IJCRT.ORG ISSN : 2320-2882

INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)
An International Open Access, Peer-reviewed, Refereed Journal

A Study On Challenges And Opportunities In FMCG Industry Sector

of residential flats with special reference tier 2 cities in India

[1]Manjeet kumar, [2]Nikunj Maru, [3]Dr.Mohit Parekh
[1]Mba Student, Mba Student, [3]Assistant Professor
[1]Parul Institute Of Management & Research
[1]Parul University, Vadodra, India

.Abstract :
High customer demand, quick inventory turnover, and wide distribution networks define the Fast-Moving customer Goods (FMCG) industry, one of the most competitive and dynamic in the world. With an emphasis on the Indian market, this study attempts to investigate the major obstacles and possibilities that the FMCG sector faces.

The study emphasizes how supply chain interruptions, shifting raw material prices, shifting consumer preferences, and strict regulations all have a big impact on the FMCG industry. Businesses must maintain competitive price while guaranteeing the sustainability and quality of their products. The survey also notes that e-commerce and the growing impact of digital transformation are important growth drivers that enable firms to expand their consumer base and improve market penetration. Additionally, the growing market for eco-friendly and sustainable products offers businesses a chance to stand out from the competition and win over devoted customers.

This study looks at important market developments, consumer behavior patterns, and the strategic tactics used by FMCG companies to deal with the changing environment using a combination of primary and secondary research methods. 363 respondents—consumers, retailers, and business professionals—were asked to complete a structured survey in order to learn more about brand loyalty, purchase patterns, and how digitization has affected consumer choices. According to the analysis, price sensitivity and special offers have a big impact on consumers' purchase decisions, but brand loyalty is still a key consideration. Furthermore, established firms are facing competition from the emergence of private-label brands, which is upending existing market supremacy.

According to the findings, in order to maintain growth and profitability, FMCG companies need to use agile strategies that make use of data-driven decision-making, sustainable practices, and technology improvements. Investing in effective supply chain management, entering rural markets, utilizing digital marketing and e-commerce platforms, andemphasizing product innovation to satisfy consumers who are concerned about their health and the environment are some of the main recommendations.

Keywords: Global competition, profitability, economic trends, emerging markets, consumer behavior, strategic adaptation, growth opportunities, market penetration, supply chain disruptions, consumer preferences, digital transformation, e-commerce, brand loyalty, sustainability, market trends, pricing strategies, private-label brands, product innovation.

2,Introduction:

One of the biggest and most competitive industries in the world economy is the fast-moving consumer goods (FMCG) sector. It includes a broad variety of necessities, such as food and drink, household goods, personal care products, and over-the-counter medications. The FMCG industry contributes significantly to global economic growth and job creation because to its high turnover rate and steady customer demand.

Due to shifting customer preferences, technology breakthroughs, and legislative developments, the industry has seen substantial changes in recent years. The way FMCG companies function has changed as a result of digitalization and e-commerce, which have created new avenues for consumer interaction and market penetration. Concerns about sustainability, meantime, have forced businesses to embrace eco-friendly procedures, such as ethical raw material sourcing and sustainable packaging.

Nevertheless, the FMCG sector still confronts many obstacles in spite of these development prospects. Businesses have to deal with shifting raw material prices, supply chain interruptions, fierce rivalry, and mounting demands to keep prices low without sacrificing product quality. Furthermore, shifting customer behavior brought about by internet accessibility and health consciousness has changed buying habits, necessitating the adoption of creative marketing and distribution techniques by companies.

With an emphasis on the Indian market, this study attempts to investigate the major obstacles and possibilities in the FMCG industry. This study uses both primary and secondary research to identify market trends, analyze consumer behavior, and assess strategic options that fast-moving consumer goods (FMCG) companies can implement to maintain growth in a business climate that is becoming more and more dynamic.

2.1.Background:

One of the biggest and fastest-growing industries in the world is the fast-moving consumer goods (FMCG) sector, which includes necessities like food, drinks, personal hygiene products, and household goods. High customer demand, quick inventory turnover, and extensive distribution networks are its main drivers. Urbanization, population growth, shifting lifestyles, and rising disposable income are some of the reasons driving the business. But it also has to contend with issues including supply chain interruptions, growing raw material prices, complicated regulations, and fierce competition in the market.

E-commerce and digital transformation have drastically changed consumer behavior in recent years, giving businesses new chances to reach a wider audience and improve customer interaction. Demand for eco-friendly and sustainable products has also increased as a result of growing environmental concerns. With an emphasis on tactics businesses may use to stay competitive and promote long-term growth in a changing market, this study attempts to examine the major opportunities and problems facing the FMCG industry.

2.2.Problem Statement:

Businesses in the Fast-Moving customer Goods (FMCG) sector must constantly adjust to shifting customer tastes, shifting economic conditions, and technology breakthroughs in this fiercely competitive and quickly changing market. Notwithstanding its necessity, the business faces many obstacles, such as inefficient supply chains, growing production costs, regulatory demands, and escalating competition from private-label and international brands.

Additionally, traditional business models have been upended by the digital transformation of retail and the growth of e-commerce, which has forced FMCG companies to reconsider their distribution and marketing plans. The competitive situation is further complicated by consumer demands for healthier product options and sustainability.

Finding and evaluating the FMCG industry's major obstacles and new prospects is the goal of this study. Businesses that comprehend these elements can create strategies that work to overcome challenges, take advantage of sustainability and digitalization trends, and sustain long-term success in a market that is becoming more technologically advanced and dynamic.

2.3.Objectives of the Study:

2.4.Hypothesis:

- The dynamic and competitive environment in which the FMCG business operates is impacted by a number of consumer-driven, technological, and economic variables. The following theories are put out in this study in order to comprehend the main obstacles and possibilities:

- H_1: The operational performance and profitability of FMCG companies are greatly impacted by supply chain inefficiencies.
  Increased expenses and decreased market efficiency may result from disruptions in the sourcing, manufacture, and delivery of raw materials.

- H_2: For FMCG companies, digital transformation and e-commerce adoption provide significant development prospects.Consumer convenience, market reach, and customer involvement are all increased by the growth of digital marketing and online buying.

- H_3: The sales success of FMCG items is directly impacted by consumer preferences and brand loyalty.Retaining customers and encouraging repeat business depend heavily on advertising, promotional tactics, and brand perception.

- H_4: In the FMCG industry, eco-friendly product offerings and sustainability activities have a favorable impact on consumer purchasing decisions Brands that support ethical sourcing, ecologically friendly packaging, and sustainable practices are becoming more and more popular with consumers.

- H_5: In the FMCG sector, market share and profitability are largely determined by competitive pricing and promotional tactics.Strategic pricing, discounts, and promotions affect customer behavior and purchase decisions.

3.Literature Review ;

Kotler & Keller (2016): Focuses on marketing management strategies in the FMCG sector, highlighting consumer behaviour and the role of branding in driving loyalty.

Nielsen (2018): Explores the impact of digitalization on FMCG sales, emphasizing the role of e-commerce and online marketing in consumer engagement.

KPMG Report (2019): Analyses the shift towards sustainability in the FMCG sector, highlighting regulatory pressures and changing consumer preferences.

Deloitte (2020): Studies the importance of supply chain management and innovation in FMCG, particularly post-pandemic.

PWC (2021): Discusses global trends in FMCG, focusing on premiumization and product diversification as growth drivers.

Sharma & Gupta (2017): Investigates rural market potential in India, where FMCG companies see massive growth opportunities.

Singh (2020): Reviews price sensitivity in the FMCG sector, analyzing its impact on profitability and marketing strategies.

Biswas & Roy (2019): Highlights the role of brand equity in maintaining market leadership in the competitive FMCG market.

Mukherjee (2018): Explores the impact of innovation and product differentiation on consumer choices in FMCG.

Chopra & Mehta (2020): Studies how digital marketing influences purchasing behaviour in the FMCG industry.

Chaturvedi (2017): Reviews consumer trends in health-conscious products, analysing their growing demand in the FMCG sector.

Kumar & Rao (2018): Explores the challenges faced by FMCG companies in rural distribution channels in developing economies.

Das & Bhattacharya (2019): Investigates the role of packaging innovation in FMCG and its impact on consumer purchase decisions.

Mehta & Singh (2021): Analyses the post-pandemic recovery of the FMCG industry and changes in consumer habits.

Raj & Pillai (2020): Examines the use of big data analytics in FMCG for personalized marketing and inventory management.

Bhalla (2019): Discusses the impact of private label brands on competition and pricing strategies in the FMCG market.
Tripathi & Tandon (2021): Studies the influence of social media marketing on brand engagement and loyalty in FMCG.

Patel & Shah (2020): Reviews the effectiveness of promotional schemes like discounts and coupons in driving FMCG sales.

Gupta (2017): Focuses on the importance of customer experience management in FMCG, emphasizing the role of feedback loops.

Rao & Varma (2018): Explores challenges in global supply chains for FMCG companies, including logistics and distribution hurdles.

.3.1.Trends, Gaps, and Areas for Further Research
The FMCG Industry's Trends
Concerns about sustainability, shifting customer preferences, and digitalization are all contributing to the FMCG industry's rapid transformation. Traditional retail methods have changed as a result of the growth of e-commerce and digital marketing, with businesses now using online platforms to reach a wider audience and engage with customers more personally. Demand for organic, environmentally friendly, and ethically sourced products is rising as consumers place a higher priority on sustainable and health-conscious items. Additionally, the industry is witnessing technological improvements in supply chain management, including AI-driven analytics, automation, and blockchain integration to enhance efficiency and cut costs.

Gaps in Current StudiesResearch

Research on the long-term effects of digital transformation on FMCG supply chains is few, despite a wealth of studies on branding tactics and customer behavior. Furthermore, even if sustainability is becoming more popular, little is known about how well green efforts affect profitability and brand loyalty. Further research is also necessary to understand how private-label brands are upending established FMCG industry leaders.

Topics for Additional Study

Future studies should concentrate on how AI and big data affect FMCG decision-making, how well sustainable practices influence consumer buying patterns, and how to deal with supply chain interruptions in the wake of a pandemic. Businesses will benefit from these insights as they adjust to the changing market environment.

4.Research Methodology:

4.1.Design of Research

This study examines the potential and problems in the FMCG sector using a descriptive research design. The research aims to examine factors affecting the industry, including supply chain disruptions, digital transformation, consumer behavior, and competitive strategies. A quantitative approach is used to collect and analyze numerical data, while qualitative insights from industry reports support the findings.

Techniques for Gathering Data

To guarantee a thorough analysis, the study uses both primary and secondary data collection techniques.

Primary Information Gathering:

363 respondents, including customers, merchants, distributors, and business experts, participated in a structured survey.

The survey had open-ended, multiple-choice, and Likert scale questions that focused on important topics such supply chain difficulties, digital adoption, sustainability preferences, and purchasing behavior.

For online respondents, surveys were disseminated via Google Forms; for in-person responses, hardcopy questionnaires were used.

Gathering Secondary Data:

Information was obtained from government publications, industry reports, research papers, and market analysis reports from companies such as Nielsen, McKinsey, and Deloitte.

To learn about market trends and tactics, case studies and financial reports from top FMCG companies were examined.

Method of Sampling

Convenience and purposive sampling, two non-probability sampling techniques, were employed:

Convenience Sampling: Customers were chosen according to their accessibility, guaranteeing prompt and effective data gathering.

Purposive Sampling: Based on their background and proficiency in the FMCG industry, retailers, distributors, and industry experts were selected.

A well-rounded picture of the consumer market was ensured by the inclusion of a variety of demographics in the sample, including age, income, and occupation.

4. Research Tool

The main instrument for gathering data was a structured questionnaire. There were several components to the questionnaire:

Age, gender, income, and occupation are examples of demographics.

Consumer behavior, including price sensitivity, brand loyalty, and promotional influences

Digital Transformation (acceptance of e-commerce, social media marketing's impact)
Supply Chain and Pricing Factors (effects of raw material prices, difficulties with distribution)

5. Analysis and Interpretation of Data
Excel and SPSS were used to analyze the collected data, applying:

Mean, median, and frequency distributions are examples of descriptive statistics that are used to summarize answers.

Chi-Square Test: To ascertain how consumer preferences relate to elements such as digital adoption or price.

Regression analysis is used to assess how pricing tactics, digitization, and sustainability affect the decisions that consumers make about what to buy.

The results were visually presented using tables, charts, and graphs, which helped to clarify the interpretation.

6.**Moral-aspects**
Confidentiality: The identity of the participants were not revealed.

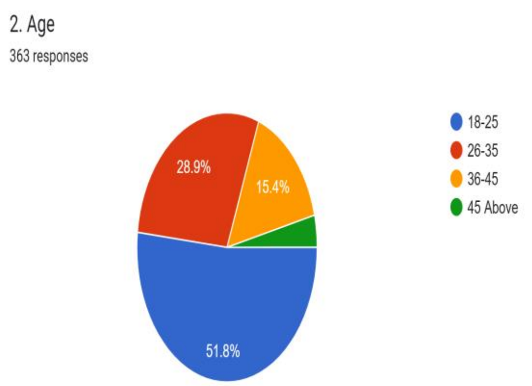
All participants gave their informed consent after being made aware of the goal of the study.

Data Security: Only study was conducted using the safely stored data.

5.Results and Discussion:

The study reveals that **brand loyalty, pricing, promotions, and e-commerce significantly influence FMCG purchases**. Consumers prefer **affordable, accessible, and sustainable products**, while private-label brands are gaining traction. **Digital transformation and supply chain efficiency** are crucial for growth. FMCG companies must **adapt to evolving consumer trends and market dynamics** to remain competitive.

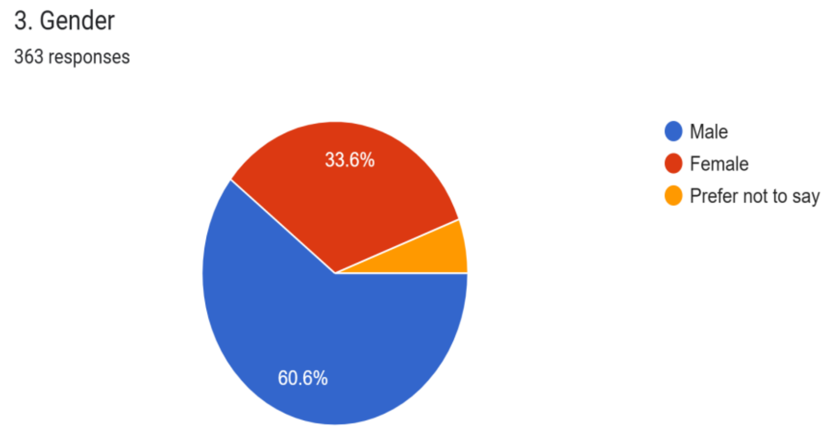
5.1Age:



Analysis and Interpretation:

The age distribution of the 363 study participants is shown in the pie chart. The majority (51.8%) are between the ages of 18 and 25, suggesting that young people make up the main market for FMCG products. 28.9% of people are between the ages of 26 and 35, 15.4% are between the ages of 36 and 45, and only 4% are over the age of 45. This implies that in order to draw in younger customers, FMCG companies should concentrate on youth-oriented marketing techniques, digital interaction, and reasonable prices. However, by providing a variety of product options and focused marketing campaigns, firms must also take into account the preferences of older age groups.

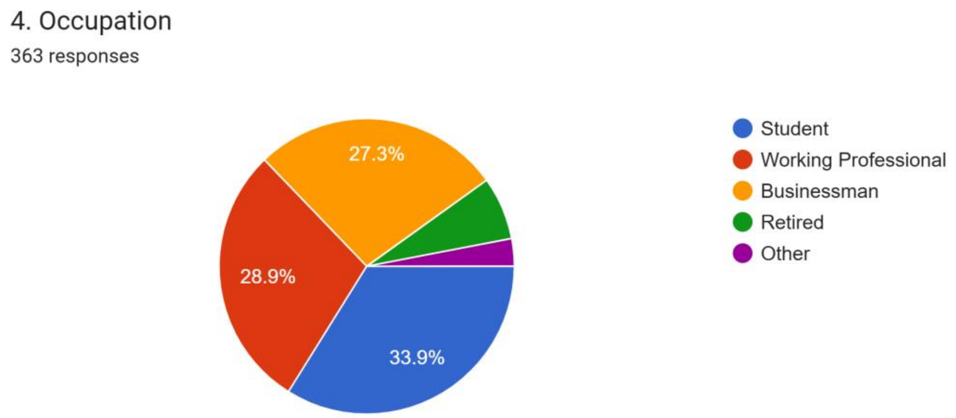
5.2.Gender:



Analysis and Interpretation:

The gender distribution of the 363 study participants is depicted in the pie chart. A minor percentage of participants chose not to reveal their gender, with 60.6% of participants being men and 33.6% being women. This suggests that FMCG marketing tactics should take into account male-dominated preferences, as it reflects a larger male participation rate in the study. Nonetheless, the sizable female market highlights the significance of gender-inclusive product offerings and branding, particularly in areas like cosmetics, personal care, and home goods. In order to accommodate a wide range of consumer preferences across various demographics, businesses should also concentrate on gender-neutral advertising.

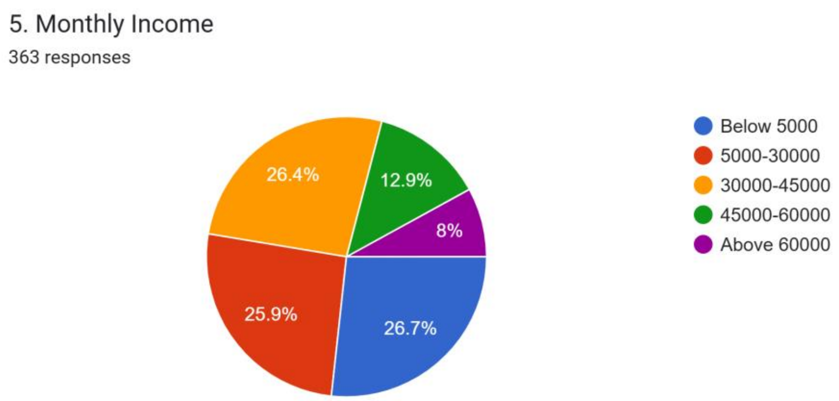
5.3.Occupation:



Analysis and Interpretation:

The 363 respondents' occupational distribution is shown in the pie chart. The fact that 33.9% of consumers are students suggests that young people have a significant impact on the FMCG sector. The fact that 28.9% of people are working professionals and 27.3% are business owners suggests that both salaried and self-employed people contribute significantly to the consumption of FMCG. Retired people and others make up a small portion, indicating lesser engagement from these categories. FMCG businesses should modify their marketing plans to target professionals with high-end goods and students with reasonable prices. Furthermore, business-oriented customers might favor exclusive deals or bulk buying choices, necessitating focused advertising campaigns.

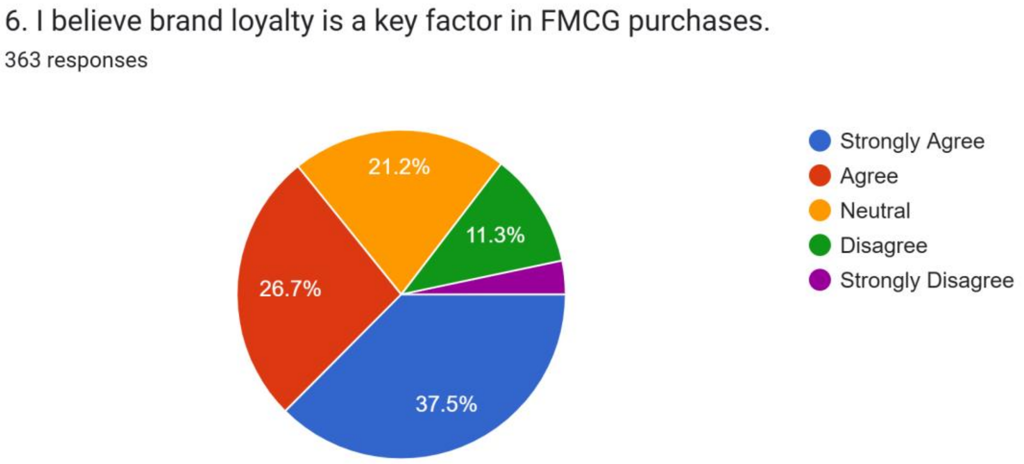
5.4.Monthly Income:



Analysis and Interpretation:

The monthly income distribution of 363 respondents is shown in the pie chart. The majority are in low-to-mid income categories, as seen by the main segments: those under ₹5,000 (26.7%), those between ₹5,000 and ₹30,000 (25.9%), and those between ₹30,000 and ₹49,000. 12.9% make between ₹45,000 and ₹60,000, and 8% make over ₹60,000, which is a smaller portion of the high-income group. This implies that in order to draw in budget-conscious customers, FMCG companies should concentrate on low prices, sales, and high-quality goods. Premium product lines can still be sold to affluent consumers, nevertheless, by using exclusive goods and quality-driven branding that appeals to a range of budgets.

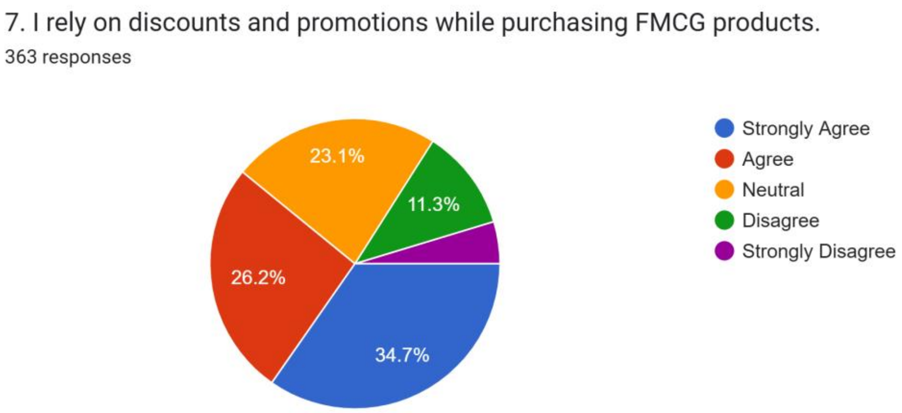
5.5.I Believe Brand Loyality is a Key Factor in FMCG Purchases:-



Analysis and Interpretation:

The pie chart depicts respondents' thoughts on brand loyalty in FMCG purchases. Most people—37.5% strongly agree and 26.7% agree—believe that brand loyalty has a big impact on purchasing decisions. 21.2% express no opinion, indicating that some buyers might give more weight to other considerations like cost and accessibility. However, a minority do not believe that brand loyalty is necessary, as evidenced by the 11.3% who disagree and the tiny 3.3% who strongly disagree. This implies that while devoted consumers are advantageous to well-known brands, competitive pricing, quality, and promotions are essential for drawing in new clients. FMCG companies should focus on customer retention while also appealing to neutral and price-sensitive consumers.

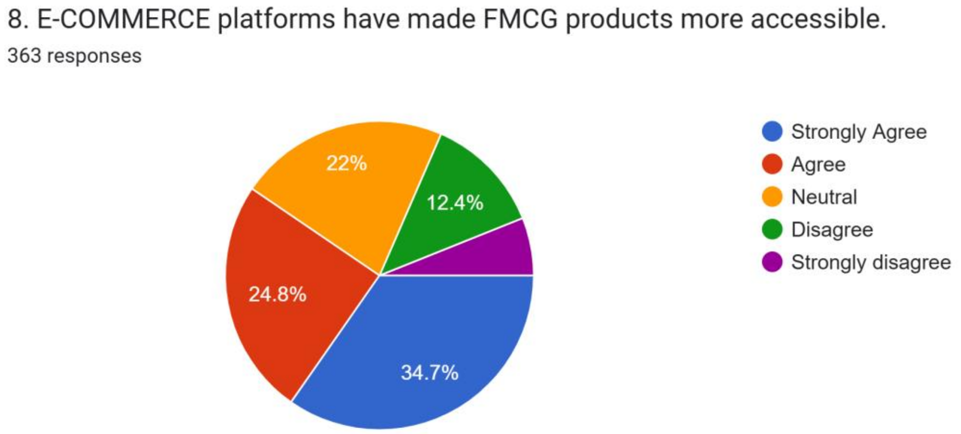
5.6.I Rely On Discounts and Promotions While Purchasing FMCG Products :



Analysis and Interpretation:

The respondents' reliance on sales and discounts while buying FMCG products is depicted in the pie chart. Price reductions and promotional offers are important factors in influencing consumer purchases, as seen by the noteworthy 34.7% strongly agree and 26.2% agree responses. Discounts are attractive, but they might not be the main consideration for all purchasers, as indicated by the 23.1% who are neutral. A minority value other aspects like brand and quality over discounts, as evidenced by the 11.3% who disagree and the 4.7% who strongly disagree. To draw in and keep price-conscious customers, FMCG companies should use promotional tactics like discounts, package deals, and loyalty plans.

5.7. E-COMMERCE Platforms Have Made FMCG Products More Accessible:-



Analysis and Interpretation:

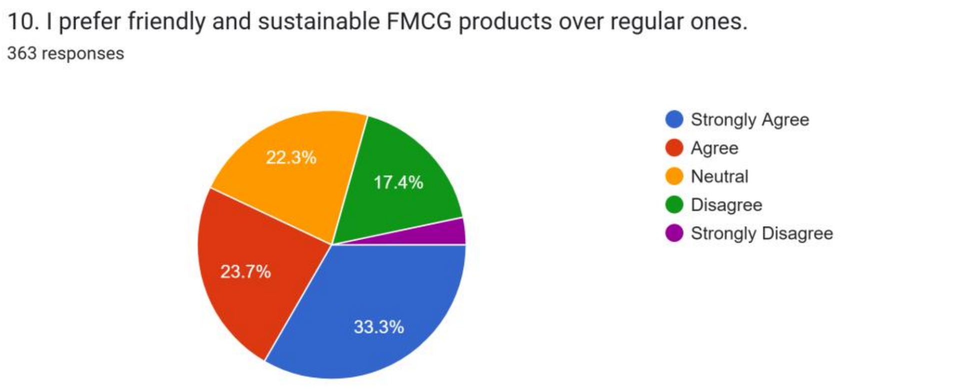
The respondents' opinions about e-commerce platforms making FMCG products more accessible are depicted in the pie chart. The majority—24.8% agree and 34.7% strongly agree—indicate that online platforms have greatly improved availability and convenience. 22% have no opinion, indicating that even while e-commerce has advantages, some customers might still favor in-person buying. A minority find traditional retail more accessible, as seen by the 12.4% who disagree and the tiny 6.1% who strongly disagree. This demonstrates the expanding relevance of digital platforms in the distribution of FMCG and recommends that companies keep improving their online presence to guarantee better customer support, quicker delivery, and an enhanced user experience.

5.8.The availability of FMCG Products in local stores or Online affects my buying decisions:-

Analysis and Interpretation:

The influence of FMCG product availability on customer purchasing decisions is depicted in the pie graphic. A noteworthy 25.6% agree and 32.5% strongly agree that accessibility affects their purchasing decisions. While availability is important, other criteria like price or brand preference also matter, as evidenced by the 22.9% who are neutral. The fact that 5.2% strongly disagree and 13.8% disagree indicates that a tiny portion of customers are less impacted by product availability. This realization emphasizes how crucial it is to guarantee product availability through a variety of retail channels, both online and offline, in order to serve a larger clientele and improve customer convenience.

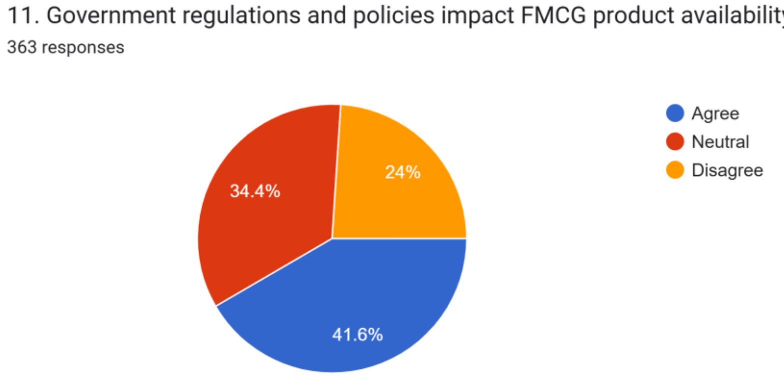
5.9.I prefer friendly and sustainable FMCG products over regular ones.



Analysis and Interpretation:

The pie chart shows that consumers favor sustainable and environmentally friendly FMCG items. Notably, 23.7% agree and 33.3% strongly agree, indicating that over half of the respondents give sustainability top priority when making purchases. Although sustainability is essential, 22.3% are neutral, indicating that it might not be a deciding factor for them. Just a small fraction are indifferent to sustainability, as evidenced by the 17.4% who disagree and the extremely small number who strongly disagree. Growing environmental consciousness is reflected in this trend, which pushes FMCG companies to concentrate on sustainable product offerings in order to satisfy customer demands and market demands.

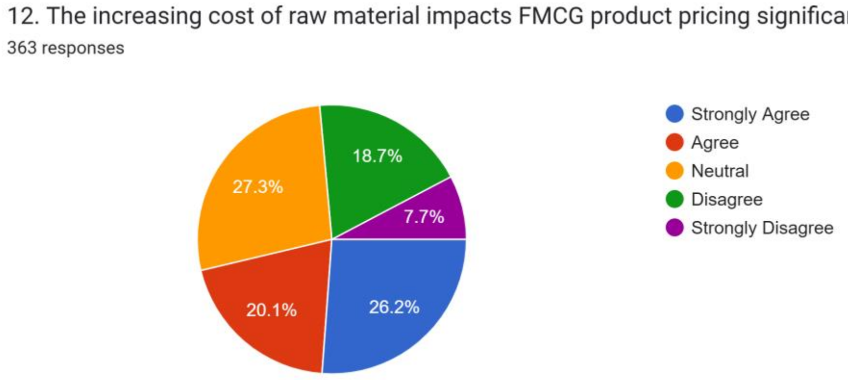
5.10 Government regulations and policies impact FMCG product availability and pricing.



Analysis and Interpretation:

Consumer impressions of how government laws and policies affect the availability and cost of FMCG products are depicted in the pie chart. A noteworthy 41.6% concur, suggesting that a large number of consumers think rules affect the dynamics of the market. 34.4% are indifferent, indicating a degree of ambiguity or ignorance on the implications of regulations. 24% disagree, suggesting that they believe market forces—rather than governmental regulations—drive pricing and availability. The significance of regulatory frameworks in the FMCG industry is demonstrated by this data, as many customers are aware of how they influence product accessibility and pricing, even though some may not be aware of this.

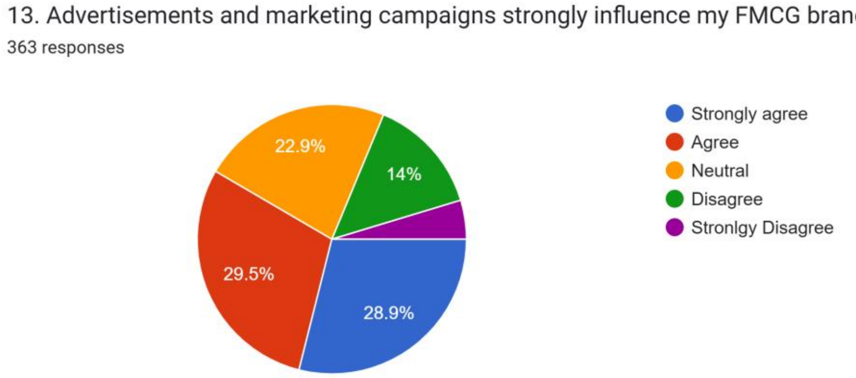
5.11 The increasing cost of raw material impacts FMCG Product pricing significantly.



Analysis and Interpretation:

The pie chart shows how consumers feel about whether the price of FMCG products is greatly impacted by the rising cost of raw materials. Nearly half of the respondents acknowledge the direct correlation between material costs and price rises, with 20.1% agreeing and 26.2% strongly agreeing. 27.3% are neutral, indicating that some customers might not pay much attention to price changes. However, 18.7% disagree and 7.7% strongly disagree, suggesting that some people think other factors—like marketing and competition—have a bigger influence on pricing. Most people agree that the price of raw materials is a major determinant of prices in the FMCG industry.

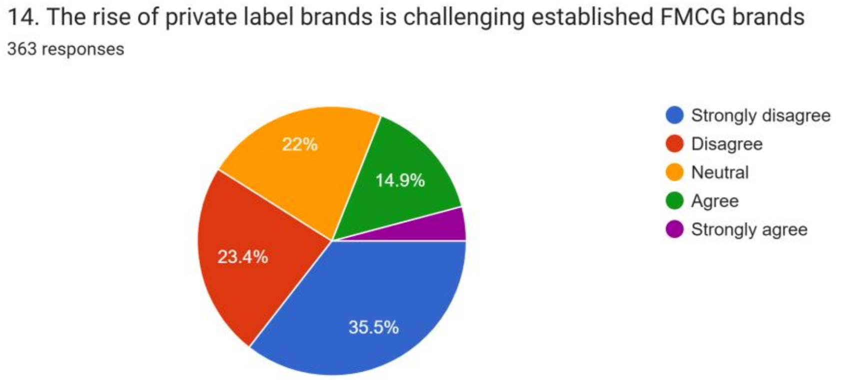
5.12.Advertisements and marketing campaigns strongly influence my FMCG brand preferences.



Analysis and Interpretation:

The pie chart illustrates how marketing campaigns and ads affect consumers' preferences for FMCG brands. 29.5% agree and 28.9% strongly agree, indicating that most people (58.4%) recognize the influence of advertising on their decision-making. Some customers are indifferent, as seen by the 22.9% who are neutral. But 14% disagree and 4.7% strongly disagree, indicating that a smaller group values things like pricing, personal experience, or product quality more than commercials. All things considered, the data shows how marketing methods have a big impact on FMCG, highlighting how crucial great branding and promotions are to consumers' decision-making.

5.13. The rise of privet label brands is challanging established FMCG brands



Analysis and Interpretation:

Consumer perceptions of whether private label brands are posing a threat to well-known FMCG brands are depicted in the pie chart. 23.4% agree and the majority (35.5%) strongly agree, meaning that 58.9% of respondents think private labels pose a serious danger to well-known companies. 22% are neutral, indicating that they are unsure of the impact. However, 4.2% strongly disagree and 14.9% disagree, suggesting that a smaller portion of the population still considers well-known brands to be dominating. Overall, the data shows that private labels are becoming a powerful option in the FMCG sector, perhaps as a result of their competitive pricing and quality.

5.15.Result and Finding:

According to the survey's findings, private label companies are becoming formidable rivals to well-known FMCG companies. Most respondents (58.9%) agree or strongly agree that private labels are posing a threat to well-known brands, indicating a movement in customer preferences toward alternative products that may be more reasonably priced or offer better value. This is consistent with current patterns in which private brands become more popular since they are affordable, have competitive quality, and are only available on specific retail or online platforms.

About 22% of respondents express no opinion, suggesting a lack of knowledge or uncertainty regarding the commercial impact of private labels. In contrast, a smaller minority (14.9% disagree, 4.2% strongly disagree) think that well-known FMCG brands continue to rule the market, perhaps as a result of strong brand loyalty, reliable quality, or faith in well-known names.

These results imply that established brands continue to have a strong hold on consumer preferences even when private labels are having an impact. To preserve their market share, businesses must adjust by improving their marketing tactics, competitive pricing, and product quality. Private label retailers can take advantage of this change by enhancing their branding, creativity, and customer interaction to fortify their place in the cutthroat FMCG market.

5.16.Critical Analysis: limitations and potential biases.

The survey's representativeness and sample size are two of its limitations. The statistics, which only included 363 replies, might not accurately represent consumer behavior in general, particularly when considering various ethnicities, geographical areas, and socioeconomic backgrounds. The results may not apply to the whole population if the majority of survey participants came from a certain region, socioeconomic status, or kind of shopping (e.g., online vs. offline). A more comprehensive and accurate understanding of customer preferences would be possible with a bigger and more varied sample size.

Response bias is another possible drawback, when individuals could give answers that are more socially acceptable than what they truly want. For example, even if respondents say they prefer sustainable FMCG items, in practice, sustainability concerns may not be as important as pricing or brand loyalty. In a similar vein, respondents may underreport their vulnerability to marketing when questioned about the impact of ads because they feel it compromises their ability to make their own decisions.

Question framing bias, in which the wording of questions affects replies, may be introduced by the survey design itself. Respondents may unintentionally tilt toward agreeing if questions imply a specific position, such as highlighting the impact of government initiatives or the rise of private labels. Randomized question sequence and neutral language may reduce this tendency.

Finally, a survey by itself is not always sufficient to reflect the complexity of consumer behavior. Not all factors may be taken into consideration, such as regular buying habits, emotional attachment to brands, or outside influences (such family preferences). A more complete picture of consumer decision-making might be obtained by supplementing the poll with focus groups, in-depth interviews, or analysis of purchase data. The reliability and depth of the results would be increased by addressing these limitations through better sample techniques, neutral question formulation, and mixed research procedures.

6.Conclusion:

The report highlights how the dynamics of homebuying in India's tier 2 cities are changing due to a number of factors, including location, affordability, developer trust, and finance alternatives. The market's changing landscape is highlighted by the increasing predominance of young professionals and first-time purchasers, as well as their desire for reasonably priced 2 BHK flats. The relevance of technology in contemporary real estate transactions is further demonstrated by the growing dependence on digital platforms and real estate brokers.

Homeownership is still hampered by high real estate costs, difficult loan accessibility, and convoluted legal processes, despite the desire. Buyer happiness and affordability are strongly correlated, indicating a pressing need for affordable housing options and flexible financing options.

While legislators should concentrate on improving consumer protection and expediting lending procedures, developers must prioritize openness, competitive pricing, and updated facilities in order to promote sustainable growth. Future studies should examine sociocultural factors, geographical variations, and the long-term effects of digitization on homebuying patterns. By taking care of these issues, real estate players will be able to better match their tactics to changing customer demands, which will eventually lead to a more accessible and effective housing market in developing cities.

6.1.Practical Implications:

The study's conclusions have important real-world ramifications for homebuyers, financial institutions, legislators, and real estate developers in India's tier 2 cities.

The focus on affordability and transparency draws attention to the need for affordable housing options for real estate developers. To draw in young professionals and first-time purchasers, developers should concentrate on providing flexible payment plans, competitive pricing, and improved amenities. Digital tools like online reservations, AI-driven recommendations, and virtual property tours can be integrated to enhance client experience and expedite decision-making.

Policymakers believe that changes in home financing are necessary due to the intricacy of legal processes and problems with loan accessibility. Buyer trust can be increased by streamlining house loan approval procedures, cutting down on administrative hold-ups, and fortifying consumer protection legislation. Furthermore, providing incentives or subsidies to first-time purchasers might raise the cost of housing.

Customized loan products that address the changing needs of homeowners, like lowered down payment requirements, lower interest rates, and quicker approval processes, should be introduced by financial institutions. Potential purchasers' financial accessibility can be further improved by partnerships between banks, developers, and governmental organizations.

The report emphasizes how crucial it is for homebuyers to do extensive research on real estate possibilities, make use of digital resources, and consult experts in order to make well-informed choices. Real estate investing risks can be reduced by being aware of market trends, financing possibilities, and legal considerations.

Stakeholders may build a more open, approachable, and effective real estate ecosystem by putting these suggestions into practice, which will eventually promote sustainable growth in tier 2 cities.

6.2.Suggestions for Future Research:

Future studies should examine the sociocultural factors that influence homebuying decisions, such as how family dynamics, lifestyle choices, and cultural norms affect tier 2 city buyers' decisions. Further insights into regional variations in real estate demand can also be gained by comparing the city markets of Tier 1 and Tier 2.

The importance of digital transformation in home-buying, including the effects of block-chain-based transactions, virtual tours, and AI-driven property suggestions on consumer trust and decision-making, is another crucial area for investigation.

Effective policy interventions can also be shaped by looking at how government policies, loan availability, and economic volatility affect home affordability over the long run.

Lastly, eco-friendly housing trends and smart city projects are examples of sustainability in real estate development, which is a new field that needs more research.

6.References:

- Kotler, P., Keller, K. L., & Chernev, A. (2021). *Marketing Management* (16th ed.). Pearson.
- Aaker, D. A. (2012). *Building Strong Brands*. Free Press.
- Solomon, M. R. (2019). *Consumer Behavior: Buying, Having, and Being* (13th ed.). Pearson.
- Schiffman, L. G., & Wisenblit, J. (2019). *Consumer Behavior* (12th ed.). Pearson.
- Porter, M. E. (1998). *Competitive Advantage: Creating and Sustaining Superior Performance*. Free Press.
- Keller, K. L. (2003). "Strategic Brand Management: Building, Measuring, and Managing Brand Equity." *Journal of Marketing Research*, 60(2), 118-129.
- Sheth, J. N. (2020). "Impact of COVID-19 on Consumer Behavior: Will the Old Habits Return or Die?" *Journal of Business Research*, 117, 280-283.
- Chatterjee, P. (2010). "Online Reviews and Consumer Decision Making: A Study on FMCG Products." *Journal of Consumer Research*, 30(4), 22-35.
- Kumar, V., & Reinartz, W. (2016). "Creating Enduring Customer Value." *Journal of Marketing*, 80(6), 36-68.
- Gielens, K., & Steenkamp, J. B. E. M. (2019). "Branding in the Era of Digital Marketing." *International Journal of Research in Marketing*, 36(1), 10-26.
- ***Industry Reports***
- Nielsen (2021). *Global Consumer Loyalty Report*.
- McKinsey & Company (2022). *The Future of FMCG: Trends and Innovations*.
- Deloitte (2023). *Consumer Behavior in the Digital Age*.
- Euromonitor International (2022). *FMCG Industry Outlook Report*.
- PwC (2023). *E-commerce and Retail Consumer Trends*.
- ***Web and Government Sources***
- Statista (2023). "Market Share of FMCG Brands Worldwide."
- Harvard Business Review (2022). "The Evolution of Brand Loyalty in FMCG Markets."
- World Economic Forum (2021). "Sustainability and Consumer Choices in FMCG."
- Forbes (2023). "The Influence of Digital Marketing on Consumer Behavior."
- Reserve Bank of India (2023). *Inflation and Its Impact on FMCG Pricing*.