

A Study on Consumer Buying Behavior Towards FMCG Products

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Abstract

Next comes the survey to know which products are more important for the consumers, what are all the things they like in FMCG products what are all the things they didn't like in such products, and how they are influenced to buy the particular brands are products and what is the most important for consumers buying FMCG products like price, place, quality or quantity like this questions lot of consumers respondents gives there opinion in the survey. There are accepted projects are which products are the brands they give more preference in the FMCG products.

the FMCG sector The first few pages talk about what products and what are the vision and mission for FMCG and quality policy and which is the top 5 companies in the FMCG sector this part consists of FMCG introduction Industry key players, consumer buying behavior and influencing factors and overview and growth of the FMCG products, which all companies are competitors and SWOT Analysis of the FMCG companies. Next comes details about FMCG background, and review, and next comes the research design meaning and statement of the problem, objective of the study, need of the study, scope of the study, limitations, and hypotheses.

Introduction

The FMCG sector stands as India's fourth-largest industry within our economy. Fast-moving consumer goods (FMCG) are commonly known as packaged goods and encompass everyday essentials purchased regularly. These products include items like soaps, detergents, shampoos, toothpaste, and shaving products, constituting everyday necessities for consumers. FMCG products are characterized by their swift sales turnover and accessible pricing. While individual profits from FMCG items might be modest, their mass consumption contributes to significant cumulative gains due to their widespread sales in large quantities.

THE TOP FIVE INDIAN FMCG BRANDS ARE

1. Hindustan Unilever Ltd.
2. ITC (Indian Tobacco Company)
3. Nestle India
4. AMUL
5. Parle Pvt Ltd

SECOND PLAYER

1. Colgate-Palmolive (India) Ltd
2. Godrej Consumers Product Ltd
3. Tata Tea Ltd

VISION AND MISSION

To offer the highest quality products and create joyful moments. Provide the highest quality products and create joyful moments.

QUALITY POLICY

In order to win consumer trust and loyalty, as a company we must always deliver excellent quality branded products.

CONSUMER PURCHASING BEHAVIOR

Today's markets are subject to rapid and diverse changes and identifying complexity. In recent decades, companies have operated in a very competitive environment. In this scenario, every single marketing activity revolves around the customer, and the economy is said to be consumer oriented. and center of all entrepreneurial activities.

FACTORS THAT INFLUENCE IN FMCG

This number represents the biggest influences on consumer purchasing decisions. There are intrapersonal, interpersonal, and several alternative environmental variables it influences the consumer decision-making process. Interpersonal influences include family, social class, affinity group, cultural and financial status of a person. Intrapersonal variables include buyer motivation, perception, learning, attitudes, and personality.

Currently, a fresh product has two qualities:

1. Rapid growth and
2. Rapid decline.

FMCG SECTOR GROWTH OVERVIEW

The FMCG sector's growth trajectory in India is dynamic and competitive, positioning it as the fourth-largest sector. Forecasts predict continued expansion in the years ahead. According to consumer buying behavior data from July 2015, the Indian industry, along with the commerce chamber, indicated promising growth prospects for the FMCG sector. Projections indicate an expected increase of over 60% by 2020 in rural and semi-urban areas of India, growing at a rate of 10% annually. This growth trajectory is anticipated to elevate the market size to 100,000 crores by 2010, compared to 48,000 crores in 2015. People they live in rural and urban areas in India are now consuming large amounts of fast-moving consumer disposable income due to higher prices.

COMPETITION IN THE FMCG SECTOR

The growth of India's FMCG industry has been shaped by its large population. From 1950 to 1980, due to lower per capita income, FMCG product consumption was limited.

However, deregulation led to significant domestic market sales growth. Increased imports intensified the rivalry between organized and unorganized sectors. Furthermore, easy trade and minimal barriers attracted multinational corporations to invest in India's manufacturing sector to cater to consumer demands. Rising urban living standards, higher disposable income, and increased purchasing power in rural households boosted sales for various FMCG manufacturers.

Key players like Godrej, HUL, Marico, ITC Henkel, Dabur, Reckitt Benckiser, Parley, Colgate, and Britannia targeted rural consumers and extended their retail presence to mid-sized towns and villages. In contrast, Nestlé primarily focused on the urban Indian market, concentrating on value-added products for the affluent or upper-middle class.

1. Dabur India Ltd.
2. MTR.
3. Pepsi Co
4. Colgate
5. Parle Foods Pvt Ltd
6. ITC
7. Britannia India Ltd
8. Ashirvad
9. Hindustan Unilever Limited
10. Nestle
11. Godrej

SWOT ANALYSIS

Strengths

- Low running costs.
- Greater variety of products on the market.
- Top-tier companies in the FMCG industry.
- Good quality and packaging.
- Recognizable brands in the FMCG sector.

Weakness

- Low level of exports.
- Less investment for the products.
- High advertising costs.
- Larger number of products on the market

Opportunities

- Undeveloped rural market.
- Increase the purchasing power of customers.
- Big domestic market.
- High spending on consumer goods.
- Changing lifestyle and rising income levels

Threats

- Increasing competition from one company to another.
- Increase selling expenses.

INTRODUCTION AND IMPORTANCE OF RESEARCH DESIGN

Research design is the planning of a strategy for conducting research. Research design is thus a detailed plan of how the goal will be achieved in this research design.

STATEMENT OF THE PROBLEM

FMCG products as the word itself says is a rapid trend towards consumer consumption that is being conquered by the majority in the marketing and consumer marketplace. Especially in the south of Bangalore, there are big and big providers and an increasing demand. As the capital of Karnataka, Bangalore is a place with consumers of different cultures, different expectations, tastes, and preferences for FMCG products of different brands. That said, it is very difficult to understand and conjecture, such as looking at a sample area from across India.

3.3 NEED

In Bangalore, it's crucial to grasp how consumers interact with fast-moving consumer products. Business growth relies on consumer satisfaction; as consumers become content, the company's sales gradually increase.

3.4 SCOPE

- The study will be conducted in Bangalore.
- The study covers of any products comprising personal care products, food and beverages, and home care products. Apart from a products no other product is considered in the study.

3.5 OBJECTIVES

- Investigation of the demand factors and determination of efficiency.
- Understanding the frequently increasing demand and market share.
- To study consumer attitudes, preference and expectation towards products from different brands.
- Understanding of the strategies and techniques used towards consumers.
- Understanding consumer market situation for the products and potential market opportunities for upcoming branded products.

3.6 LIMITATION

- Short life time
 - Very small sample size.
 - Rapid product innovation
 - Money limit and price sensitivity
 - Limited to 50 consumers
 - Some people provide some information
 - Dependence on consumer trends
- a. **Primary data:** The primary sources are questionnaire or schedule, interview and observation.in our own words
- b. **Secondary data:** The any information or study or any sources usually includes books, published documents, periodicals or journals, research these and directives or book, newspaper, internet etc. analyse are taking these all things helps and prepare the includes both secondary data. And primary data.

3.7 HYPOTHESES

Null Hypotheses (H0):

1. There is no significant association between "What factors influence in your shopping" and "What type of discount makes you go on brand products."

Alternative Hypotheses (H1):

1. There is a significant association between "What factors influence in your shopping" and "What type of discount makes you go on brand products."

The output mentions the p-values for Pearson Chi-Square and Likelihood Ratio tests as 0.751, which are higher than 0.05. This suggests that there is no significant evidence to reject the null hypothesis, implying that there may not be a strong association between the two categorical variables.

FINDINGS

- Most consumers have a monthly purchasing practice.
- Purchases mainly depend on individual income, trend and their own lifestyle. Average consumers have an attitude of rarely switching between brands. Brand switching occurs mainly due to quality changes, product usage, new product desirability, and other discounts on branded products.

- Consumers expect volume discounts rather than rebates, and sellers also prefer volume discounts, and volume discounts are techniques that work most in the consumer market.
- Quality products have the greatest impact on purchasing, and in some situations, price factors, location, and convenience also impact.
- Product promotion is more attractive marketing, Internet and TV are more accessible to the public, providing better information and knowledge about new and existing products that consumers are spending money on FMCG products are slowly increasing.
- Most consumers probably expect cheap price, best quality, reasonable packaging and occasional offers are educated and average traders are graduates.
- Pricing strategies and store design and presentation will attract more customers.
- More discounts, personal contact for home delivery and handing out coupons are techniques that can be used to maintain customer loyalty in the consumer market.

SUGGESTION

- Bangalore is a mix of different consumer cultures, attitudes, expectations and lifestyles.
- So why not target different customer groups and differentiate the products for each group according to their culture, preferences and expectations Product retailers and consumer markets should not be a constant in strategies and methods or techniques,
- instead modifying or changing as it follows changes in consumer attitudes, preferences and expectations.
- The quality of the product should not go down after building the marketability of the product, as this will cause consumers to the product.
- But also become the success of product market, so building a good relationship between manufacturer and marketer
- Removing intermediate products can both have a better one as needed benefit and may also help consumers.
- Retailers shouldn't just try whatever techniques and strategies come to mind with consumers,
- Understand consumers as best they can in order to develop their own strategy.

CONCLUSION

Understanding consumers and their preferences, attitudes and expectations is not an easy factor and even they understand the consumers change their tastes and preferences. A self-confident consumer only finds out when he wants to change something. So, one cannot assume that the consumer can be loyal. As a result, there can be variations in demand and consumer size for specific products, meaning that no product can make or fail. In the current situation, consumers prefer the best quality. Nowadays consumers can understand fraud and unfair discounts and techniques by product dealers, still many consumers are influenced. Whatever is fair, fake is fake. And it is also a fact that average consumers tend to counterfeit, which is not fair, so market participants had something unfair to consumers, however. The competition in the consumer market is increasing, in fact, it is the best in every way for both consumers and merchants, which means consumers can get choice, quality awareness, seller preference, etc., forcing the seller to adopt more techniques and strategies use to improve its marketability to achieve its goal.