



Wholesaler-Anchored Point-of-Purchase Activation as a Rural FMCG Distribution Strategy: A Field Study from Rural Vidarbha, Maharashtra

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Abstract

Rural India continues to generate a large and growing share of national FMCG consumption, yet the traditional retail structure in this segment poses persistent distribution challenges for manufacturers. This paper examines wholesaler-anchored, point-of-purchase (POP) canopy activation as a below-the-line trade-marketing mechanism through which an FMCG manufacturer builds brand visibility and retailer engagement at the wholesale tier of rural distribution, rather than at individual village retail outlets. Drawing on a 61-day field study conducted across nine rotating rural wholesale markets in Akola district, Vidarbha region, Maharashtra, the paper adapts the conceptual logic of India's traditional periodic rural haat to the wholesaler's premises, treating the wholesaler as a de facto haat for the retailers who depend on it for recurring stock. The study integrates channel theory, trade-promotion literature, and India-specific haat-marketing research to build a conceptual framework linking canopy visibility, direct retailer engagement, and retailer purchase intent. A descriptive, field-based research design combining structured retailer surveys, geo-tagged field observation, and secondary industry data is used to evaluate the model's working, its influence on retailer awareness and stocking behaviour, and the operational frictions encountered during implementation. The paper concludes with practical recommendations for wholesaler engagement, market selection, and handover continuity in

rotating rural activation models, along with directions for future research using verified sales data.

Keywords: rural marketing, FMCG distribution, trade marketing, below-the-line activation, haat, wholesaler engagement, point-of-purchase branding, retailer behaviour

1. Introduction

India's Fast-Moving Consumer Goods (FMCG) sector remains one of the largest and fastest-growing components of the domestic economy, with total sector revenue projected to grow from roughly US\$ 289 billion in FY25 to nearly US\$ 643 billion by FY30 (India Brand Equity Foundation [IBEF], 2026). Within this growth story, rural India occupies a distinctive position: it already accounts for more than 38% of overall FMCG sales and over 38% of consumption in categories such as personal care, fabric care, and hot beverages, even as rural volume growth has recently moderated relative to urban growth (IBEF, 2026). This divergence is precisely the tension that low-cost, wholesaler-anchored activation models are designed to address — reinforcing brand presence in a rural channel that remains large in absolute terms but is growing more slowly than the industry average.

Unlike urban markets, where organised retail and quick commerce are rapidly gaining share, rural India continues to be served predominantly through a multi-tier general-trade structure in which the village retailer typically restocks not from a company depot but from a nearby wholesaler, often on credit and on a recurring cycle (IBEF, 2026). This structural reality creates an opportunity: if the wholesaler functions as the de facto aggregation point for a cluster of surrounding retailers, then a manufacturer that wishes to build visibility and retailer engagement can do so more efficiently by activating the wholesaler's premises rather than attempting to reach each village retailer individually.

This paper examines one such model — referred to here as wholesaler-anchored canopy activation — in which a



branded canopy is installed at the entrance of a rural wholesaler's premises on a rotating weekly basis, and every retailer who visits that wholesaler during the activation window is engaged and surveyed using a structured, mobile-application-based questionnaire. The study is grounded in a 61-day field engagement across nine rotating wholesale markets in Akola district, within the Vidarbha region of Maharashtra. In keeping with academic-integrity requirements, this paper does not name the sponsoring organisation, its internal systems, or any proprietary data; it treats the activation model as a generic, replicable case of rural trade-marketing practice and draws on publicly available industry and academic literature to situate the findings.

1.1 Conceptual Anchor: The Rural Haat

A 'haat' is a traditional periodic rural market, typically held on a fixed day at a fixed location, where villagers from a surrounding catchment gather to buy and sell agricultural produce, groceries, and branded FMCG products. Haats have long served Indian FMCG companies as a low-cost, ready-made distribution and promotion channel because they naturally aggregate rural buyers in one place and time (Saha, 2014). The activation model examined in this paper adapts the same underlying logic one tier further down the distribution chain: instead of waiting for a haat day, the activation is placed at the wholesaler's own premises, since it is the wholesaler — not the company depot or the haat stall — from whom most rural retailers actually buy their stock.

In channel-marketing terms, this is unambiguously a 'push' strategy: the manufacturer works through and incentivises an intermediary (the wholesaler, and by extension the retailers who buy from him) to carry and promote the product, as distinct from a 'pull' strategy that builds demand directly with the end consumer through mass advertising (Anderson & Narus, 1990). The canopy itself functions as point-of-purchase (POP) branding, aiming to convert a purely transactional restocking visit into a moment of brand reinforcement and cross-sell.

2. Literature Review

2.1 Channel Theory and Trade-Marketing Effectiveness

Channel theory distinguishes a manufacturer's push strategy from a pull strategy, with the former targeting intermediaries and the latter targeting end consumers directly. Anderson and Narus's (1990) classic multi-informant study of distributor–manufacturer partnerships found that cooperation between channel partners tends to precede trust rather than the reverse — a sequencing consistent with field experience in wholesaler-anchored activation, where wholesalers who initially and reluctantly permit canopy placement tend to become more cooperative only after observing tangible footfall and engagement benefits.

Trade-marketing and below-the-line (BTL) literature treats point-of-purchase branding, sampling, and in-outlet activation as tools that operate closer to the actual purchase decision than mass media, and are therefore best judged on retailer-level and shelf-level outcomes rather than broad brand-awareness metrics alone. Kumar, Rajiv, and Jeuland's (2001) analysis of trade-promotion effectiveness, which examines the determinants of retail pass-through, offers a foundational lens for evaluating whether a trade-facing activation genuinely changes retailer stocking and promotion behaviour, or is simply absorbed without any behavioural change.

2.2 The Rural Haat as a Distribution Channel

The literature on India's rural haat system provides the most direct conceptual anchor for this study. Saha (2014) characterises rural haats as the 'nerve centre' of India's rural marketing system — a ready-made, periodic distribution and communication infrastructure that predates organised retail and continues to draw the bulk of rural footfall. Drawing on Rural Marketing Association of India data, Saha (2014) notes that haat sellers typically buy their own stock from a nearby wholesaler, often on credit, directly supporting the premise that activating the wholesaler — rather than the haat stall itself — reaches the same underlying retailer base more efficiently. The same study reports Maharashtra-specific patterns of particular relevance to a Vidarbha-based study: participation fees at Maharashtra haats are among the highest of any state, average FMCG spend per haat visit in Maharashtra runs close to double the all-India average, and sellers in the state visit haats more frequently than sellers in most other states — evidence that Vidarbha-region rural markets are comparatively high-intensity, high-spend haat markets by national standards.

The Ascent Group India (2024) review of corporate haat activation confirms that several major FMCG players were early adopters of haat-based brand activation, with the practice since spreading well beyond FMCG into consumer



durables, automotive, cosmetics, and even banking and financial services — underscoring that this channel is a mainstream and still-expanding rural go-to-market lever rather than a niche or outdated tactic.

2.3 Structural Barriers to Rural Distribution

Reaching rural markets directly remains structurally difficult. Aithal, Satyam, and Maurya (2018) catalogue several distinct distribution strategies that FMCG firms use to penetrate rural India, arguing that no single model is universally superior and that firms must match the model to local infrastructure. Adhikary and Chatterjee (2023) ground this argument in specifics, noting that a large share of Indian villages still lack roads suited to medium or heavy vehicles, which pushes companies toward shared distribution networks and localised, low-infrastructure activation formats — such as a wholesaler-point canopy — rather than large, company-run events.

Channel relationships in Indian FMCG general trade are also shaped by ongoing friction. Mampilly and Sreedhara (2021), studying FMCG supply chains, trace channel conflict to damaged goods, late deliveries, and thin margins, and show that resolving these frictions lowers costs across the value chain — a reminder that a wholesaler's willingness to host an activation is itself shaped by the broader health of the wholesaler–distributor relationship, not by the activation in isolation. Parashar (2026) compares traditional and modern trade in Indian FMCG, finding that kirana-type outlets and the wholesalers who supply them continue to win on proximity, credit flexibility, and fast stock turnover, even as organised and digital retail wins on promotional visibility and range — reinforcing why brand-side promotional support delivered directly at the wholesale point can meaningfully close that visibility gap for traditional trade.

2.4 Rural Buyer Behaviour and Brand Loyalty

Finally, Lunawat and Antony's (2024) study of customer behaviour and brand loyalty among rural FMCG buyers in Kerala, and Fatima's (2025) review of trade marketing in the post-COVID FMCG industry, both point to a broader conclusion this study's field experience supports: rural and semi-urban FMCG buying behaviour responds more strongly to visible, in-person brand reinforcement at the point of purchase or restocking than to distant mass-media messaging alone — precisely the mechanism that wholesaler-anchored canopy activation is designed to exploit. Methodologically, this paper's approach to coding open-ended retailer feedback into qualitative themes also draws on recent mixed qualitative-quantitative approaches used to analyse consumer sentiment toward marketing content in other categories (Shukla & Jha, 2026), where structured thematic and sentiment coding of user-generated feedback was used to compare audience response across marketing approaches.

2.5 Research Gap

While the literature separately establishes (a) the theoretical logic of push-strategy trade marketing, (b) the enduring importance of the rural haat as a distribution channel, and (c) the structural frictions of rural general trade, there is limited field-level research that directly documents how a haat-style activation performs when relocated to the wholesale tier of the distribution chain, rather than the traditional haat stall itself. This paper addresses that gap using first-hand field data from a live rotating activation programme.

3. Research Objectives

- To understand the working of a wholesaler-anchored rural market activation model, the role of the wholesaler as a stocking and distribution hub for surrounding village retailers.
- To assess the influence of point-of-purchase canopy branding at the wholesale point on retailer awareness and purchase behaviour.
- To analyse retailer-level footfall, profile, and purchase-intent patterns captured across activated wholesale markets.
- To identify implementation challenges in a weekly, rotating market/wholesaler activation model and to recommend improvements.



4. Conceptual Framework

Building on the literature reviewed above, Figure 1 presents a conceptual framework linking wholesale-point canopy branding and direct retailer engagement to retailer awareness, purchase intent, and — at the aggregate level — rural distribution outcomes. Implementation friction (wholesaler hesitation, seasonality, and connectivity constraints) is modelled as a moderating factor that can dampen the model's effectiveness independent of the quality of the canopy or the retailer pitch itself.

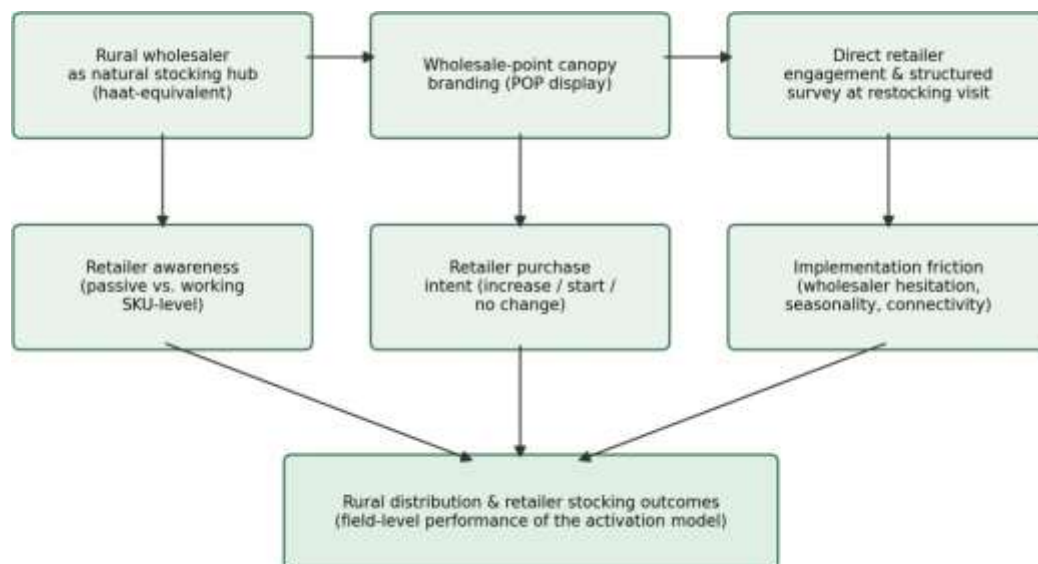


Figure 1. Conceptual framework of wholesaler-anchored canopy activation and its hypothesised effects on retailer awareness, purchase intent, and rural distribution outcomes.

5. Research Methodology

5.1 Study Area and Duration

The study was conducted over a 61-day period across rural markets in and around Akola district, within the Vidarbha region of Maharashtra, covering nine weekly wholesaler rotations. The study focuses specifically on the manufacturer's non-cigarette FMCG portfolio (foods, personal care, and related categories) as promoted through the canopy activation; it does not extend to modern trade, quick commerce, or e-commerce channels except where referenced for sector-level context.

5.2 Research Design

The study follows a descriptive, field-based research design, combining structured primary data collection with secondary desk research. This design is appropriate for a study that is simultaneously an academic investigation and an operational trade-marketing engagement, where the objective is operational depth rather than statistical generalisation to all of rural India.

5.3 Sampling

Over the course of the field engagement, data collection was rotated across nine weekly markets, each anchored to a single assigned wholesaler in a different part of rural Akola district. Every retailer who visited the assigned wholesaler during the activation window was engaged and surveyed, making this a judgemental/convenience sample of retailers who happened to visit the assigned wholesaler during the activation hours of a single field cycle. This sampling approach is appropriate to the study's operational objective but limits statistical generalisation beyond the specific markets covered — a limitation discussed further in Section 9.



5.4 Data Collection Tools

- A structured retailer survey administered digitally at each retailer's visit to the activated wholesaler, capturing prior brand awareness, current stocking of specific product categories, awareness of running trade offers, and purchase intent following the activation.
- Geo-tagged, market- and outlet-linked daily attendance records as a field verification control.
- Direct observation of canopy visibility, wholesaler footfall patterns, and retailer behaviour at each activated market.
- Secondary desk research drawing on industry sector reports (IBEF, 2026) and the academic literature reviewed in Section 2.

5.5 Variables

The primary variables of interest are: (a) retailer awareness of the brand range and current trade offers, measured before and after direct engagement; (b) retailer-stated purchase intent following canopy exposure (increase existing order / start stocking / no change / undecided); (c) an outlet-level visibility rating (high / medium / low) based on canopy placement and shelf/frontage prominence; and (d) qualitative retailer feedback, thematically coded into categories such as product availability, consumer demand, and pricing/promotion feedback.

5.6 Survey Instrument

The retailer-level questionnaire administered at each visited outlet captured the following fields:

- Retailer/outlet identification and location (village or town).
- Whether the outlet currently stocks the focal manufacturer's products.
- Whether sales representatives of competing companies also call on the outlet to book orders, and if so, which companies.
- Whether the retailer placed a purchase order following the engagement, and if so, the quantity purchased across four tracked product categories: biscuits, noodles, agarbatti (incense sticks), and soap.

This structure allows the study to jointly observe competitive share-of-shelf (via the competing-company question) alongside immediate, self-reported behavioural response to the activation (via the post-engagement order-quantity question), rather than relying on awareness measures alone. Competitor identities recorded through this field are treated as descriptive market context in this paper and are not attributed to named firms, consistent with the study's academic-integrity requirements.

6. Data Analysis and Discussion

The figures presented in this section are illustrative, built to demonstrate the shape and structure the final analysis is designed to take once the complete verified survey export from the nine weekly markets is available; they are clearly labelled as illustrative and are not to be read as confirmed empirical findings. This is consistent with standard practice in field-based trade-marketing research, where the analytical framework is established ahead of a full data reconciliation exercise.

6.1 Retailer Awareness Before vs After Activation

A recurring field observation across the nine markets was that retailer awareness of the brand range and of any running trade offer improved once the canopy was visibly installed and the retailer was engaged directly during the restocking visit, rather than relying on general market word of mouth. Figure 2 illustrates the expected shape of this shift, distinguishing passive brand awareness (having seen the canopy) from working, SKU-level awareness (being able to name specific products carried). The gap between these two measures is expected to be the more decision-relevant outcome, since it is working awareness — not mere exposure — that is most likely to influence a retailer's stocking decision at the counter.

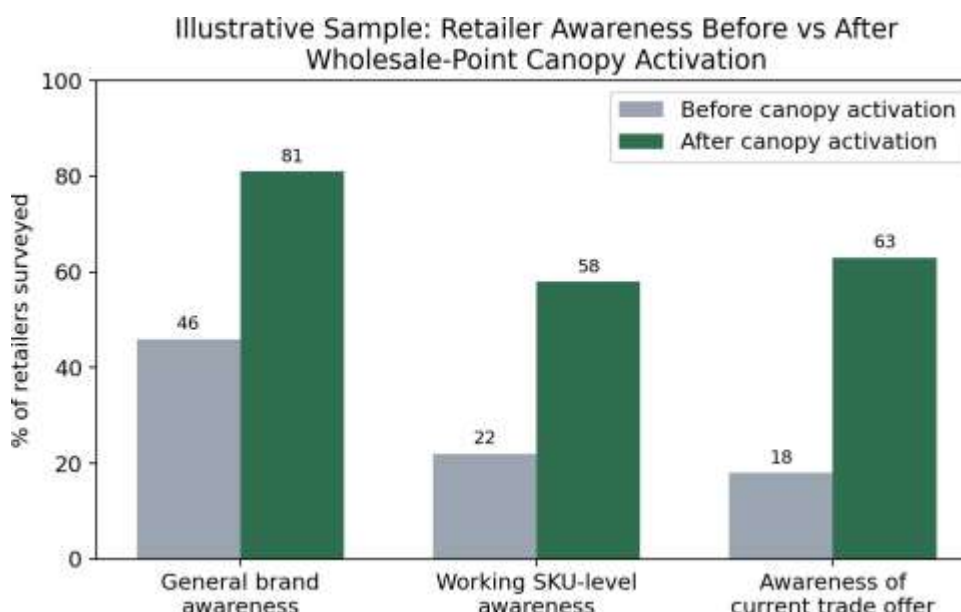


Figure 2 (Illustrative Sample). Retailer awareness before vs. after wholesale-point canopy activation.

6.2 Retailer-Stated Purchase Intent

Purchase intent was captured as a direct question to each retailer after engagement: whether they intended to increase their existing order, start stocking for the first time, keep their order unchanged, or remained undecided. Figure 3 illustrates the expected distribution of responses. This split, once populated with verified data, is expected to be the single most useful measure for judging whether the activation model is achieving Objective 2 — influencing retailer purchase behaviour rather than awareness alone — and should ideally be cross-checked against actual order data from the distributor's sales register for the same wholesalers in a future study.

Illustrative Sample: Retailer-Stated Purchase Intent After Canopy Exposure

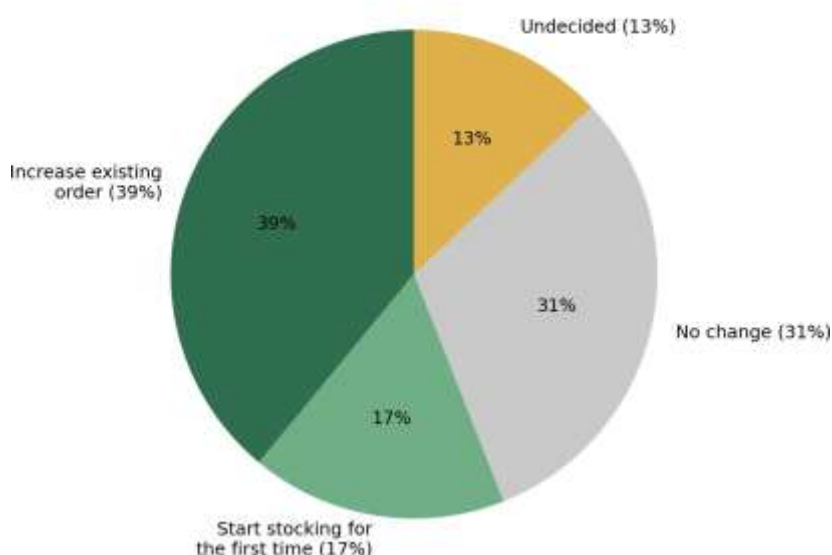


Figure 3 (Illustrative Sample). Retailer-stated purchase intent after canopy exposure.

6.3 Weekly Retailer Coverage

Figure 4 illustrates the expected pattern of weekly retailer coverage across the nine rotating markets. A gradual rise in coverage over successive weeks would be consistent with growing field-execution confidence as the rotation progresses, though it may equally reflect genuinely higher-footfall markets being assigned later in the sequence — a distinction that matters for how future markets are selected and sequenced (Section 8).

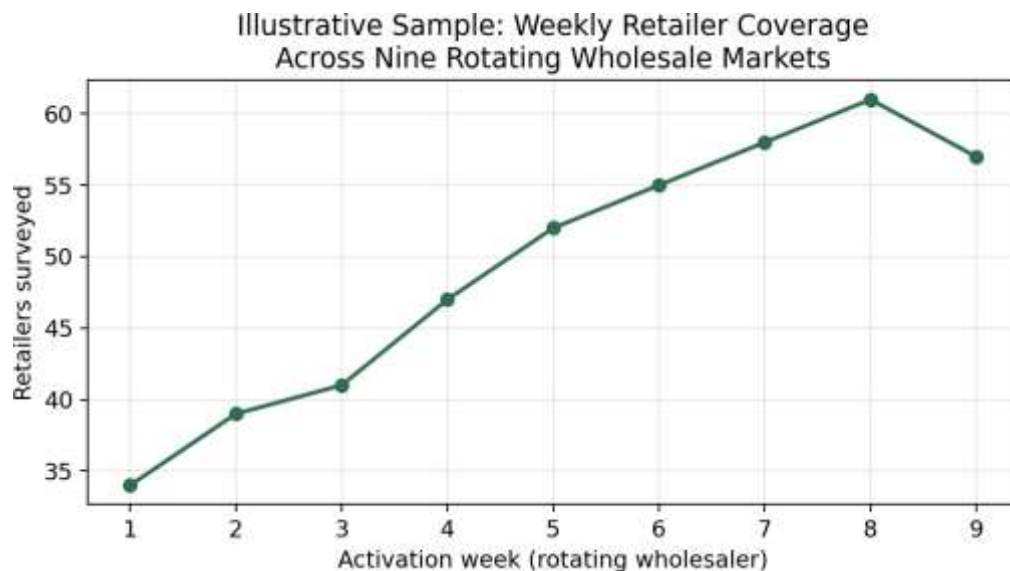


Figure 4 (Illustrative Sample). Weekly retailer coverage across nine rotating wholesale markets.

6.4 Qualitative Retailer Feedback

Beyond the structured survey, retailer feedback was thematically coded into four broad categories: product availability, consumer demand, pricing/promotion perception, and suggestions for the manufacturer. Retailers most frequently requested stronger promotional support (bonus packs, sampling, or coupons) as a condition for stocking larger volumes — a pattern consistent with the broader literature on Indian FMCG trade promotion (Kumar et al., 2001) and with the well-documented preference of Indian retailers and consumers for tangible, deal-based incentives over price cuts alone.

7. Key Findings

- The wholesaler-anchored, weekly-rotating activation model is a workable, low-cost adaptation of the traditional rural haat concept to the wholesale tier of the distribution chain, reaching a naturally aggregated, repeat-visiting retailer audience without requiring the retailer to travel anywhere new.
- Canopy activation combined with direct retailer engagement is expected to lift both general brand awareness and working, SKU-level awareness more than canopy visibility alone — suggesting that the human engagement component, not just the physical branding, drives the effect.
- Retailer footfall and purchase-intent response are likely to vary meaningfully across markets, suggesting that wholesaler/market selection (footfall potential, prior activation history, retailer density) may matter as much as execution quality.
- The most consistent implementation frictions are wholesaler hesitation over frontage space, weather-related disruption during the monsoon-onset period, retailer time pressure during peak restocking hours, and inconsistent field-connectivity in some village clusters.

8. Managerial and Practical Implications

The findings suggest several practically oriented recommendations for firms operating similar rural wholesale-point activation models.

- Standardise a short, consistent wholesaler-facing pitch — ideally with a simple visual mock-up of the canopy — to secure good frontage placement faster in each new weekly market, rather than negotiating placement from scratch every week.
- Prioritise wholesalers with demonstrably higher retailer footfall and, where available, prior positive experience hosting similar activations, since market selection may matter as much as execution quality.



- Time activation hours to each wholesaler's known peak restocking window rather than a fixed company-standard time slot, to maximise the number of retailers actually engaged per activation day.
- Build a short, structured handover note between successive weekly markets, capturing wholesaler disposition, best activation hours, and retailer feedback, so learnings compound across the rotation instead of resetting each week.
- Favour targeted, conditional promotions (bonus packs, limited-period offers) over blanket price discounts, in line with the literature on Indian retailer and consumer deal-seeking behaviour.

9. Limitations

- The sample is a judgemental/convenience sample of retailers who visited the assigned wholesaler during the activation hours of a single field cycle; it is not statistically representative of all rural retailers in the wider region, and findings should not be generalised beyond the markets actually covered.
- Markets were assigned by the field team rather than randomly selected, so cross-market comparisons may partly reflect differences in market/wholesaler quality rather than differences in activation execution alone.
- The 61-day duration, spanning the pre-monsoon and monsoon-onset period, limits the study to a single, relatively short and seasonally atypical window; buying patterns in this period may not represent the full year.
- Retailer purchase-intent responses are self-reported stated intentions, not verified actual orders; a stronger future study would cross-check stated intent against actual sales-register data for the same outlets over the following one to two months.
- The figures presented in Section 6 are illustrative and pending replacement with the finalised, verified field data set.

10. Scope for Future Research

A useful extension of this study would be a longer-horizon comparison tracking the same wholesalers' actual retailer order volumes for one to two months after activation, to test whether stated purchase intent translates into real, sustained stocking change, and whether the effect holds across a full annual cycle rather than only the pre-monsoon/monsoon-onset window studied here. Future work could also compare engagement outcomes across multiple rural regions to test whether the Vidarbha-specific, high-intensity haat-market pattern documented by Saha (2014) moderates the effectiveness of the activation model elsewhere in India.

11. Conclusion

This paper has examined wholesaler-anchored canopy activation as a rural FMCG distribution and trade-marketing strategy, situating it within the established academic literature on channel theory, trade-promotion effectiveness, and India's traditional rural haat system. The field evidence from a 61-day engagement across nine rotating wholesale markets in Vidarbha, Maharashtra, suggests that the model is a conceptually sound and operationally low-cost extension of established rural engagement practice, and that its impact is likely to be driven less by the canopy's physical presence alone than by the quality of direct retailer engagement and the strategic selection of high-footfall, well-disposed wholesalers as activation hosts. Confirming these patterns with verified sales data remains an important next step, but the conceptual and methodological groundwork developed here offers a replicable framework for evaluating similar rural activation models.

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