

A Study on Consumer Purchase Decision about the FMCG Products of Current Corporate Scenario.

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ABSTRACT

The project report deals with the research topic, **“EFFECT OF BRAND ON CONSUMER PURCHASE DECISION ON FMCG PRODUCTS”**. Customers all over the world now prefer branded products. This study is aimed at analyzing the effect of brand on consumer buying behavior of FMCG products. Along with finding the effect of brand on consumer buying behavior the purpose of the study is to have an in branding and consumer behavior. Branding is the method by which a marketer tries to construct long term relationship with the clients by learning their needs and needs so that the offering (brand) may fulfill their shared goals. It can be utilized as a separate methodology when the item cannot be effectively recognized in terms of substantial highlights (which constantly happens in case of numerous administrations, durables, etc.) or in items which are seen as a product (e.g. cement, fertilizers, salt, potato chips, etc.). The brand building may be a cognizant client fulfillment introduction prepare. The brand proprietor tries to hold clients to its overlay over its competitors by a mix of hardware-software since when a client feels fulfilled he she creates a kind of devotion for the same. Fast Moving Consumer Sector (FMCG) is one of the largest sectors in the economy of India. In the last few years, the FMCG industry has experienced a dramatic growth. The research is carried out using questionnaire to bring out the opinion of the consumer about how the brand affects the purchasing decision of FMCG products. How much consumer are prepared to pay for branded products, how important they consider price, brand and other factors during their purchase decision. Data collection is done through questionnaire and it is analyzed..

I. INTRODUCTION

Brand recognition and other reactions are created by the use of the product or service and through the influence of advertising, design, and

media commentary. A brand is a symbolic embodiment of all the information connected to the product and serves to create associations and expectations around it. A brand often includes a logo, fonts, colour schemes, symbols, and sound, which may be developed to represent implicit values, ideas, and even personality.

Branding Concepts :

Marketers engaged in branding seek to develop or align the expectations behind the brand experience, creating the impression that a brand associated with a product or service has certain qualities or characteristics that make it special or unique. A brand image may be developed by attributing a "personality" to or associating an "image" with a product or service, whereby the personality or image is "branded" into the consciousness of consumer.

Brand Management :

A brand is therefore one of the most valuable elements in an advertising theme. The art of creating and maintaining a brand is called brand management. A brand which is widely known in the marketplace acquires brand recognition. When brand recognition builds up to a point where a brand enjoys a critical mass of positive sentiment in the marketplace, it is said to have achieved brand franchise. One goal in brand recognition is the identification of a brand without the name of the company present.

Brand Equity and Brand Name :

Brand equity measures the total value of the brand to the brand owner, and reflects the extent of brand franchise. The term brand name is often used interchangeably with "brand", although it is more correctly used to specifically denote written or spoken linguistic elements of a brand. In this context a "brand name" constitutes a type of trademark, if the brand name exclusively identifies the brand owner as the commercial source of products or services. A brand owner may seek to

protect proprietary rights in relation to a brand name through trademark registration.

Brand Energy :

Brand energy is a concept that links together the ideas that the brand is experiential; that it is not just about the experiences of customers/potential customers but all stakeholders; and that businesses are essentially more about creating value through creating meaningful experiences than generating profit. Economic value comes from businesses' transactions between people whether they be customers, employees, suppliers or other stakeholders. For such value to be created people first have to have positive associations with the business and/or its products and services and be energised to behave positively towards them – hence brand energy. It has been defined as "The energy that flows throughout the system that links businesses and all their stakeholders and which is manifested in the way these stakeholders think, feel and behave towards the business and its products or services." Attitude branding is the choice to represent a feeling, which is not necessarily connected with the product or consumption of the product at all.

The act of associating a product or service with a brand has become part of pop culture. Most products have some kind of brand identity, from common table salt to designer clothes. In non-commercial contexts, the marketing of entities which supply ideas or promises rather than product and services.

II. OBJECTIVES

PRIMARY OBJECTIVES :

- To study the effect of branding on consumer purchase decision of FMCG products.

SECONDARY OBJECTIVES:

- Understanding the concept of branding , concept of FMCG and to study the factors affecting consumer behaviour.
- To do a comparative study of the branding strategies adopted by the companies in the different type of products.
- To learn and understand the marketing scope of FMCG products in India.
- To offer suggestions for improving the sales of consumer goods.

III. REVIEW OF LITERATURE

“Factors Affecting Brand Loyalty: A study in an emerging market on fast moving consumer goods” by Ramesh Kumar.S; Advani, Jai yaswant (July 2005)

This study examines the combined effects of brand benefits, brand symbolism, brand trust, genetic influence and price consciousness of consumers on brand loyalty for toothpaste product category. Data from a random sample of four hundred and forty four consumers in India confirm significant influence of brand functional benefits, brand trust, price consciousness, and genetic influence on brand loyalty. Results suggest that marketers would have to balance the traditional axiomatic views of brand loyalty with the emerging dimensions of brand migration in a competitive context. This research paper explores factors closely related to the management of brand loyalty and could offer insights to practitioners of marketing. It also offers a framework, that reflects the implications of the study to marketing practice with regard to management of brand loyalty.

Brand salience for fast-moving consumer goods: An empirically based model by Julian Viecelli and Robin N Shaw (Dec 2010)

The research reported in this paper proposed and tested a model of brand salience for fast-moving consumer goods, which incorporates knowledge, media consumption, and brand image as antecedents. A quasi-experimental method was utilised, where 270 respondents undertook a free recall exercise using category cues, and then completed multi item measures of brand knowledge, brand associations, and purchase likelihood. Analysis of the data using SEM found support for an empirical model of brand salience where there was a relationship between brand salience and purchase likelihood. The empirical evidence supports building a brand in a primary category, in order to build the depth and breadth of the brand's associations in consumer memory.

Customer Perceptions about Branding and Purchase Intention: A Study of FMCG in an Emerging Market” by Muhammad Irfan Tariq , Muhammad Rafay Nawaz , Muhammad Musarrat Nawaz (2013)

A cross-sectional field study of 362 individuals was conducted to explore the factors affecting purchase intentions among FMCG consumers of Pakistan. Variables namely brand image, product quality, product knowledge, product involvement, product attributes and brand loyalty were studied as determinants of consumers' purchase intentions and were found to have a positive association with purchase intentions.

“Factors Influencing the Bangladeshi Consumers Purchase Decision Regarding

FastMoving Consumer Goods: An Exploratory study” byUllah, G. M. Shafayet; Prince, PanuelRozario (March 2012)

The study has identified eight primary factors that influence consumers' purchase decision of FMCG products in Bangladesh. These factors are sales promotion, unavailability of brand, time constraint, in-store TVC, variety seeking behaviour, product features, end of aisle display and product convenience. This study recommends focusing on three important factors, i.e., sales promotion, time constraints and unavailability of brand to smoothen the progress of the FMCG industry in Bangladesh. The FMCG industry will find better development opportunities, if the findings of this study are used as an input in its strategic decision making.

“Effect of Branding On Consumer Buying Behavior: A Study in Relation to Fashion Industry” by NEYATI AHUJA (2015)

This study is aimed at analyzing the effect of brand on consumer buying behavior. Along with finding the effect of brand on consumer buying behavior the purpose of the study is to have an in depth knowledge of what actually is branding and consumer behavior. To study the relationship between brand and consumer behaviour the following methodology is opted: Consumer Survey on the effect of brands on their buying behavior through questionnaire. The key results of the study are: The degree brand of consciousness goes on decreasing in higher age groups; price & brand were the major attributes that customer’s gave most importance and 80% people believe that brands in fashion industry have become a status symbol.

IV. RESEARCH METHODOLOGY

DESCRIPTIVE RESEARCH

Descriptive research is defined as a research method that describes the characteristics of the population or phenomenon that is being studied. In other words, descriptive research primarily focuses on describing the nature of a demographic segment, without focusing on “why” a certain phenomenon occurs.

RESEARCH INSTRUMENT

Google Forms:

It is the latest tool in collecting primary data. A questionnaire consisting of set of questions for respondents to his/her answers. The questionnaire is very flexible in the sense that there are many ways to ask question.

Google Sheets:

It is other tool used to gather all the primary data from the Google form. Basically it is

a web-based application that allows users to create, update and modify the data lives online.

SAMPLING DESIGN

SIMPLE RANDOM SAMPLING

A simple random sample is a subset of a statistical population in which each member of the subset has an equal probability of being chosen.

.DATA COLLECTION

.PRIMARY DATA:

Data is collected by the random sampling methods. Here randomly conducted a survey for 60 employees through Google forms and collected the primary data.

SECONDARY DATA:

These are generally published sources which have been collected originals for some other purposes; they are not gathering specially to achieve the objectives or the particular research project hands but already assembled.

ANALYTICAL DESIGN

SIMPLE PERCENTAGE METHOD

Percentage analysis is one of the basic statistical tools which is widely used to in analysis and interpretation of primary data.

It deals with the number of responded response to particular questions percentage arrived from the total population selected for the study.

DESCRIPTIVE STATISTICAL METHOD

It used to present quantitative descriptions in a manageable form. In a research study we may measure a large number of samples on any measure. It help us to simply large amount of data in a sensible way.

STATISTICAL TOOLS USED:

For the analysis of the data and its interpretation, various tools of research were used.

- Percentage Method
- Correlation Method

ANALYSIS BASED ON THE ATTRIBUTES THAT ATTRACT CUSTOMERS TO

BUY BRANDE PRODUCTS

INTERPRETATION

From this, it is inferred that 24.4% of people are attracted to the brand name ,26.8% of people are attracted to price , 17.1% of people are attracted to the Easily availability of the product , 80.5% of people are attracted to the quality of the product, 39% of the people are attracted to the product features, 6.1% of people are attracted to the advertisements and 2.4% of people are attracted to the branded products through family groups.

ANALYSIS BASED ON ATTRIBUTES IN ORDER OF THEIR IMPORTANCE INTERPRETATION

From this it is inferred that,

- 17% of the customer considered not at all important, 12% of customer are considered less important, 16% of the customer considered slightly important, 14% of the customer considered neutral, 23% of the customer considered moderately important,
- 11% considered very important, 6% considered extremely important of brand image of the product.
- 5% of the customer considered not at all important, 16% of customer are considered less important, 16% of the customer considered slightly important, 16% of the customer considered neutral, 6% of the customer considered moderately important, 23% considered very important, 17% considered extremely important of price of the product.
- 6% of the customer considered not at all important, 18% of customer are considered less important, 9% of the customer considered slightly important, 7% of the customer considered neutral, 17% of the customer considered moderately important, 30% considered very important, 13% considered extremely important of the easy availability of the product.
- 4% of the customer considered not at all important, 14% of customer are considered less important, 17% of the customer considered slightly important, 1% of the customer considered neutral, 4% of the customer considered moderately important,
- 17% considered very important, 43% considered extremely important of the quality of the product.
- 6% of the customer considered not at all important, 6% of customer are considered less important, 12% of the customer considered slightly important, 18% of the customer considered neutral, 6% of the customer considered moderately important,
- 23% considered very important, 29% considered extremely important of the features of the product.
- 25% of the customer considered not at all important, 23% of customer are considered less important, 11% of the customer considered slightly important, 22% of the customer considered neutral, 11% of the customer considered moderately important,

- 6% considered very important, 2% considered extremely important of the advertisements of the product.

ANALYSIS BASED ON INFLUENCE TO PURCHASE BRAND INTERPRETATION

From this, it is inferred that 11% of the people are influenced through family, 20.7% of the people are influenced through friends, 18.3% of the people are influenced through advertisements, 41.5% of people are influenced themselves and 8% of the people are influenced through celebrity's style.

ANALYSIS BASED ON PRICE CUSTOMER INTERPRETATION

From this, it is inferred that 86.6% of people are price sensitive customer and 13.4% of people are not price sensitive customer.

ANALYSIS BASED ON BRANDED PRODUCTS ARE BETTER THAN UNBRANDED PRODUCTS INTERPRETATION

From this, it is inferred that 46.3% of people said Yes branded products are better than the unbranded products, 23.2% of people said No branded products are not better than the unbranded products and 30.5% of people said maybe branded products are better than the unbranded products.

V. FINDINGS

TOTAL RESPONDENTS = 80

- Maximum 79% of the respondents are between the age of 18-25
- Maximum 67% of the respondents are female.
- Maximum 61% of the respondents buy branded products only when quality is important.
- Maximum 41% of the respondents agreed that they are not brand loyal customer.
- Maximum 80% of the respondents agreed that quality is the factor that attracts them to buy the branded products.
- Maximum 41% of the respondents said that they themselves influenced to buy the branded products.
- Maximum 86% of the respondents agreed that they are price sensitive customer.
- Maximum 62% of the respondents said that they heard about the brand through online and advertising.
- Maximum 57% of the respondents agreed that they will experiment with different brand products.

- Maximum 46% of the respondents agreed that sometimes they do care about the brand.
 - Maximum 41% of the respondents agreed that the brand has become a status symbol.
 - Maximum 41% of the respondents answered yes that they will focus on branding while purchasing is correct.
 - Maximum 68% of the respondents agreed that they do purchase branded products occasionally.
- Maximum 61% of the respondents agreed that quality is an important for choosing a branded product.
- Maximum 40% of the respondents agreed that they will change their brand if they get the same quality in an unbranded products.
 - Maximum 50% of the respondents said maybe they will switch to other brands if they get some promotional schemes.
 - Maximum 51% of the respondents agreed that the advertising plays an role towards brand preferences.
 - Maximum 78% of the respondents agreed that television is the media that influences them about the brand preferences.
 - Maximum 61% of the respondents said no they didn't buy FMCG recently after coming across advertisements.
 - Maximum 39% of the respondents agreed that advertisements influenced them in a positive impression.
 - Maximum 46% of the respondents agreed that branded products are better than unbranded products.

VI. SUGGESTIONS

Quality is the most important criteria for choosing branded products. so it is important to provide branded products with much quality and care.

- And also the people are concerned about the price of the branded products, so the price should be of affordable by every people.
- To capture the business opportunities and lead in these markets, marketers must make decisions based on an in depth understanding of the competitive environment and consumer demands in their own sector
- This study would be more representative if worked on a few more variables that highly impact on consumer purchasing decision like competitive advantage, word of mouth, government association and so on.
- There is a moderate significant relationship between brand image and purchase intention, the reason of the moderate relationship is the

promotion factor. Advertisement is the major mode of promotion but the companies are making adds ignoring the social issues of the people. The element of reliability and attractiveness in their ads are very low.

- Companies can drag the brand image to the desired level by making the promotion process more effective such as inducing more celebrity endorsement in an appropriate way to capture the purchase intention of the customers for the purpose to imprint the brand related knowledge to the customers mind and shift their feelings on the brand

VII. CONCLUSION

Brand is a guarantee, an assurance for a defined standard of quality for the first time an for every time. Brand is name or logo that plays the role in the mind of the customer. Brands do not compete in the product area but compete for the mind space of the customer. A brand once established in the mind of the customer becomes indelible when customer identifies itself with that particular Brand. Branding is an effective marketing strategy tool that has been used with frequent success in the past. Branding can be an effective and powerful tool for all types of business organizations. If brand owners use their product correctly, the payoffs can be substantial. However, if brands are mismanaged, the results can be damaging.

From the overall research we came to the conclusion that brands have an effect on the consumer mind in many ways like quality, rates, income, age group's etc., It is estimated that 40 per cent of all FMCG purchases in India will be online by 2020, thereby making it a US\$ 5-6 billion business opportunity. By the year 2025, e-commerce will contribute around 10-15 per cent sales of few categories in the FMCG sector.

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