13.5	47.1

Low Price	203	21.5	74.6
Customers Preference	195	20.6	71.7
Others	62	6.6	22.8
Total	945	100.0	347.4

Inference

The intention of the researcher in constructing Table 7 is to understand the reasons why rural retail respondents sell spurious products. From the study, vide Table 7. 26.6% of the respondents stated that they required more margin, followed by low price with 21.5% responses. The other three major reasons as attributed by the rural retail respondents are customer's preference, credit facility offered by the dealer of spurious product and availability with 20.6%, 13.5% and 11.2% respectively.

Table No.8: Test of Significance: Capital Employed by the Retailers on Reasons for Selling Spurious Products

Researcher here tries to understand the influence of capital outlay on reasons for selling spurious products. To test the above interaction the researcher constructed the following hypothesis and used Pearson Chi-Square analysis to prove or disprove the hypothesis.

H0: There is no significant influence of capital employed on reasons for selling spurious products.

H1: There is a significant influence of capital employed on reasons for selling spurious products.

Pearson Chi-Square Tests

		Capital Outlay
Reasons for selling spurious products	Chi-square	35.371
	df	24
	Sig.	.063

Result

Since the tabulated value of χ^2 is 35.371 at 24 degrees of freedom with a significance level of 0.063, which is greater than set significance of 0.05 (95% confidence limit) for the tabulated relationship, the null hypothesis is accepted and alternative hypothesis is rejected.

Table No.9: Sources of Supply for Spurious Products

	Responses		Percent of Cases
	N	Percent	
Multi brand whole sellers	241	48.9	90.6
Distributors	68	13.8	25.6
Manufacturers	20	4.1	7.5
Traveling Sales Men	125	25.4	47.0
Others	39	7.9	14.7
Total	493	100.0	185.3

Source: Field survey

Inference

The intention of the researcher in constructing Table No.9 is to understand in brief the major sources of supply of spurious products. From discussion with rural retailers and on further investigation, the researcher has narrowed down on the following as the source of supply of spurious products – multi-brand whole sellers, distributors, manufacturers, traveling sales men and other miscellaneous sources not covered by the earlier specific sources (shops at haats). 48.9% of the respondents stated that multi-brand whole sellers as their major source of spurious products, followed by traveling sales men with 25.4% responses and distributors with 13.8% responses. Only 7.9% and 4.1% of the respondents indicated their source of spurious supply as other miscellaneous source and manufacturers.

Table No.10: Identification of Spurious Products by Customers

	Responses		Percent of Cases
	N	Percent	
Reading	194	29.1	71.3
Colours	136	20.4	50.0
Logos and Pictures	176	26.4	64.7
ISI Mark	49	7.3	18.0
Usage Experience	101	15.1	37.1
Other Means	11	1.6	4.0
Total	667	100.0	245.2

Source: Field survey

Inference

The intention of the researcher with Table No. 10 is to understand how the rural consumers understand whether a product is spurious or not. From analysis, discussion and study, the researcher has devised the following parameters to gauge, viz – reading, colours, logos and pictures, ISI mark, usage experience and other means which have been not covered by the above parameters. 29.1% of the rural retail respondent indicated that the consumers identify whether a product is spurious by reading the contents of the package, followed by 26.4% by looking at the logos and pictures, 20.4% through the pattern of colours and 15.1% through usage experience. Only 7.3% and 1.6% indicated the use of ISI mark and other means to recognize whether a product is spurious or not.

Table No.11: Repetitive Purchase of Spurious Products

	Frequency	Percent
Not at all	25	7.8
Only in emergency	5	1.6
Some times	91	28.4
Frequently	134	41.9
Always	17	5.3
Total	272	85.0

Source: Field survey

Inference

The intention of the researcher from Table 11 is to understand the repetitive purchase nature of spurious products by consumers. As per the rural retail respondents, 41.9% of the responses indicated that the consumers frequently purchases spurious products, followed by 28.4% stating that they sometimes purchase spurious products and 5.3% stating that they always purchase spurious products. Only 7.8% of the responses indicated that the consumer would not purchase spurious products at all, once he recognizes that the product supplied to him was spurious.

Table No.12: Test of Significance: Identification of Spurious Products on Repetitive Purchase

The intention of the researcher is to understand whether there is any significant impact of identification

of spurious product and repetitive purchase pattern of spurious products. To test the above statement, the researcher has constructed the following hypothesis and to prove or disprove the hypothesis the researcher has employed Pearson Chi-Square test.

H0: There is no significant influence of identifying spurious products and repetitive purchase pattern of spurious products.

H1: There is a significant influence of identifying spurious products and repetitive purchase pattern of spurious products.

Pearson Chi-Square Tests

		Identification of spurious products
Repetitive Purchase Pattern of Spurious Products	Chi-square	189.700
	df	24
	Sig.	.000

Result

Since the tabulated value of χ^2 is 189.700 at 24 degrees of freedom with a significance level of 0.000, which is lesser than set significance of 0.05 (95% confidence limit) for the tabulated relationship, the null hypothesis is rejected and alternative hypothesis is accepted.

Table No.13: Awareness of the Rural Retailer Respondents on Hazardous Nature of Spurious Products Vended

	Frequency	Percent
Not Aware	80	25.0
Not at All	125	39.1
Slightly	49	15.3
Moderately	18	5.6
Total	272	85.0

Source: Field survey

Inference

The intention of the researcher is to understand the perception of hazardousness of using spurious products from the angle of rural retail respondents. From Table 13, the researcher can infer that 39.1% of rural retail respondents indicate that there is no harm on using the spurious products that they sell, followed by 25%

indicating that they are not aware of any hazardousness of using the spurious products that they are selling and 15.3% stating that they are slightly hazardousness. Only 5.6% of the respondents indicated that the spurious product that they sell is moderately hazardous.

Table No.14: Receipt of Complaints Regarding Usage of Spurious Products

	Frequency	Percent
No	85	26.6
Yes	50	15.6
Sometimes	137	42.8
Total	272	85.0

Source: Field survey

Inference

From Table No.14, the researcher intends to understand the whether there arises any complaint from the consumers who have used spurious products. 42.8% of the rural retail respondents stated that they sometimes receive complaints, followed by 26.6% of the rural retailers indicating that they do not receive complaints and 15.6% stating that they do receive complaints regularly from consumers who have used spurious products.

Table No.15: Nature of Complaints Regarding Spurious Products

	Responses		Percent of Cases
	N	Percent	
Regarding Quality	123	36.4	65.8
Regarding Health	34	10.1	18.2
Usage Uncomfortability	181	53.6	96.8
Total	338	100.0	180.7

Source: Field survey

Inference

The intention of the researcher in constructing Table 15 is to understand the nature of complaints that are received from consumers who use spurious products. 53.6% of the respondents stated that the consumers complain about usage uncomfotability, followed by 36.4% of the respondents indicating quality related complaints and 10.1% regarding health related complaints on using spurious products.

Table No.16: Relationship Between Annual Household Income and Brand Recognition Habits

The intention of the researcher is constructing Table No: 16 is to understand the extent of correlation between the annual house hold income of the rural consumer respondents and the means used by the rural consumer respondent in recognizing a brand. To test for a liner relationship and its strength the researcher constructed the following hypothesis and used a Pearson correlation coefficient to prove of disprove the hypothesis.

H0: There is no significant correlation between annual household income of the rural consumer respondent and means by which the rural consumer respondent recognizes a brand.

H1: There is a significant correlation between annual household income of the rural consumer respondent and means by which the rural consumer respondent recognizes a brand.

Correlations

		Recognise Particular Brand				
		Reading	By Colour	Logos/ Picture/ Trademark	Packing Style	Other Identification
Annual House Hold Income	Pearson Correlation	.384(**)	-.397(**)	-.351(**)	-.220(**)	-.005
	Sig. (2-tailed)	.000	.000	.000	.000	.834
	N	1600	1600	1600	1600	1600

** Correlation is significant at the 0.01 level (2-tailed).

Result

As the tabulated value of Pearson correlation coefficient for recognizing the brand through reading is 0.384, with a significance level of 0.000; -0.397 for recognition of brand by colour with a significance level of 0.000; -0.351 for recognizing brands through logos and signs with a significance level of 0.000; -0.220 for recognizing brands through packing style with a significance level of 0.000, all of these having a significance values less than 0.05, the null hypothesis is rejected and the alternative accepted. In case of recognition of brands through other identification techniques, with a Pearson correlation value of -0.005, with a significance level of 0.834, which is greater than the set significance of 0.05, the null hypothesis is accepted and the alternative rejected.

Inference

From Table No: 13 the intention of the researcher is to understand the significance of correlation between annual household income and recognition of brands through- reading, colours, logos, pictures and trademarks, packing style and other identification techniques. From Table No: 13 it is evident to the researcher that there is a moderate negative correlations between annual house hold income and recognizing a brand through colour with a Pearson correlation coefficient of -0.397, recognizing a brand through logos, picture and trademark with a Pearson correlation coefficient of -0.351 and recognizing a brand through packing style with a Pearson correlation coefficient of -0.220. There is an observable very low negative correlation between annual household income and recognizing a brand through other identification means with a Pearson correlation coefficient of -0.005. There is a moderate positive correlation between annual household income and recognition of brand through reading with a Pearson correlation coefficient of 0.384. As the tabulated significance has lead to the rejection of null hypothesis the researcher can safely infer that there is a significant correlation between annual household income and recognition of brand through reading, colours, logos, pictures and trademarks, and packing style.

Summary of Findings

1. 45% of the rural consumer respondents attributed minor importance to packing, 25% attributing a major importance, 17.5% attributing not much significant and 12.5% attributing packing as not at all important.
2. 98.5% of the rural consumer respondents preferred sachets, 97% preferred loose packs, 47.5% preferred poly packs and 25% preferred plastic jars.
3. 64.5% of the rural consumer respondents observe the written descriptions while purchasing FMCG and 35.5% do not observe the packing of FMCG while purchasing.
4. 54.5% of the rural consumer respondents look for MRP, 47% look for date of manufacturing and expiry, 32.5% look for brand name, 31.5% look for logos and signs and 30.5% look for special offers.
5. There is a significant influence of the education on the packing reading habits of the rural consumer respondents.
6. 66% of the rural consumer respondents recognize brands through reading, 51% recognizing through colours, 48% through scanning of logos/pictures/trademark.
7. 26.6% of the rural retail respondents required more margin, 21.5% favoured low price, 20.6%, due to customer's preference, 13.5% since spurious product suppliers offered credit facility and 11.2% due to availability of spurious products.
8. There is no significant influence of capital employed on reasons for selling spurious products.
9. 48.9% of the rural retail respondents point to multi-brand whole sellers as their major source of spurious products, 25.4% relies on traveling sales men, 13.8% on distributors, 7.9% indicate miscellaneous source and 4.1% of the respondents indicate other sources.
10. 29.1% of the rural retail respondents indicated that the consumers identify spuriousity of a product through reading the contents on the package, 26.4% by looking at the logos and pictures, 20.4% through the pattern of colours, 15.1% through usage experience, and 7.3% indicated the use of ISI mark.
11. 41.9% of the rural retail respondents' responses indicated that the consumers frequently purchase spurious products, 28.4% sometimes purchase spurious products, 5.3% always purchase spurious products and 7.8% of the consumers were not purchasing spurious products at all, on recognizing that the product supplied to him was spurious.
12. There is a significant influence of spurious products' identification and repetitive purchase pattern of spurious products.
13. 39.1% of rural retail respondents state that there is no harm in using the spurious products, 25% are not aware of any harmfulness by using the spurious products, 15.3% state that they are slightly harmful and 5.6% indicated that the spurious products that they sell is moderately hazardous.
14. 42.8% of the rural retail respondents stated that they sometimes receive complaints, 26.6% do not receive complaints and 15.6% do receive complaints regularly from consumers who have used spurious products.
15. 53.6% of the rural retail respondents indicate that the consumers complain about usage uncomfortability, 36.4% indicated quality related complaints and 10.1% of the complaints regarding health related problems.

Suggestions

1. Evidence from this study shows that majority of rural consumers ask for just about any product rather than the brand while buying FMCG, , this is one of the important factor for pushing pass-off and spurious or counterfeit and regional brands by the retailers. Still majority of rural consumers recognise brands by packing, logos, trademarks and colours, it is suggested to the marketers to adapt colours, logos, trademarks, pictures while targeting the rural mass.
2. In most of the cases spurious products are pushed by the multi brand wholesalers in the feeder towns

and district headquarters because of huge margin involved in this parallel channels. They act either as a merchant middle man or manufacturers of spurious products. This issue is very important from their perspectives because of big margin in spurious products. Even with this regard product's name in local language can also make a difference in creating consumer awareness and making a sustainable customers-base in rural areas. It is strongly suggested to educate these distributors or wholesalers about hazards of the spurious products.

3. Yet another way to counter this spurious bane is upgrade packaging i.e., more sophisticated and capital-intensive technology should be employed by the marketers. Therefore it is suggested to adapt high quality techniques in packaging for the products while marketing in rural areas in order to make the manufacturers of these counterfeit difficult to replicate major brands.
4. The major complaints about spurious products are quality of the product, uncomfotability in usage and health hazards. As health hazards is of major concern strong measures like adoption of villages and recruitment of educated rural youths to address these issues to the rural masses by the marketers. Therefore, in this regard, it is suggested to employ product's name in local languages and dialects to create consumer awareness.

Conclusion

This empirical study has filled in the gap that arises out of standardisation of marketing practices at the urban and rural markets. The problem that FMCG brands face in the Indian market is quite like the problem the film and music industry, faces with piracy, pharmaceuticals and agriculture inputs with look-alike or totally spurious, and toy industry, lubricants battles with look-alikes. The channels of distribution that can be successfully deployed to reach these untapped pockets require ingenuity and creativity. The means by which the products are identified or recognized in the rural masses are different from that of the urban masses. This provides a reasonable opportunity for pushing spurious products, which needs to be controlled.

Study also highlights that, rural retailers are stocking spurious products because of more margins, its low price and availability of credit from the suppliers. Spurious products are mostly pushed by the distributors in the feeder towns. It is evident from the study that the law is stringent but its enforcement is weak not only in rural areas but even in urban areas. Finally, counterfeiting can only be tackled effectively if law enforcement agencies and private companies work together and share important information in this regard. The marketers who understand the rural consumer and fine tune their branding strategies by incorporating rural element while developing packaging strategies specifically for rural markets are sure to reap fruitful benefits in the ensuing years.

References

Books

1. T.P. Gopaldaswamy, "Rural Marketing environment, problems and strategies", Wheeler Publishing House, First Edition 1997, pp. 23.
2. Bernard Cohn, "Notes on the history of the study of Indian society and culture", in Milton Singer and Bernard Cohn (ed.), Structure and Change in Indian Society, Chicago: Aldine Publishing Company, 1968, pp.6.
3. McKim Marriot, "Little communities in an indigenous civilization", McKim Marriot (ed.), Village India, Chicago, 1955.
4. Louis Dumont and D. Pocock, Contributions to Indian Sociology, No.1, Paris, The Hague, 1955.
5. Metcalfe, Sir Charles, Report of the Select Committee of the House of Commons, 1832, Vol. III, Appendix 84, p.331, cited in Srinivas, M.F.(Ed.), India's Villages.
6. Maine, Sir Henry, Village Communities in the East and West, New Edition, John Murray, London, 1890.
7. Baden-Powell, Baden Henry, 1899. "The Origin and Growth of Village Communities in India," History of Economic Thought Books, McMaster University Archive for the History of Economic Thought, number Baden-Powell, 1899

8. David G. Mandelbaum, "Family, Jati, Village". In: Structure and Change in Indian Society. Edited by Milton B. Singer and Bernard Samuel Cohn (Chicago: Aldine), 1968, pp. 29-50. (Reprinted as Viking Fund Publication in Anthropology 47).
9. Dube, S.C., India's changing villages, Routledge and Kegan Paul, Ltd., London, 1958.
10. M.N. Srinivas (ed.), India's Villages, Calcutta: Government of West Bengal Publications, 1955.
10. Toral Modi (2006), Fighting the fakes, August 30, 2000, Indiainfoline.com, date of download 25-04-2012.
11. Ranju Sarkar (2001), "Mobile Traders", Business World, 17th September 2001, Pp. 46-50.

Website

1. Jesal Thakker (PGDBA I), Kapil Bhagag (PGDRM I) (2000), "Rural Markets – Mirage or Reality", October 11, 2000, Contributed by Students of Narsee Monjee Institute of Management Studies, Indiainfoline.com, date of download 25-04-2006.

Journals

1. Rajshri Jayaraman and Peter Lanjouw, "The Evolution of Poverty and Inequality in Indian Villages", The World Bank Research Observer, Oxford Journals Social Sciences World Bank Research Observer Volume 14, Number 1, 1999, Pp. 1-30.
2. Lipton M., "Interdisciplinary Studies in Less Developed Countries" Joint Reprint Series No.35. Institute of Development Studies, University of Sussex, Brighton, 1970.
3. Upton M. "Agriculture in South-Western Nigeria". Department of Agricultural Economics Development Study, No.3, University of Reading, Reading, 1967.
4. Lois Dumont, "The village community from Munro to Maine", Contributions to Indian sociology, No. IX, 1966, p. 67.
5. Louis Dumont and D.F. Pocock, "Village studies," Contributions to Indian Sociology, No.1, 1957, pp.25-32;
6. Shanthi Nachlappan (2003), Indian Journal of Marketing, Vol. XXXIII, No. 9, September 2003. pp. 18-20 and 30.
7. Preeti Mehra (2001), "Crusade against counterfeit", The Hindu Business Line, Monday, July 02, 2001.
8. Nirmal D. Menon (2006), "FICCI to battle spurious brands in textile, auto", The Hindu Financial Line, Friday, Apr 09, 2004.
9. Pawan Bhandari, Rajat Iyer (1994), "The new minstrels", A&M, 15 October 1994; pp 29-30.)