



A STUDY ON CONSUMER BRAND PREFERENCE FOR FAST MOVING CONSUMER GOODS WITH REFERENCE TO ARIYALUR TOWN

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ABSTRACT

The Fast Moving Consumer Goods (FMCG) sector is a corner stone of the Indian economy which touches every aspects of human life. FMCG products are consumed frequently by every section of the society, rural as well as urban. Nowadays, rural consumers are also using branded products in almost all product categories. The study on Indian consumer behaviour is intended to help marketers to get a better understanding of the Indian market place to enable them on choosing strategies to reach the Indian buyers. The aim of consumer behaviour is to understand the buyer decision making process both individually and also in groups. This paper discusses about the consumer's brand preference for selected FMCG brands in Ariyalur Town.

Key words: Brand preference, consumer, FMCG.

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1. INTRODUCTION

Fast Moving Consumer Goods (FMCG) satisfies the elemental and day-to-day household needs other than grocery, Every human has four endowments - self awareness, conscience, independent will and creative imagination. These give us the ultimate human freedom. The power to choose, to respond and to change - Stephen R Covey. Brand preference is the selective demand for a company's brand rather than a product; the degree to which consumers prefer one

brand over another. Brand preference is important for business as it is one of the essential components of brand. Fast Moving Consumer Goods (FMCG) sector is a corner stone of the Indian economy. This sector touches every aspect of human life. This study focuses on measuring the brand awareness and preferences of consumers on selected FMCG brands with special reference to personal care products viz. bath soap, shampoo, talcum powder, facial cream and tooth paste.

2. REVIEW OF LITERATURE

Marketing scenario in India changed with market liberalization policies after 1990's (Gopalaswamy, 1997)

Most of the Indian rural markets are „Virgin“ in nature and they are now opening for most of the packaged goods (Habeeb-Ur-Rahman, 2007).

B B S Parihar, Sanjay Yadav and Irfan Siddiqui (2007) empirically found that there is a significant difference between the buying behavior of urban and rural consumers with regard to their preference for technology, style, brand image, price and after-sales service.

Matrade Chennai (2005), studied a lot of aspects related to consumer behaviour in India and found that Indian consumers are deeply concerned with the traditions, values and they consider their family advice in the purchase decisions. About rural Indian consumer the study revealed that rural consumers in India are changing rapidly related the education, awareness of the products. Through internet now they connected with the whole world. Janmejaya Sinha and

Williams (2002) argues that deviation in “attitude, motivation and value orientations associated with differences in occupational opportunities and demands, childhood socialization patterns and educational influences may lead consumers to vary in many of their purchase behaviours across social classes”.

Hansa Research (2006) explored that the preferences in rural India are shifting from loose to packaged products. Rural India is now buying specialized, branded utensil cleaners, and moving away from the typical ash/soil usage in the past. The penetration of branded items has also increased significantly for the products like toothpaste, detergent cakes, hair oils etc.

Arvind Subramanian (2007) studied the next billion consumers. Rural Indian consumers are now being richer and they are contributing more in the total purchases. Rahul Joshi studied in his as The Discovery of Rural India and revealed the fact that the prosperity is rising in rural India and the strategies adopted by the companies like HUL and ITC are effective enough and they are tapping the market successfully.

3. OBJECTIVES OF THE STUDY

- To analyze the factor which influence brand preference for purchase of FMCG.
- To study the consumers brand awareness of the FMCG.

4. SCOPE OF THE STUDY

This study covers the awareness towards FMCG in the Ariyalur Town which helps to find out the factor that influence the consumer to purchase a particular brand.

5. RESEARCH METHODOLOGY

5.1. Source of Data

Primary and secondary data are used for this study. Primary data were collected from the respondents through questionnaire and secondary data were collected from Reports, Journals and articles.

5.2. Sampling Method

The study was carried out using 120 respondents using convenience sampling method.

5.3. Tools for Analysis

The collected data were analyzed by using appropriate statistical tools and techniques. For analytical purpose the following tools were used.

1. Percentage Analysis.
2. Two-way Table.
3. Chi-Square Test.

5.4. Hypothesis

Hypothesis means more assumption or some suppositions to be proved or disproval.

- Null hypothesis (H₀). There is no significant relationship between the dependent and independent variables.
- Alternative Hypothesis (H₁). There is a significant relationship between the dependent and independent variables.

5.5. Limitation of the Study

- The present study was conducted in Ariyalur town only.
- Data were collected by random basis only.
- The sample respondents are restricted to 150 only.

6. ANALYSIS AND RESEARCH

1. Gender of the Respondent

Table 1

Gender	No of Respondent	Percentage
Male	102	68
Female	48	32
Total	150	100

2. Marital Status

Table 2

Status	No of Respondent	Percentage
Married	90	60
Unmarried	60	40
Total	150	100

3. Educational Qualification

Table 3

Educational Level	No of Respondent	Percentage
HSC/Diploma	12	8
UG	90	60
PG	29	19
Professionals	19	13
Total	150	100

4. Occupational Status

Table 5

Occupational	No of Respondent	Percentage
Business	45	30
Professional	34	23
Employed	57	38
House wife	14	09
Total	150	100

5. Monthly Income

Table 6

Income	No of Respondent	Percentage
Upto 10,000	23	15%
10,001-20,000	35	23%
20,001-30,000	58	39%
Above 30,000	34	23%
Total	150	100

6. List of FMCG

Table 7

Shampoo	Washing Powder	Soap	Tea	Toothpaste
Garnier	Nirma	Lux	TajMahal	Colgate
Chik	Wheel	Dettol	TataTea	Pepsodent
Vatika	Surfexcel	Lifebuoy	Vagbakari	Babool
Lux	Rin	Rexona	Mohanlal	Cibaca
Pantene	Arial	Centhol	Brookebond	Dabarlal
Sunsilk	Tide	Dove	RedLabel	Vicco
Clinic plus	Ghadi	Hamam	Lipton Taza	Close-Up

Source: Primary Data

7. Source of Awareness

Table 8

Sources	No of Respondent	Percentage
Advertisement	60	40
Friends and Relatives	45	30
Neighbours	27	18
Shopkeeper	18	12
Total	150	100

8. Table showing the distribution of awareness of respondents

Table 9

Awareness	No of Respondent	Percentage
Yes	116	78
No	34	22
Total	150	100

9. The table showing the factors which influenced to purchase of FMCG

Table 9

Factor influenced	No. of Respondents	Percentage %
Quality	56	38
Price	23	15
Advertisement	31	21
Brand Image	27	18
Others	13	8
Total	150	100

From the above table shows that out of 120 respondents, 38% of the respondents were influenced by quality of the product to purchase it, 15% of respondents influenced by price, because of price range, 21% from advertisement and 18% come under the category of Brand Image.

10. Two way table showing the Relationship between gender and awareness about the preference on purchase of FMCG

Table 10

Gender	Awareness of FMCG		
	YES	NO	Total
Male	87 (75.00)	15 (44.11)	102
Female	29 (25.00)	19 (55.88)	48
Total	116 (77.33)	34 (22.67)	150

11. Two way table showing the Relationship between marital status and Awareness about the FMCG

Table 11

Marital Status	Brand Awareness of FMCG		
	YES	NO	Total
Married	72 (62.06)	18 (52.94)	90
Unmarried	44 (37.94)	16 (47.06)	60
Total	116 (77.33)	34 (22.67)	150

6.1. Chi Square Table Showing the Relationship Between Gender and Awareness of FMCG

Null hypothesis

There is significant relationship between gender and awareness of FMCG.

Table 12 Calculate chi – square value of 11.521 is greater than the table value of 3.84 at 5% level of significance. So the null hypothesis is rejected. Hence there is significant relationship between gender and brand awareness of FMCG.

CELL	F ₀	F _e	F ₀ - F _e	(F ₀ - F _e) ²	(F ₀ - F _e) ² / F _e
R1C1	87	78.88	+8.12	65.93	0.835
R1C2	15	23.12	-8.12	65.93	2.851
R1C1	29	37.12	-8.12	65.93	1.776
R1C2	19	10.88	+8.12	65.93	6.059
Total					11.521

Calculate chi-square value = 11.521

Degree of freedom = 1

Level of significance = 5%

Chi-square table value = 3.84

6.2. Chi Square Table Showing the Relationship Between Martial Status and Brand Awareness of FMCG

Null hypothesis

There is significant relationship between marital status and awareness of FMCG

Table 13 Calculate chi – square value of 0.9126 is less than the table value of 3.84 at 5% level of significance. So the null hypothesis is accepted. Hence there is no significant relationship between gender and awareness of FMCG.

CELL	F ₀	F _e	F ₀ - F _e	(F ₀ - F _e) ²	(F ₀ - F _e) ² / F _e
R1C1	72	69.6	+ 2.4	5.76	0.0827
R1C2	18	20.4	- 2.4	5.76	0.2823
R1C1	44	46.4	- 2.4	5.76	0.1241
R1C2	16	13.6	+ 2.4	5.76	0.4235
Total	150				0.9126

Calculate chi-square value = 0.9126

Degree of freedom = 1

Level of significance = 5%

Chi-square table value = 3.84

7. RESULTS OF PERCENTAGE ANALYSIS

1. 68% of the respondents are male.
2. 60% of the respondents are married.
3. 60% of the respondents under graduate.
4. 38% of the respondents are employees.
5. 39% of the respondents monthly income is between 20001 to 30000.
6. 40% of the respondents awareness of FMCG was through advertisement.

7.1. Two – way Table

1. *Gender and awareness*

Indicates out of total respondents 77.33% of the respondent have awareness about FMCG. Among them 75% of the respondent are male and only 25% of the respondents are female.

2. *Marital status and awareness*

This table shows that out of 150 respondents 22.67% of the respondents have no awareness about FMCG. Among them 52.94% of respondents are married and 47.06% of the respondents are unmarried.

CHI – Square Test

- There is significant relationship between gender and awareness about the FMCG.
- There is no significant relationship between marital status and awareness about the FMCG.

8. SUGGESTIONS

- Customers are more concerned about the quality than the cost of the product; they primarily seek for the quality in the product; they are ready to accept even unbranded product if it is of good quality. Therefore the manufacturers should produce only quality goods that in turn help them to be successful in the market; also help to increase their market share.
- Customers associate a branded product with ‘good quality’. To successfully promote a brand and to retain customer loyalty, the marketer must ensure that quality of the product is maintained at a high level.
- Marketers of unbranded products must strive to penetrate the market by improving quality of the products and give wide publicity.
- Our Indian companies should resort to suitable advertising strategies, adopt to the local conditions and enhance their brand building skills; otherwise their advertising expenditure may prove to be a big failure and that may result in many more MNCs establishing themselves well in durables market.

9. CONCLUSION

Brand awareness and brand preference of consumers towards FMCG brands is the topic of the study selected because rural areas are the untapped market in India with high potential. Urban market to some extent is stagnant and highly competitive. To sustain their business and growth companies operating in urban market should go rural. But they cannot go with the same strategies. Modification in the marketing mix elements attractive and suitable to the rural market is certainly beneficial to the FMCG players. This study focused mainly on the rural consumer

behaviour towards selected Fast Moving Consumer Goods (FMCG) brands with reference to personal care products viz. bath soap, shampoo, talcum powder, facial cream and tooth paste. An important contribution through this research study is that it proposed and tested hypothesis establishing the relationship between the various factors affecting consumers and their awareness / preferences in buying FMCG brands using the buyers as sample. This research study also identifies the factors influencing consumer preferences in making decision to buy FMCG brands. Studying differences among consumers of diverse socio-economic categories on factors influencing their awareness and preferences for FMCG brands is a significant contribution to examine the differences among users with various levels of exposure and preferences.

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