

An Insight Into The Fast-Moving Consumer Goods (FMCG) Sector In India

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Abstract- India is experiencing rapid growth across various sectors, including industry, services, and agriculture. These sectors are interlinked with the Fast-Moving Consumer Goods (FMCG) sector, which caters to the essential requirements of India's diverse and expanding population. AI and Big Data are playing a significant role in enhancing the efficiency of services within the FMCG sector. In India, the top ten FMCG companies are Hindustan Unilever Limited (HUL), ITC Limited, Nestlé India, Britannia Industries Limited, Dabur India, Marico Limited, Godrej Consumer Products Limited, Colgate-Palmolive India, Procter & Gamble (P&G) India, and Emami Limited. This article explores these companies' contributions to India's national income.

Keywords- FMCG – AI -Big data – National income

I. INTRODUCTION

India, with the world's second-largest population, stands as a unique market where people from all walks of life actively engage in buying and selling activities. Essential products find consumers across various income strata, underlining the widespread and diverse consumer base in the country.

Following the COVID-19 pandemic, there has been a significant transformation in consumer behavior in India. The majority of the population now rely on both traditional and online platforms to procure their essential goods. Online buying and selling have become increasingly accessible and user-friendly for Indians, irrespective of their educational backgrounds. This growing acceptance of online payments has significantly bolstered the FMCG industries' ability to make substantial contributions to the national income and GDP.

FMCG stands for Fast-Moving Consumer Goods, also known as Consumer-Packaged Goods (CPG). It's the fourth-largest sector in the Indian economy. The top 15 FMCG companies in India are categorized based on their NSE market capitalization. FMCG is divided into three sections: Food & Beverages (19%), Healthcare (31%), and Household & Personal Care (50%).

Objectives:

- * Indian FMCG Market overview
- ** An overview of Top Indian FMCG companies.

Research Methodology:

Data used: Secondary data

Coverage: Top FMCG companies

An overview of the Fast-Moving Consumer Goods (FMCG) Market in India:

In 2022, the Indian FMCG market was assessed at a value of approximately US \$179.94 billion. Projections indicate that it is poised to achieve a remarkable US \$1007.45 billion by 2029, driven by a robust compound annual growth rate (CAGR) of 27.9% throughout the forecast period. The FMCG sector's expansion is attributable to factors such as a burgeoning youth population, evolving lifestyles, and a heightened level of brand awareness among consumers in India.



Source: <https://www.maximizemarketresearch.com/market-report/indian-fast-moving-consumer-goods>

The consumer goods and FMCG (Fast-Moving Consumer Goods) market is constantly adapting to changing consumer preferences and trends. Recent years have seen significant influences on this market, driven by digital innovation, a heightened focus on sustainability and health, and the challenges posed by inflation. Digitalization has

empowered consumers, giving them the ability to instantly compare and scrutinize products, making it essential for consumer goods companies to optimize their marketing strategies and enhance brand awareness to maintain customer loyalty in this fiercely competitive environment.

Sustainability is playing an increasingly significant role in the consumer goods market, with a growing demand

for products that are produced in a more sustainable and ethical manner across the entire spectrum of consumer goods. Over the past year, the market has faced unprecedented inflation, affecting a wide range of consumer products. This inflation is the result of supply chain disruptions struggling to meet demand and rising energy prices, which have driven up manufacturing costs

FMCG in India

Sl.No	Company	Sales(Rs in Crores)	Brand-Items	Brand
1	Hindustan Unilever Limited	58154	ALL	Lux, Lifebuoy, Surf excel, Rin, Wheel, Glow & Lovely, Pond's, Vaseline, Lakmé, Dove, Clinic Plus, Sunsilk, Pepsodent, Closeup, Axe, Brooke Bond, Bru, Knorr, Kissan, Kwality Wall's, Horlicks and Pureit
2	ITC Limited	69480.89	Foods	Aashirvaad, Bingo! Sunfeast, Fabelle, Sunbean, Yippee! Kitchens of India, B Natural, ITC Master Chef, Farmland, mint-o, Candyman and GumOn
			Personal Care	Essenza Di Wills, Fiama, Vivel, Engage, Savlon, Charmis, Shower to Shower, Nimyle, Nimwash and Superia
			Education and Stationery	Classmate and Paperkraft
			Lifestyle Retailing	WLS
			Agarbattis&Dhoop	Mangaldeep
			Safety Matches	Aim, Ship and Homelites
3	Nestle India Limited	4619.5	ALL	Maggi, Nestea, Nescafe, Milkmaid, Milky Bar, Kit Kat, Bar One, etc.
4	Dabur India Limited	11,529.90	ALL	Vatika, Hajmola, Réal, Fem, Dabur
5	Godrej Consumer Products Limited	78 billion	ALL	Goodnight, Godrej expert, aer, HIT, Ezee, Godrej No.1, Cinthol, Godrej protekt, B-Blunt, godrejnupur, godrej professional, goodness.me

6	Britannia Industries Limited	152 billion Indian rupees	Biscuits	Bourbon, Crackers, Good Day, Jim Jam + Treat, Little Hearts, Marie Gold, Milk Bikis, Nice Time, NutriChoice, Pure Magic, Tiger
			Breads	Bread Assortment, Daily Breads, DAIRY, White Sandwich Breads, Whole Wheat Breads
			Cakes	Fudgeit, Gobbles, Layerz, Muffills, Nut & Raisin, Rollyo, Tiffin Fun
			Cheese	Everyday Goodness, Fresh Dairy, Milk Based Beverages
			Creme wafers	Treat Creme Wafer
			Croissant	Treat Croissant
			Rusk	Toastea
7	Marico Limited	99,080	ALL	Hair & Care, Livon, Mediker, Nihar, Nihar Naturals, Parachute, Parachute Advansed, Revive, Saffola, Set Wet
8	Tata Consumer Products Limited	86.98 billion Indian rupees	Tea	Good Earth, Joekels, Tata Tea, Teapigs, Tetley, Vitax
			Coffee	Eight O'Clock, Grand, Map Coffee, Tata Coffee Grand
			Water	Natural Mineral Water (Himalayan), Tata Gluco Plus, Tata Water Plus
			Foods	Soulfull, Tata Nx, Tata Salt, Tata Sampann
9	Colgate-Palmolive (India) Limited	52.26 billion Indian rupee	ALL	Colgate tooth paste,brush and mouthwash,Palmolivenatural shampoo,,Protexabtibacteriasoap,Cibacaetc
10	Procter & Gamble Hygiene & Health Care Limited	Rs 678.14 Crore	Baby Care	Pampers
			Feminine Care	Whisper
			Grooming	Gillette
			Hair Care	Herbal Essences, Head & Shoulders, Pantene
			Home Care	AmbiPur
			Oral Care	Oral-B
			Personal Health Care	Vicks
Skin and Personal Care	Olay, Old Spice			
11	Emami Limited	Rs 34,747 m	ALL	7 Oils in One, BoroPlus, Creme21, Diamond Shine, EmamiEmasol, Emami Golden Beauty, Emami Naturally Fair, Fair and Handsome, Fast Relief, HE, Kesh King, Mentho plus balm, Navratna, Vasocare, Zandu.

Table 1: Top Indian FMCG Company's Market Cap

Company Name	Market Cap	Company Name	Market Cap
	(In Crore)		(In Crore)
ITC Ltd	2,56,947.12	Colgate-Palmolive (India) Ltd	46,146.44
Nestle India Ltd	1,68,021.74	United Spirits Ltd	45,731.01
Dabur India Ltd	96,179.97	Procter & Gamble Hygiene & Health Care Ltd	41,893.57
Godrej Consumer Products Ltd	87,172.07	Jubilant FoodWorks Ltd	41,703.28
Britannia Industries Ltd	84,046.17	United Breweries Ltd	35,353.61
Marico Ltd	63,306.00	Varun Beverages Ltd	30,549.04
Tata Consumer Products Ltd	62,876.64	Emami Ltd	23,941.51

Source: <https://bestintindia.com/best-leading-fmcg-companies-india.html>

The table provided lists the top 15 FMCG (Fast-Moving Consumer Goods) companies in India along with their respective market capitalizations (in Crores). Market capitalization, often referred to as "market cap," is the total market value of a company's outstanding shares of stock. Here's a brief explanation of each company and its market capitalization:

1. ITC Ltd (Market Cap: ₹2,56,947.12 Crores): ITC is a diversified conglomerate with businesses in cigarettes, FMCG, hotels, paperboards & specialty papers, packaging, agri-business, and information technology.
2. Nestle India Ltd (Market Cap: ₹1,68,021.74 Crores): Nestle is a leading multinational food and beverage company known for its products such as Maggi noodles, Kit Kat, and Nescafe.
3. Dabur India Ltd (Market Cap: ₹96,179.97 Crores): Dabur is a major player in the FMCG sector, specializing in Ayurvedic and natural healthcare products.
4. Godrej Consumer Products Ltd (Market Cap: ₹87,172.07 Crores): Godrej Consumer Products is a part of the Godrej Group and produces a range of personal care and home care products.
5. Britannia Industries Ltd (Market Cap: ₹84,046.17 Crores): Britannia is a prominent brand in the Indian biscuit and bakery products market.
6. Marico Ltd (Market Cap: ₹63,306.00 Crores): Marico is known for brands like Parachute, Saffola, and Livon, focusing on personal care and wellness products.

7. Tata Consumer Products Ltd (Market Cap: ₹62,876.64 Crores): Tata Consumer Products is a subsidiary of Tata Group and manufactures food and beverage products.
8. Colgate-Palmolive (India) Ltd (Market Cap: ₹46,146.44 Crores): Colgate-Palmolive is a well-known oral care company, producing toothpaste, toothbrushes, and other related products.
9. United Spirits Ltd (Market Cap: ₹45,731.01 Crores): United Spirits is involved in the production and marketing of alcoholic beverages.
10. Procter & Gamble Hygiene & Health Care Ltd (Market Cap: ₹41,893.57 Crores): P&G Hygiene & Health Care is a subsidiary of Procter & Gamble and deals in health and hygiene products.
11. Jubilant FoodWorks Ltd (Market Cap: ₹41,703.28 Crores): Jubilant FoodWorks operates Dominos and Dunkin' Donuts outlets in India.
12. United Breweries Ltd (Market Cap: ₹35,353.61 Crores): United Breweries is known for brewing Kingfisher beer and other alcoholic beverages.
13. Varun Beverages Ltd (Market Cap: ₹30,549.04 Crores): Varun Beverages is involved in the bottling and distribution of beverages for PepsiCo.
14. Emami Ltd (Market Cap: ₹23,941.51 Crores): Emami manufactures a wide range of personal care and healthcare products.
15. These market capitalizations provide a snapshot of the relative sizes and valuations of these FMCG companies in the Indian market. Please note that these values are subject to change based on market dynamics and company performance.

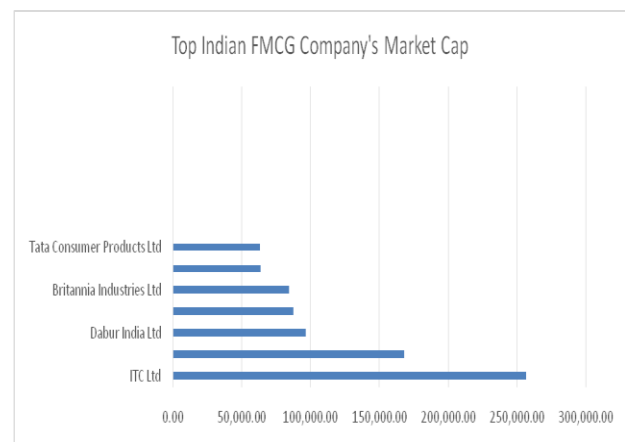


Chart: 2

AI and Big data impact on FMCG in India:

AI provides Fast-Moving Consumer Goods (FMCG) companies with the capability to anticipate customer behavior, thereby improving the delivery of exceptional consumer

experiences and encouraging increased engagement. Additionally, AI enables comprehensive automation of processes, leading to reduced costs and time savings.

AI has become a game-changer for FMCG companies, boosting efficiency and competitiveness. It enables predictive insights into customer behavior, enhances supply chain operations, optimizes product placement, and improves demand forecasting. AI-driven personalized customer experiences are also emerging, revolutionizing engagement. This technology offers valuable tools to streamline FMCG operations, providing companies with a competitive edge in a data-driven marketplace.

II. CONCLUSION

The Fast-Moving Consumer Goods (FMCG) sector in India plays a pivotal role in catering to the diverse and expansive population's essential needs. The advent of AI and Big Data has significantly enhanced the efficiency and competitiveness of this sector. These technological advancements have allowed FMCG companies to gain predictive insights into customer behavior, streamline supply chain operations, optimize product placement, and improve demand forecasting. The top FMCG companies in India, including Hindustan Unilever Limited, ITC Limited, Nestlé India, and others, have been instrumental in contributing to the country's national income and GDP.

The transformation in consumer behavior brought about by the COVID-19 pandemic, increased accessibility to online platforms, and growing digitalization have further accelerated the FMCG industry's impact on the national economy. Sustainability and ethical production are becoming increasingly important in the FMCG market, as consumers demand products that align with their values. Additionally, the challenges posed by inflation due to supply chain disruptions and rising energy prices have reshaped the landscape for consumer goods companies.

The future of FMCG in India looks promising, with a projected remarkable growth in market value. As the sector continues to evolve, it will be crucial for FMCG companies to adapt to changing consumer preferences and leverage technology to optimize marketing strategies and enhance brand awareness. The journey of the FMCG sector in India is intertwined with technological innovation and responsiveness to consumer needs, ensuring its enduring relevance in the country's economic landscape.

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