International Journal of Creative and Open Research in Engineering and Management
ISSN: 3108-1754 (Online)
Volume 02 Issue 11 November-2026 | Impact Factor: 3.5



Rural Market Activation, Retailer Engagement and Distribution Development in the FMCG Sector

A Field-Based Study of ITC Limited's Haat Project in the Nagpur Region

Mayank Yogesh Bhavsar

MBA Student | School of Business, Indira University, Pune Company: ITC Limited | Project: Haat Project
OJT Period: 18 May 2026 – 18 July 2026 Academic Programme: Master of Business Administration

How to Cite this Article:

Bhavsar, M. Y. (2026). Rural Market Activation, Retailer Engagement and Distribution Development in the FMCG Sector. International Journal of Creative and Open Research in Engineering and Management, 02(11), 1-9. https://doi.org/10.55041/ijcope.v2i11.120

License:

This article is published under the terms of the Creative Commons Attribution 4.0 International License (CC BY 4.0), which permits unrestricted use, distribution, and reproduction in any medium, provided the original author(s) and the source are credited.

© The Author(s). Published by International Journal of Creative and Open Research in Engineering and Management.







https://doi.org/10.55041/ijcope.v2i11.120

Abstract

Rural and semi-urban markets represent an important opportunity for fast-moving consumer goods (FMCG) companies, but effective market development depends on more than product availability. Retailer relationships, local market understanding, systematic outlet coverage, competitive observation and dependable distribution all influence whether products reach consumers. This paper presents a field-based, descriptive and exploratory study of the Haat Project undertaken by the researcher during an On-the-Job Training (OJT) engagement with ITC Limited in the Nagpur Region from 18 May 2026 to 18 July 2026. The project involved field exposure in Nashirabad, Shendurni, Pahur, Bodwad, Faizpur, Muktainagar and Savda. Activities included market mapping, retailer and wholesaler interaction, retail audits, product and stock observation, competitor monitoring, retailer addition, order booking, distribution follow-up and collection of market feedback. The study focuses on ITC products including Sunfeast YiPPee!, Mom's Magic, Mom's Magic Shine and Marie Light. The available project record supports qualitative analysis of market conditions, retailer requirements and the field sales process; it does not provide a verified consolidated sample size or complete outlet-wise numerical dataset. Accordingly, the paper does not present invented counts, percentages or causal claims. The findings indicate that rebuilding retailer confidence, improving product availability, maintaining regular market coverage and aligning product offerings with local demand are important priorities for rural FMCG development. The paper concludes with practical recommendations for strengthening retailer engagement, market intelligence and distribution coordination.

Keywords: FMCG, rural marketing, market activation, retailer engagement, market coverage, order booking, distribution, ITC Limited, Haat Project.

1. Introduction

1.1 Background of the Study

The Fast-Moving Consumer Goods (FMCG) sector supplies products that are purchased frequently and consumed regularly. Packaged foods, biscuits, noodles, snacks, beverages, personal-care products and household essentials are common examples. FMCG companies depend on extensive distribution networks to make products available through distributors, wholesalers and retailers. In rural and semi-urban markets, the effectiveness of this network is closely connected with local retailer relationships, market coverage, product availability, price suitability and consumer preferences.



The present study is based on the researcher's OJT with ITC Limited under the Haat Project. The field assignment provided practical exposure to rural and semi-urban market operations in the Nagpur Region. The researcher visited assigned markets, identified retail outlets and wholesalers, collected market information, observed product availability and competitor presence, discussed retailer requirements, collected orders and followed the distribution process.

1.2 Project Context

The Haat Project focused on understanding and supporting market development, retail coverage and distribution activities in selected markets. The Black Book records that some selected markets had experienced a period of limited or inactive company sales activity of approximately two years. Re-establishing contact with retailers and understanding local requirements were therefore important elements of the fieldwork.

Assigned market	Field focus recorded in the project
Nashirabad	Market survey, retailer interaction and product availability observation
Shendurni	Retailer and wholesaler interaction, order collection and market feedback
Pahur	Market mapping, retail audit and competitor observation
Bodwad	Retailer requirements, product discussion and distribution follow-up
Faizpur	Retail coverage, product availability and market feedback
Muktainagar	Retailer interaction, order booking and market development
avda	Retail audit, retailer addition and distribution coordination

The market-wise descriptions above summarise the project's overall field activities; they are not separate quantified performance scores for each market.

1.3 Research Problem

The practical research problem is how an FMCG company can strengthen its presence in selected rural and semi-urban markets through market activation, retailer engagement, product availability and distribution support. Where regular company interaction has been limited, retailers may need renewed communication, product information and dependable supply before they are willing to place or repeat orders. At the same time, differences in local demand, competitor presence and retailer requirements make a uniform sales approach less effective.

1.4 Purpose of the Study

The purpose of this study is to examine the field-level activities undertaken during ITC's Haat Project and understand how market surveys, retailer interaction, retail audits, order booking and distribution follow-up contribute to rural FMCG market development.

1.5 Research Objectives

1. To understand FMCG sales and distribution practices followed in the ITC Haat Project.
2. To study the market potential and retailer requirements in the selected rural and semi-urban markets of the Nagpur Region.
3. To understand the process of rebuilding ITC's market presence in selected markets where company sales activity had been limited.
4. To examine product availability, stock position, competitor presence and retailer feedback for selected ITC products.



5. To study retailer interaction, retailer addition, order booking and distribution follow-up activities.
6. To identify field-level challenges and recommend practical measures for improving market coverage and product availability.

2. Literature Review and Theoretical Background

2.1 Trade Marketing and Retailer Engagement

Trade marketing refers to activities undertaken by manufacturers and channel partners to encourage product stocking, visibility and sales through the distribution channel. In FMCG markets, retailers are important intermediaries because they influence product availability, shelf placement and the brands consumers can conveniently purchase. The fieldwork in the Haat Project reflects this channel-facing dimension: retailer discussions, product explanation, requirement collection and follow-up were used to support product movement.

2.2 Distribution Channel Theory

A distribution channel connects manufacturers with end consumers through intermediaries. A traditional FMCG channel may be represented as Manufacturer → Distributor → Wholesaler → Retailer → Consumer. Each intermediary supports the movement, availability and accessibility of products. The project provided practical exposure to retailer order collection and coordination with the distribution process, highlighting the importance of converting retailer requirements into actual product supply.

2.3 Market Segmentation and Route-to-Market

Route-to-market planning concerns how a company reaches customers through territory design, outlet identification, beat planning and service frequency. Rural markets may differ in outlet density, customer purchasing patterns, transport access and product demand. Market mapping and retailer identification help sales teams understand these differences and plan visits more effectively.

2.4 Retail Availability, Visibility and Consumer Choice

Product availability and visibility are important at the point of purchase. A product may have brand recognition, but the consumer cannot buy it if the retailer does not stock it. Retail audits that examine stock, shelf placement and competing products help identify gaps in availability and presentation. The Haat Project included these observations as part of its field activities.

2.5 Relationship Marketing

Relationship marketing emphasises the value of maintaining long-term relationships with customers and channel partners. In the retail context, trust can be strengthened through regular visits, clear product information, responsive communication and reliable follow-up. The project's focus on rebuilding retailer relationships in selected markets is consistent with this approach.

2.6 Research Gap

General marketing and distribution concepts explain why retailer relationships, market coverage and product availability matter. However, the practical challenges of re-establishing a company's presence in individual rural markets are best understood through field-level observation. This study contributes a bounded account of those activities in the assigned markets of ITC's Haat Project. It is exploratory and descriptive; it does not claim to establish a statistical or causal relationship between any single activity and sales growth.

3. Research Methodology

3.1 Research Design

The study follows a descriptive and exploratory, field-based research design. The descriptive component records the activities undertaken and the market conditions observed during the OJT. The exploratory component considers retailer requirements, market reactivation, competitor presence, product availability and distribution-related challenges.



3.2 Research Area and Period

The research was conducted during the OJT engagement with ITC Limited under the Haat Project in the Nagpur Region. The project certificate in the Black Book records the period as 18 May 2026 to 18 July 2026. The assigned markets listed in the project are Nashirabad, Shendurni, Pahur, Bodwad, Faizpur, Muktainagar and Savda.

3.3 Sources of Data

Primary information was gathered through direct market visits, retailer and wholesaler interaction, retail audits, observation of product and stock availability, competitor observation, order booking and market feedback. The Black Book also describes the use of a retailer survey format and a retail audit format to record outlet identification, products available, demand, stock, competitors and retailer comments.

Secondary information was drawn from the company and industry references listed in the Black Book, including ITC Limited, India Brand Equity Foundation, government sources and marketing literature. Secondary information is used for general industry context and is not treated as a substitute for project-specific field records.

3.4 Sampling and Field Coverage

Field coverage was based on the markets assigned during the OJT. The available Black Book identifies seven assigned markets but does not provide a verified consolidated count of unique retailers or wholesalers surveyed. Therefore, no total sample size or market-wise respondent count is stated in this paper. The observations should be interpreted as descriptive of the fieldwork undertaken, not as a statistically representative sample of all ITC outlets.

3.5 Data Collection Procedure

- Market identification and mapping of retail outlets and wholesalers.
- Visits to outlets and introduction of the project and relevant ITC products.
- Collection of information about product availability, stock, demand and retailer requirements.
- Observation of competitor products, pricing, promotions and shelf presence.
- Discussion of suitable product options and collection of retailer orders where applicable.
- Follow-up with the distribution process to understand order fulfilment and product supply.
- Recording of retailer feedback and compilation of observations for analysis.

3.6 Method of Analysis

The project information was analysed thematically under the following categories: market coverage, retailer engagement, product and stock availability, competitor observation, retailer addition, order booking and distribution follow-up. Since the supplied Black Book does not contain a complete numerical dataset, the analysis is qualitative and does not calculate percentages, averages or statistical significance.

3.7 Research Ethics and Data Considerations

The paper presents field observations in a general and aggregated manner. No confidential outlet-wise sales, retailer identities, margins or internal company figures are disclosed. The analysis avoids attributing statements to individual retailers and does not claim that observed activities caused a measurable increase in sales.

4. Company and Project Context

4.1 ITC Limited

ITC Limited is a diversified Indian company with business interests that include Fast-Moving Consumer Goods, Paperboards and Packaging, Agri Business and Information Technology. The project was undertaken within the FMCG sales and marketing environment, providing exposure to field-level market operations and the distribution of packaged consumer products.



4.2 Product Categories Covered

The Black Book identifies the following ITC products as part of the project's product and order-collection focus:

Product / brand	Category / project relevance
Sunfeast YiPPee!	Packaged noodles; product discussion and retailer availability
Sunfeast Mom's Magic	Biscuits; retailer interaction and product availability
Mom's Magic Shine	Biscuit product variant included in the project focus
Marie Light	Biscuits; product requirement and order collection

4.3 Haat Project Field Activities

The Haat Project combined market-development and routine sales-support activities. It began with market and outlet identification, followed by retailer and wholesaler interaction. Retail audits and competitor observations helped the researcher understand the market situation. Retailer requirements were then discussed, orders were collected where applicable and the distribution process was followed to understand how products reached outlets.

5. Results, Analysis and Field Observations

5.1 Market Coverage and Market Understanding

Visits across the seven assigned markets provided exposure to differences in local retail conditions and retailer requirements. Market mapping helped identify retail outlets and wholesalers, while repeated interaction improved understanding of product demand, stock position and the practical conditions affecting FMCG sales. The project record supports the conclusion that market-level understanding is necessary before planning retailer coverage and product discussions.

5.2 Retailer and Wholesaler Engagement

Direct interaction was a central part of the project. Retailers were approached to understand their existing stock, product requirements, preferences and concerns. The field experience showed that retailers may evaluate products on the basis of consumer demand, price, retailer margin, brand familiarity, availability and regularity of supply.
Listening to these requirements before suggesting products helped make the interaction more relevant.

5.3 Product Availability and Retail Audit

The retail audit focused on product availability, stock levels, shelf placement, visibility and competitor products. These checks helped identify whether ITC products were available at the outlet and how they were positioned in relation to other brands. The project highlighted that market presence requires consistent attention to stock and outlet-level visibility, not merely initial product introduction.

5.4 Competitor Observation

The researcher observed competing FMCG brands, their pricing, promotional activity, availability and shelf presence. Such observations helped explain why retailers may continue to prioritise established brands and why companies need to monitor local competition. The Black Book does not provide a verified competitor-wise numerical comparison; therefore, this section reports the nature of the monitoring activity rather than ranking competitors.

5.5 Retailer Addition and Order Booking

The project included identifying potential retail outlets and communicating with retailers to increase the availability of ITC products. Order booking involved understanding current stock and expected demand, discussing relevant products, collecting product requirements and recording order details. This activity provided practical insight into how retailer interest can be translated into an order, subject to product availability and distribution support.



5.6 Distribution Follow-up

After order collection, the researcher followed the distribution process to understand order submission, coordination and product supply. The process observed during the project can be summarised as follows:

Market Visit → Retailer Survey → Requirement Identification → Order Booking → Distribution Follow-up → Product Availability

This sequence illustrates the connection between market intelligence and execution. If distribution follow-up is weak, retailer interest may not translate into consistent product availability.

5.7 Summary of Field Observations

Area examined	Observation supported by the Black Book	Implication
Market coverage	Seven assigned markets were included in the project.	Market mapping supports planned outlet coverage.
Retailer engagement	Retailer and wholesaler interaction was used to understand requirements and feedback.	Communication and trust are important for market reactivation.
Product availability	Stock and product availability were checked during retail audits.	Regular availability supports product access at retail level.
Competition	Competitor products, pricing, promotions and shelf presence were observed.	Ongoing monitoring helps sales teams understand market conditions.
Order booking	Retailer requirements were collected and orders recorded.	Order generation depends on understanding stock and demand.
Distribution	Collected orders were followed through the distribution process.	Coordination is needed to support timely product supply.

6. Discussion

The field observations show that rural FMCG market development is a connected process rather than a single selling activity. Market mapping helps identify where outlets and wholesalers are located. Retailer interaction provides information about product demand, stock and purchasing preferences. Retail audits help identify availability and visibility gaps, while competitor observation gives context to retailer decisions. Order booking and distribution follow-up connect these activities to product movement.

The project's market-reactivation context also highlights the importance of relationship building. Where company interaction has been limited, retailers may need renewed contact and a clear understanding of product options and supply arrangements. Repeated, professional communication can support confidence, but it must be accompanied by dependable product availability.

The observations are consistent with distribution-channel and relationship-marketing concepts: intermediaries are essential to reach dispersed consumers, and ongoing communication supports effective channel relationships.
However, the available project records do not include a controlled comparison, a verified sales baseline or a complete outlet-level dataset. The study therefore cannot quantify the impact of retailer addition or market visits on sales performance. Its contribution is a practical description of the field process and the execution factors observed.

7. Recommendations

Strengthen regular retailer engagement: Prepare a systematic visit plan for existing and potential retailers. Record requirements and feedback so that follow-up is consistent.

Improve product availability: Use retail audit observations and retailer feedback to identify recurring stock gaps and coordinate with the distribution network.

Expand and update market mapping: Maintain an updated list of outlets and wholesalers in Nashirabad, Shendurni, Pahur, Bodwad, Faizpur, Muktainagar and Savda.



Use market-specific product discussions: Discuss product options according to local demand, retailer requirements, stock position and relevant price points.

Maintain competitor information: Record competitor products, pricing, promotions, availability and shelf visibility during routine outlet visits.

Standardise order records: Use a consistent format for retailer, product, quantity, price and order status to improve traceability.

Strengthen distribution follow-up: Track collected orders through submission and supply confirmation so that retailer expectations are managed.

Review market feedback periodically: Compile recurring retailer concerns and market observations to support territory-level sales planning.

8. Limitations of the Study

- Limited duration: The OJT covered approximately two months, restricting long-term observation of market and sales trends.
- Geographical scope: The study is limited to the assigned markets in the Nagpur Region and cannot be generalised to all ITC markets.
- Unreported sample size: The supplied Black Book does not provide a verified consolidated number of retailers or wholesalers surveyed.
- Limited numerical records: Complete outlet-wise sales, order values, conversion rates and market-wise quantitative data were not available in the supplied source.
- Dependence on field observations: Some information was based on retailer and wholesaler responses, which may vary by individual and time.
- Limited consumer-level evidence: The project primarily focused on market operations and retailer interaction; detailed consumer-level survey results were not available.
- Changing market conditions: Competitor prices, promotions, product availability and retailer requirements may change over time.
- Restricted access to confidential information: Detailed internal sales, margin and distribution records were not included in the available project material.

These limitations mean that the results should be interpreted as descriptive field observations. They should not be treated as statistically representative findings or as proof of a quantified sales impact.

9. Conclusion and Future Research

9.1 Conclusion

The study examined rural market activation, retailer engagement and distribution development through the ITC Haat Project in the Nagpur Region. The OJT provided practical exposure to seven assigned markets: Nashirabad, Shendurni, Pahur, Bodwad, Faizpur, Muktainagar and Savda. The researcher participated in market mapping, retailer and wholesaler interaction, retail audits, competitor observation, retailer addition, order booking and distribution follow-up, with a product focus that included Sunfeast YiPPee!, Mom’s Magic, Mom’s Magic Shine and Marie Light.

The project demonstrates that effective FMCG market development depends on understanding local market conditions, building retailer relationships, monitoring product availability and coordinating orders with distribution. Retailer interaction helps identify demand and business requirements, while systematic audits and competitor observations provide useful market intelligence. The study is limited by the absence of a verified consolidated sample size and complete quantitative outlet-level records; accordingly, it presents qualitative findings and avoids unsupported numerical claims. Overall, the Haat Project strengthened the researcher’s understanding of field sales, rural marketing, retailer relationship management and FMCG distribution.



9.2 Scope for Future Research

- A structured retailer survey with a documented sample size and market-wise respondent counts.
- A quantitative comparison of product availability and retailer orders before and after market reactivation.
- A consumer-level study of brand awareness, purchase frequency, price sensitivity and product preferences.
- A competitor comparison covering product range, pricing, retailer margin, promotions and availability.
- A longer-term study of order fulfilment, repeat orders and distribution efficiency across the assigned markets.

References

Food Safety and Standards Authority of India. (n.d.). Food Safety and Standards Authority of India. https://www.fssai.gov.in/

India Brand Equity Foundation. (n.d.). FMCG industry in India. https://www.ibef.org/industry/fmcg India Brand Equity Foundation. (n.d.). Retail industry in India. https://www.ibef.org/industry/retail-india ITC Limited. (2025). ITC report and accounts 2025. https://itcportal.com/

Kotler, P., & Keller, K. L. (2016). Marketing management (15th ed.). Pearson Education.

Ministry of Consumer Affairs, Food and Public Distribution. (n.d.). Department of Consumer Affairs. Government of India. https://consumeraffairs.nic.in/

Ministry of Statistics and Programme Implementation. (n.d.). Government of India. https://www.mospi.gov.in/ Reserve Bank of India. (n.d.). Reserve Bank of India. https://www.rbi.org.in/

Sanjog Application. (2026). Retailer survey and market information collected during the ITC Haat Project. Internal project data.

Solomon, M. R. (2018). Consumer behavior: Buying, having, and being (12th ed.). Pearson.

Statista. (n.d.). Consumer goods and FMCG market data. https://www.statista.com/ World Bank. (n.d.). India overview. https://www.worldbank.org/

Appendix A – Field Activity Framework

Activity	Information collected / reviewed	Output
Market survey	Market, outlet and wholesaler identification	Market and retailer information
Retailer interaction	Requirements, preferences and feedback	Retailer insights and relationship building
Retail audit	Product availability, stock, shelf placement and competitors	Outlet-level market observations
Retailer addition	Potential outlet identification and product introduction	Potential retail coverage expansion
Order booking	Retailer, product, quantity, price and order status	Recorded retailer orders
Distribution follow-up	Order submission, coordination and supply status	Understanding of order-to-supply process



Appendix B – Suggested Retailer Survey Fields

The Black Book describes the use of a retailer survey format. The following fields summarise the information categories recorded in that project; this appendix is a description of the format, not a completed respondent dataset.

Field	Purpose
Retailer name / outlet	Outlet identification
Market	Location of the retail outlet
Products available	ITC and competitor products stocked
Demand / requirement	Retailer's product requirement
Stock position	Available stock at the time of visit
Competitor products	Competing brands observed
Feedback	Retailer comments and suggestions
Order status	Collected / supplied, where applicable