

CONSUMER BUYING BEHAVIOUR TOWARDS FMCG PRODUCTS

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ABSTRACT

According to the findings of this study, the preferences of consumers about the quality of fast-moving consumer goods (FMCGs) that they purchase are a significant element that influences brand purchases. The primary purpose of this research is to discover the factors that influence the purchasing behavior of fast-moving consumer goods (FMCG) products among the individuals who participated in the study. As time goes on, the processes that are involved in developing and promoting the brand of a firm that deals in fast-moving consumer items are becoming an increasingly important part of everyday life. Customers are constantly inundated with an excessive number of businesses with which they must contend. The "four Ps" of marketing—price, packaging, promotion, and purity—along with well-known names in the industry and premium products were the factors that made this a realization. According to the findings of the research, when consumers are about to make a purchase decision, they give the most weight to their familiarity with the brand as well as the quality of the goods. These items are consumed by people of all different races and ethnicities, even in more rural locations where name brands are extensively offered. Also, a significant amount of their financial resources is invested in these things. It is common knowledge that the majority of consumers prefer to do business with well-known companies that they are already familiar with, whether this preference is based on personal experience or advertising. The findings of this study also suggest that customers continue to maintain their views and behaviors with regard to fast-moving consumer goods (FMCG) brands, even when they are dissatisfied with or uninterested in specific products. The company was able to improve the reputation of its brand among clients, despite the fact that it was subjected to a number of criticisms.

Key Words: FMCG, Brand, Consumer Behaviour, buying behaviour, customer satisfaction, consumer awareness.

INTRODUCTION

When we talk about "fast moving consumer goods" (FMCG), we are referring to things that are not only inexpensive but also frequent sellers. The term "fast-moving consumer goods" (FMCG) refers to items that consumers frequently purchase with the purpose of disposing of them within a year of purchase. These are purchased in small quantities by individuals in order to satisfy their individual home requirements. Customers often find that these products are useful, which encourages them to continue purchasing them and bringing them back for more. The items do not have a significant value, either financially or emotionally to the buyer. To add insult to injury, these items don't stick around for very long. The products that fall into this category include those that have a shelf life that is either very long

or very short, as well as those that do not have any shelf life at all. The term "fast-moving consumer goods" (FMCG) refers to a category of products that have a limited lifespan. Some examples of these products include disposable glasses, batteries, paper products, and plastics. A wide variety of additional things that are frequently purchased are included in this area as well. Some examples of these items include soap, cosmetics, teeth cleaning supplies, shaving equipment, and many others.

Medications, electrical equipment, food packaging, carbonated beverages, toilet paper, confectionery, and fast-moving consumer goods (FMCG) are all examples of things that are included in this category. New consumer electronics, such as laptops, digital cameras, mobile phones, MP3 players, and GPS systems, are examples of those that fall under the category of fast-moving consumer goods (FMCG). Compared to the rate at which other electrical goods are replaced, their replacement rate is higher. For the purposes of the fast-moving consumer goods (FMCG) industry, the term "white goods" refers to everyday items such as televisions, music systems, and other such products.

In the past, companies involved in the sale of fast-moving consumer goods (FMCG) in India were not particularly excited about concentrating their efforts on rural consumers. A significant amount of time has passed since the establishment of India's fast-moving consumer goods (FMCG) industry. Companies that deal in fast-moving consumer goods (FMCG) have employed a variety of advertising methods during the course of their existence. Rural regions in India are experiencing economic growth in the fast-moving consumer goods industry, which is one of the most promising businesses in India. The market for luxury goods is larger and less competitive than other markets. A rise in the purchasing power of people living in rural areas is accompanied by an increase in the demand for fast-moving consumer goods (FMCG). "Fast-moving consumer goods" (FMCG) is the abbreviation that is used to refer to consumer packaged products. This encompasses everything that individuals purchase frequently, with the exception of food and grains. Some of the most popular items on the list include, but are not limited to, soaps, detergents, shampoos, toothpaste, shaving cream, shoe polish, packaged consumables, household accessories, and other similar items.

other devices that are specific. The fact that these products are both useful and durable contributes to their high level of sales. For the vast majority of households, the amount of money spent on fast-moving consumer goods (FMCG) on a monthly basis is an outrageous amount. Due to the fact that consumers make use of a reasonably large number of commodities, there are a great deal of products that compete with fast-moving consumer goods products. Given the intense level of competition that exists in the market for fast-moving consumer goods, profit margins are subjected to a great deal of pressure.

Companies that deal in consumer items that are quickly consumed by consumers have a robust distribution network. It is necessary for businesses to make a large financial investment in order to keep their distribution networks operating efficiently. For new businesses to be able to sell their products on a national scale, they need to invest a significant amount of money in marketing their brands. Outsourcing production is something that can be done. Some of the more recent shifts in the industry include the entry of multinational corporations and the increase in the number of imports that are more affordable. A potential source of rivalry in the market could come from state-owned brands as well as smaller firms located in more rural areas.

One of the most lucrative industries in India was the fast-moving consumer products sector, which had sales of 48,000 crore rupees in the year 2005. According to the findings of AC Nielsen India, the value of the sector increased by 5.3% in 2005 compared to the previous year, 2004. The industry of fast-moving consumer goods is valued at \$13.1 billion, which places it in the fourth position in terms of India's gross domestic product. Competition in this business is characterized by the presence of both structured and unorganized competitors, as well as distribution networks that have been in existence for a considerable amount of time. Within the realm of fast-moving consumer goods (FMCG), India holds a stranglehold on the worldwide market. Consumers from the middle class and rural areas are the most likely to purchase fast-moving consumer goods (FMCG) brands in India. These brands are the most likely to attract buyers. Despite the fact that there is a significant amount of untapped potential in a number of product categories in India, such as jams, toothpaste, skin care products, shampoos, and so on, the market penetration and consumption rates remain rather low. India's phenomenal economic growth can be attributed to a number of factors, including the country's rapid urbanization, rising literacy rates, and rising per capita income. There is a tremendous expansion of businesses of all sizes, from mom-and-pop shops to multinational corporations operating on a global scale. According to the information provided by AC Nielsen, the top 100 brands are comprised of 62 brands that are established by multinational corporations and 32 brands that are established by Indian firms. Twenty-seven of the sixty-two brands are owned by Hindustan Lever, which is one of the fifteen other corporations. Do the opposite of what Pepsi and Thumps Up are doing. Coca-Cola is the fifth most popular beverage in the world, only after Britannia, Nirma, Parle, and Colgate. Companies in the tobacco and soft drink industries have traditionally avoided disclosing these numbers to the public. Product categories that fall within the category of fast-moving consumer goods (FMCG) include beverages, tobacco products, and personal care items. They possess 35 of the 100 brands that are considered to be the most valuable in the overall world.

Godrej, HLL, and ITC are just few of the corporations that have contributed to the expansion of the fast-moving consumer goods (FMCG) food industry with their introduction of new items. There are eighteen well-known brands that fall under this category, and the total value of all of them is 4,637 crore rupees. Both Nestle and Amul are engaged in a strongly competitive relationship with one another in the powders sector. The pizzas produced by Godrej Pillsbury and GCMMF, as well as the ice cream softies, chapattis, and ready-to-eat rice produced by HLL, are all instances of inventions that have been made in the kitchen. In spite of the fact that the market for personal care products has been expanding at a modest pace, this industry appears to be picking up speed. The largest food firm in India is Amul, which has a prominent position. Their products make extensive use of a wide variety of ingredients, including but not limited to ice cream, curd, milk, butter, cheese, and more. Britannia has supplied a wide array of cookies that are priced to accommodate a variety of budgets, making them the unrivaled in the industry. In terms of fast-moving consumer goods, this particular brand is among the top 100. Godrej and Reckitt, two of the most powerful companies in the sector, find their home in the home care market. Goodknight, which is manufactured by Godrej, is valued at more than 217 crore rupees, while Mortein, which is manufactured by Reckitt, is valued at more than 149 crore rupees. Only Sunsilk and HLL's Clinic are among the shampoos manufactured by Procter & Gamble that make it into the top 100, despite the fact that Pantene and Head & Shoulders are also included in the lineup of products. When contrasted with Sunsilk, Clinic is almost completely twice as large. One of the top five companies in India that deals in

fast-moving consumer goods is Dabur, which is also a well-known herbal treatment supplier. Dabur Amla, Dabur Chyawanprash, Vatika, Hajmola, and genuine were the five brands that contributed to Dabur's revenue of 19 billion rupees (about approximately \$420 million) in 2005 and 2006. The Indian subcontinent is one of the numerous regions throughout the world in which Asian Paints has a significant presence besides other regions. Chinese paint manufacturer Asian Paints easily controls the Indian paint production sector with annual sales of over 513 million US dollars. Chinese paint manufacturer Asian Paints was recognized by Forbes Global, an American newspaper, as one of the top 200 small firms in the world.

Cadbury, our company, is the India is the undisputed leader in the chocolate confectionery business and the world's number two food and drink manufacturer overall. Indian chocolate confectionery accounts for 70 percent of the market share. It is possible to purchase well-known brands such as Cadbury's Dairy Milk, 5 Star, Eclair, and Gem at that location. About Rs.15.6 billion, which is equivalent to \$380 million Marico is the most respectable brand name in the Indian consumer goods and services industry all over the world, particularly when it comes to matters of health and beauty.

Due to the fact that this country has an unusually low per capita consumption rate in comparison to other countries across the world, it presents a significant opportunity for expansion for companies that deal in fast-moving consumer goods (FMCG). It is possible that a significant rise in demand and prospects will result from the success of these companies in changing the perceptions of consumers and presenting items that belong to the next generation. Due to the fact that consumers have access to generic alternatives, branded products attract a higher price than their generic counterparts.

Opportunities for Growth in the Future

In light of the fact that 12.2% of the world's population resides in rural regions, the market for fast-moving consumer goods (FMCG) in rural areas in India is immense. As a result of greater investments in agriculture, rural incomes will improve, which will be beneficial to the expansion plans of enterprises that deal in fast-moving consumer items. If they were to invest money in improving their infrastructure, they might be able to improve the efficiency of their supply chain. In the event that there is an increase in consumer demand, the industry of fast-moving consumer products ought to do well. There is a significant amount of room for expansion for companies that deal in fast-moving consumer goods (FMCG) in this country. This is due to the fact that virtually every product has a low consumption capacity per individual. The bottom line is that if companies are able to convince customers to purchase more products of the next generation and name brands, they will have a better chance of enjoying rapid growth in the not in the distant future. An rise in rural revenue is expected to occur in 2007, which will result in an increase in the amount of discretionary income available to people of rural areas. Nevertheless, in the end, the demand in metropolitan areas will be the primary element that drives expansion.

REVIEW OF LITERATURE

It is possible that sales of fast-moving consumer goods (FMCG) in rural areas could be highly lucrative. It is possible that the rural sector would be the place where fast-moving consumer goods (FMCG) will find their future success. According to BasuPurba (2004), consumers in rural areas are making changes to their way of life. Recently, the majority of fast-moving consumer goods (FMCG) companies have embraced the rural Indian market and marketing strategies as their own form of jargon. After that, he went on to detail the techniques that were utilized by HUL and Marico, amongst others, as well as Titan's Sonata watches, Coco-Cola's 200 ml container, and a great deal of other fast-moving consumer goods businesses in their efforts to penetrate rural areas. An idea that comes to his mind is the research that is carried out by the National Council for Applied Economic Research (NCAER). According to the National Centre for American Economic Research, the number of rural households with incomes that are considered to be middle-class or higher would have increased from 140 million in 2007 to 190 million in 2007. It is anticipated that the urban population of India will increase by between 65 and 79 million. As a consequence of this, the size of India's rural areas is at least twice as huge as the size of its metropolitan cities. However, according to TognattaPradeep (2003), the agricultural sector of India's gross domestic product (GDP) climbed by approximately 10%, whereas the industrial sector of India's GDP increased by just a marginal 8.5% previous year. This is an excellent opportunity for the marketer to capitalize on the growing demand for their product or service. In order to make an impression in rural areas, it is vital to have certain qualities, such as a dependable distribution network, understanding of the market, and a mindset that is suitable for a hamlet. A solid Anglo-Dutch multinational known as Unilever Group, whose Hindustan Lever Ltd. affiliate has been successful in India for more than a century, serves as the foundation around which the plan is constructed. In the past few years, Hindustan Lever has been credited with popularizing the concept of offering its products in tiny packages. People living in more distant areas of India have a strong need for the shampoo and

detergent packs. The Tiger brand of inexpensive biscuits, which is manufactured by Britannia, is an example of rural marketing that has been successful.

It has been said by Aithal, K. Rajesh (2004) that the rural market is enormous and expanding continually. This includes the field of telecommunications, among others. The high rivalry in this market is a result of the market's distinctive characteristics, which include a small and dispersed population with a limited amount of discretionary income. By integrating the 4 A's model, which stands for availability, affordability, acceptability, and awareness, with marketing strategies from the Bottom of the Pyramid, it is possible that we will be able to overcome the difficulties that are associated with advertising telecom services in rural areas. Both Smart Communications Inc. and another company have successfully fixed this issue to the satisfaction of all parties involved. Both in the Philippines and in Bangladesh, where the Grameen Phone is used.

What truly catches my interest about this study is the fact that it focuses on the numerous fast-moving consumer goods (FMCG) that customers in rural areas purchase and use.

RESEARCH METHODOLOGY

Sample unit:

1. working people (including men & women)
2. college students
3. school students
4. senior citizens

Sample size: 100

Sampling region:

The researcher is concentrating their efforts on Greater Noida, which is located in the state of Uttar Pradesh.

Research has been conducted on a variety of subjects, including Knowledge Park —II and III, Alpha —I and II, and Gamma — I. Wherever you travel, you will undoubtedly come across people of working age, including men and women, students in high school and college, and even some people who are retired.

Area	Population
Greater Noida	1,07,676

Source: Greater Noida Development Authority

Note: There searcher took this area because this area has various schools & institutes.

Sampling procedure:

The researcher will take **convenience sampling** as the sampling procedure.

LIMITATIONS

When it comes to the fast-moving consumer goods (FMCG) industry, which is one of the largest in the world (sometimes referred to as "CPG"), there are numerous promising employment options available:

Companies that deal in fast-moving consumer goods (FMCG) are responsible for the creation of brands that are well-known all over the world. The world of fast-moving consumer goods (FMCG) revolves around those brands that are so pervasive that everyone recognizes them from commercials and shelves in supermarkets. In this industry, the most well-known and well-liked companies are the ones that consistently hold the most prominent positions. Some of the first brands that come to mind are Coca-Cola, Dove, and Dettol instantly. Working in this profession comes with a number of benefits, one of which is performing door-to-door visits in people's bathrooms and kitchens.

The companies that operate in the field of fast-moving consumer goods are well-known for their capacity for rapid and uninterrupted innovation. It is possible that the world of fast-moving consumer products is something that is always exciting. It seems as though everything is occurring at a breakneck speed, from new inventions and advertising to products that are flying off the shelves. And even more than that, however. At the same time, the brands are undergoing alteration. Forty percent of the brands that were among the top 100 Twenty years ago have been replaced by new names. This is a significant change.

Companies operating in the fast-moving consumer products industry who are having success are putting a strong emphasis on retaining both their customers and their employees. Employees' financial investments are highly valued in the fast-moving consumer goods industry. One possible explanation is that we place a great value on loyalty. A company's financial success or failure is directly proportional to the level of consumer devotion. As an illustration, take Twining as an example; they were in the top 100 brands a century ago, and they are still doing very well today. Shops that sell fast-moving consumer goods (FMCG) may consider doing the same for their staff members.

When the economy is in a slump, businesses that create consumer goods that are purchased quickly are in a strong position to survive. Evidence that the sector as a whole is resilient can be seen in the fact that the majority of enterprises operating within this sector have fared better than others during the duration of the financial crisis. How come? On the other hand, the products that are manufactured by companies that specialize in fast-moving consumer goods (FMCG) will remain fashionable always. It is possible that customers will reduce their spending on large purchases such as automobiles and refrigerators during a recession; yet, they will still require essential items such as cleaning supplies, pain medications, and laundry detergent.

Conclusions

This research indicates that HUL controls a sizable portion of the fast-moving consumer goods (FMCG) market. Soap, detergent, shampoo, and lotion are just a few of its wildly popular items. Customer demand for HUL products is high in part because of the company's extensive packaging possibilities. It is considered that clients in more remote places would not have a lot of extra cash lying around to buy these things. Consequently, they choose the smaller or medium packs. However, a small percentage of consumers—often those from wealthier backgrounds—do choose

for bigger or family packs.

Tata Sons owns a significant stake in TEA. Nestle and Nescaffe own the lion's share of the coffee industry. Its lengthy history and strong brand reputation make TATA the preferred choice of rural customers. As a result, consumers become loyal to the brand. Because they are loyal to their preferred brands, consumers in this category seldom switch brands. People have a preference for one brand over another because of this. These companies give a variety of packaging alternatives for their products, so customers may choose one that fits their budget.

Britain, like Biscuits, controls the lion's share of the market. Britannia has a strong reputation and a long history of serving rural areas, making those customers more loyal to the brand. Because they are nervous about trying new tastes, BISCUITS customers remain loyal to the brand. People have a preference for one brand over another because of this. These companies give a variety of packaging alternatives for their products, so customers may choose one that fits their budget.

In the world of TOOTH PASTES, COLGATE PALMOLIVE stands head and shoulders above the competition. People are very loyal to brands that cater to their demands since they care much about the ingredients in the items they use. This product comes in several packages, so customers in remote places may pick according to their budget.

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