

**IMPACT OF ADVERTISING ON CONSUMER
BEHAVIOUR WITH SPECIAL REFERENCE TO FAST
MOVING CONSUMER GOODS**

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ABSTRACT

Now- a -days consumer are kings in the market. The study of consumer behaviour is the study of how individuals make decisions to spend their available resources-money, time and effort-on consumption-related items. FMCG is Products which have a quick turnover, and relatively low cost are known as Fast Moving Consumer Goods. In recent years, the fast moving consumer goods sector (FMCG) is witnessing increased use of sales promotion activities all over the world. Both primary and secondary sources of data were used. Well structured schedule was designed to elicit necessary data. The primary data have been collected through questionnaire which was distributed to 150 respondents.

KEY WORDS: Advertisement, Consumer behavior, Consumer expectation, FMCG, Level of influence.

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INTRODUCTION

Marketing as a functional area of management is becoming increasingly important as compared to other fields, viz., production, finance, personnel, and research and development. The increasing significance of marketing is the major reason that marketing information has gained the (major reason that marketing) present pivotal place of importance. All decisions in modern business organizations revolve around the marketing information. In modern business organizations finance, personnel, production and research & development may be the door to success but marketing is the key which turns the lock. Consider any business decision, we find that the critical input needed for this purpose is the marketing information. This information can be collected and utilized using marketing research techniques.

Consumer/Buyer behaviour is that subset of human behaviour that is concerned with decisions and acts of individuals in purchasing and using products. Consumer behaviour is a subset of customer's behaviour, is concerned with decisions that lead up to the acts of purchase.

Fast Moving Consumer Goods

Fast Moving Consumer Goods (FMCG) are all consumable items (other than groceries/pulses) that one needs to buy at regular intervals. These are items which are used daily, and so have a quick rate of consumption, and a high return. FMCG can broadly be categorized into three segments which are:

1. Household items as soaps, detergents, household accessories, etc.
2. Personal care items as shampoos, toothpaste, shaving products, etc. and finally
3. Food and Beverages as snacks, processed foods, tea, coffee, edible oils, soft drinks etc.

Global leaders in the FMCG segment are Nestlé, ITC, Hindustan Unilever Limited, Reckitt Benckiser, Unilever, Procter & Gamble, Coca-Cola, Carlsberg, Kleenex, General Mills, Pepsi, Gillette etc.

FMCG VS INDUSTRIAL MARKETING:

FMCG	INDUSTRIAL MARKETING
Product driven	Relationship driven
Maximize value of transaction	Maximize value of relation
Large target market	Small focused market
Single step buying process shorter sales cycle	Multiple buying process larger sales cycle
Emotional buying decision based on status, desire or price	Rational buying decision based on business value

ECONOMIC CONTRIBUTION:**Employment**

Direct employment is estimated at approximately 6% of turnover, i.e., US\$ 1.5 billion (Rs.7000crores). Approximately 12-13 million retail stores in India, out of which 9 millions are FMCG. Thus the sector is responsible for the livelihood of almost 13 million people.

Fiscal contribution

Cascading multiple taxes by the FMCG sector (import duty, service tax, and income tax) 30% revenue of sector goes into both direct and indirect tax, estimated size of \$ 25 billion that would constitute a contribution to the exchequer of approximately US\$6.5 billion.

Social contribution:

Create employment for people with lower education qualifications. FMCG firms have also undertaken some specified project to integrate with upcountry and rural area for both inputs and for distribution as well as to fulfill.

Packaging Industry

The packaging industry for the FMCG sector alone is worth US\$2.9 billion, and is expected to growth faster due to the growth of private label FMCG product

Media Industry

The media industry has lot to gain from the FMCG sectors. Around 40% of media industry earning from advertising (US\$5 billion) are estimated to come from the FMCG sector, a contribution of US\$ 2 billion.

Tourism Industry

Penetration of familiar brands across the length and breadth of the country provides comfort and reassurance of quality to both domestic and international tourists.

REVIEW OF LITERATURE

1. Ashish Mathur in his article titled “Impact of FMCG products sales variables on consumer satisfaction (2011): Sales promotion has become important with the changing times. Sales promotion has become a style statement for the educated customers. Consumer preference for the sales promotions are becoming complicated because of the changing attitudes and trends of the customers. Customer is the basis for the survival of the industry because the sales promotion and product sales variables have to appeal to the buyers.

2. Dr. Vibhuti Dr. Ajay kumartygai, vivekpandey in their article titled is “A case study on consumer buying behavior towards selected FMCG products” The consumer behaviour plays an important role in market of fast moving consumer goods. This behavior is affected by various factors. In the present era of globalization needs and wants of consumers changes with time. The Fast Moving Consumer Goods (FMCG) sector contributes a lot to the growth of India’s GDP. Therefore it is necessary to identify the changes in consumer buying behavior towards FMCG, products. However affect of place, price, promotion, physiological factors also differ from products to products.

3. Firoozeh Fouladivanda, Maryam AminiPashandi, AlirezaHooman, Zahra Khan mohammadi in their article titled is “The effect of Brand Equity on consumer buying behaviour in term of FMCG” (2013): This quantitative research targets consumer behavior in purchasing Fast Moving Consumer Goods (FMCG) in term of brand of products. For this purpose four elements as brand equity’s components were identified that has potential affect purchasing FMCG, and they are brand awareness, Brand association, perceived quality and brand loyalty. At the end results showed the highest impact on consumer purchasing behavior refers to brand loyalty.

STATEMENT OF THE PROBLEM

Modern day’s consumers are king in the market. The producers are manufacturing the goods according to the tastes and preferences of consumers. To attract the consumer promotional

activities are one of the important aspects. Among this the researcher has taken Fast Moving Consumer Goods which are advertised in Television. Because the studies in Fast Moving Consumer Goods is less, but it is required to study the problem of consumer used Fast Moving Consumer Goods.

OBJECTIVES OF THE STUDY

1. To know the level of influence about the Fast Moving Consumer Goods.
2. To find customer expectation about Fast Moving Consumer Goods.

HYPOTHESES OF THE STUDY

The following null hypotheses are framed by the researcher for analyze the data

1. There is no significant difference between Educational qualification and Familiar celebrity.
2. There is no significant difference between Gender and Preferred media for advertisement.

SAMPLING TECHNIQUE:

A sample of 150 respondents is chosen. Convenience sampling technique used to collect the data. The study is on the basis of the primary information provided by the respondents. Percentage analysis, Chi-square test are used for the purpose of data analysis and interpretation.

TABLE 1

DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

	Particulars	Frequency	percentage
Age	Below 20 years	54	36.0
	21 to 30 years	72	48.0
	31 to 40 years	13	8.7
	Above 40 years	11	7.3
Gender	Male	45	30.0
	Female	105	70.0
	Student	65	43.3

Occupational status	Housewife	21	14.0
	Employed	44	29.3
	Business	20	13.3
Educational Qualification	School level	30	20.0
	Degree or Diploma	70	46.7
	Post Graduates	34	22.7
	Professionals	16	10.7
Family Monthly Income	Up to Rs.5,000	20	13.3
	Rs.5000-Rs.10000	40	26.7
	Rs.10000-Rs.20000	43	28.7
	Above Rs. 20,000	47	31.3

Source: Primary Data

Table 1 highlights demographic characteristics of respondents 48% of the respondents age are 21 to 30 years, 70% of the respondents are female, 43% of the respondents were students, 47% of the respondents were degree holders, 31% of the respondents monthly income is above Rs.20,000.

TABLE 2

ADVERTISEMENT ON PURCHASE DECISION

Particulars	No. of respondents	Percentage
Strongly agree	28	18.7
Agree	60	40.0
Neutral	26	17.3
Disagree	27	18.0
Strongly disagree	9	6.0
Total	150	100.0

Source: Primary Data

Table 2 shows that majority of the respondents (40%) are agree the advertisement on purchase decision. The least respondent (6%) are strongly disagree the advertisement on purchase decision.

TABLE 3

EDUCATIONAL QUALIFICATION AND FAMILIAR CELEBRITY

Educational Qualification	Familiar celebrity			Total
	Film star	Sports star	Social worker	
School level	18	6	6	30
Degree or diploma	29	20	21	70
Postgraduates	23	7	4	34
Professionals	7	4	5	16
Total	77	37	36	150

Table 3.13 shows that out of 150 respondent; 30 respondents are school level in that most of the (18) respondents are like film stars, 6 respondents like sports star, 6 respondents like social worker. 70 respondents are degree or diploma, out of this 29 respondents like film stars, 20 respondents like sports stars and 21 respondents like social workers. 34 respondents are Postgraduate level. The most of the PG respondents like film stars. The maximum number of (7) professional respondents are like film stars. Thus most of the respondents prefer film star advertisements.

Chi-square test:

The researcher wishes to know that there is any relationship between the educational qualification and Familiar celebrity.

Null Hypothesis:

There is no significant relationship between Educational Qualification and Familiar celebrity.

Chi-square Tests

	Values	Df	Sig.
Person chi-Square	8.367	6	.212
Likelihood Ratio	8.698	6	.191

Linear-by-linear Association	.017	1	.898
N of Valid Cases	150		

Result:

The table value is 12.59 and calculated value is 8.367. So table value is higher than the calculated value accept H_0 . There is no significant relationship between Educational qualification and Familiar celebrity.

TABLE 4**GENDER AND PREFERRED MEDIA FOR ADVERTISEMENT**

Gender	Preferred media for advertisement				Total
	Print	Radio	Television	Word of mouth	
Male	5	3	29	8	45
Female	9	18	60	18	105
Total	14	21	89	26	150

Source: Primary Data

Table 4 shows that out of 150 respondents; 45 respondents are male among these 5 respondents intension are Print media; 3 respondents intension are radio; 29 respondents intension are television and 8 respondents intension are word of mouth. 105 respondents are female; Among 9 respondent's intensions are print media; 18 respondents intension are radio; 60 respondents intension are television and 18 respondents intension are word of mouth.

Chi-square test:

The researcher wishes to know that there is any relationship between the gender and media gets your intension.

Null Hypothesis:

There is no significant relationship between Genders and Media gets your intention.

Chi-square Tests

	Values	Df	Sig.
Person chi-Square	2.977	3	.395
Likelihood Ratio	3.336	3	.343
Linear-by-linear Association	.172	1	.679
N of Valid Cases	150		

Result:

The table value is 7.82 and calculated value is 2.977. So table value is higher than the calculated value accept H_0 . There is no significant relationship between Genders and Media gets your intention.

TABLE 5
FACTORS DETERMINE ADVERTISEMENT

Particulars	Always	Some times	Never
Television advertisement influence to buy a specific brand	49	88	13
Switched over to other from watching television advertisement.	51	80	19
Good advertisement poor performance disappointed	61	56	33
Television advertisement create positive impact	52	75	52
Television advertisement change your life style	42	47	61
Advertisement Break down the difference in culture among country	63	70	17
Recommend any brand to others from watching television advertisement.	56	60	34
Advertisement Create unwanted desired among customer	35	86	29
Compared your belonging with other from watching television advertisement	54	63	33
Advertisement help to increase the sales of the brand	72	61	17
Television advertisement help to compare the brand	65	68	17

Source: Primary Data

Table 5 shows that various factors determine advertisement. Most of the respondents are says that television advertisement influence to buy a specific brand. Advertisement always helps to increase the sales of the brand. Out of 150 respondents; 68 respondents told that television advertisement help to compare the brand.

TABLE 6
LIKERT SCALE

Particulars	Always (3)	Some times (2)	Never (1)	Total	Values	Rank
Television advertisement influence to buy a specific brand	49 (147)	88 (176)	13 (13)	150 (336)	0.946	4
Switched over to other from watching television advertisement.	51 (153)	80 (160)	19 (19)	150 (332)	0.935	5
Good advertisement poor performance disappointed	61 (183)	56 (112)	33 (33)	150 (328)	0.924	7
Television advertisement create positive impact	52 (156)	75 (150)	52 (52)	150 (329)	0.927	6
Television advertisement change your life style	42 (126)	47 (94)	61 (61)	150 (281)	0.791	11
Advertisement Break down the difference in culture among country	63 (189)	70 (140)	17 (17)	150 (346)	0.974	3
Recommend any brand to others from watching television advertisement.	56 (168)	60 (120)	34 (34)	150 (322)	0.907	8
Advertisement Create unwanted desired among customer	35 (105)	86 (172)	29 (29)	150 (306)	0.861	10

Compared your belonging with other from watching television advertisement	54 (162)	63 (126)	33 (33)	150 (321)	0.904	9
Advertisement help to increase the sales of the brand	72 (216)	61 (122)	17 (17)	150 (355)	1	1
Television advertisement help to compare the brand	65 (195)	68 (136)	17 (17)	150 (348)	0.98	2

Source: Primary Data

Table 6 shows that various factors determine advertisement. First rank is advertisement helps to increase the sales of the brand. The second rank is television advertisement help to compare the brand, third rank is advertisement break down the difference in cultural among country. The fourth, fifth and sixth ranks are Television advertisement influence to buy a specified brand, switched over to other from watching television advertisement, and television advertisement create positive impact respectively. The seventh rank is good advertisement poor performance disappointed and eighth, ninth, tenth and eleventh ranks are recommend any brand to other from watching TV advertisement, compared your belonging with other from watching television advertisement, advertisement create unwanted desired among customer, television advertisement change your life style respectively.

FINDINGS:

1. Most of the respondents are (40%) agree advertisement influence on purchasing decision.
2. Majority of the respondents (133) are told that advertisement is important.
3. Thirty nine percent of the respondents reason for purchase the product, variety of the product in preferred store.
4. Majority of the respondents (46%) are told that slogan of the advertisement helps to recall the brand.
5. Many of the respondents like film stars advertisement.
6. Many of the respondents like that rational appeal in television advertisement.
7. Majority of the respondents (32.7%) are self-test the good quality product.
8. Most of the respondents (59.3%) preference for advertisement is television.

9. Maximum number of respondents (72) are told that advertisement help to increase the sale of the brand.

SUGGESTIONS

1. The advertiser further increase the advertisement of Fast Moving Consumer Goods it will increase the sales.
2. The manufacturers introduced all type of celebrity to advertise their products.
3. Manufacturers advertise their goods in all Medias. It will attract the customers.
4. The advertisers advertise the Fast Moving Consumer Goods to attract all type of customers.
5. The advertisers advertise the products with slogan, celebrity, jingle it is help to recall the brand.
6. Most of the respondents are female they are regularly watch television advertisement. So, the manufacturers advertise more products through television advertisement.
7. The customers prefer quality oriented in recent days. They are ready to pay more for quality goods. So, the manufacturers give quality goods at reasonable rate.
8. Customers are open to accept changes to the changing trend.
9. Customers are satisfied with the performance of the brand they may recommended by others.

CONCLUSION:

In the modern world most of the female customers are working people. They want FMCG, because they earn more money and spent it for their convenience. Advertisement helpful to the consumer to buy new and necessary products. Most of the consumers are unaware about FMCG products. If the manufactures advertise their products through various media and use various type of celebrity to their advertisement it will definitely attract the consumers. Now a day's most of the consumers are television viewers. So, it is helpful for the advertiser to advertise their products through television. It will definitely increase their sales.

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