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A STUDY ON THE IMPACT OF COVID-19 PANDEMIC ON BRAND PREFERENCE IN PURCHASING DECISIONS TOWARDS SELECTED FMCG

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ABSTRACT

The uncontrolled spread of COVID-19 pandemic has surpassed all the expectations. Nations closed their boarders; the economy is going into recession and the whole world is suffering from the emerged pandemic. Although the effects of the pandemic economically and socially can be measured and estimated, though the changes in the buying behaviour of customers is not easily predicted. As fast-moving consumable goods (FMCG) demand went up and supply went down causing panic hoarding by some of the consumers. It became interesting for the researchers to explore the impact of the COVID-19 pandemic on consumer behaviour. As a result, the main purpose of this project is to know the impact of Covid-19 pandemic on brand preference in purchasing decisions towards selected fast moving consumable goods. The secondary objective is to broaden the scope of consumer behaviour as a field by adding a complementary empirical perspective to the current literature on how a pandemic affects brand preference in purchasing behaviour, since it is a topic lacking in empirical research.

The research methodology adopted for this study is descriptive. A descriptive study is undertaken in order to ascertain and be able to describe the characteristic of the variable of interest in a situation. As far as the data is concerned structured undisguised questionnaire was used to collect primary data. The sampling technique involved in this research is random sample and the questionnaire are distributed through google form.

1.1 INTRODUCTION

The uncontrolled spread of the COVID-19 pandemic has surpassed all the expectations. It was only on March 11th that the world health organization declared the diseases as a pandemic ―A pandemic is the worldwide spread of a new disease (WHO, 2010, p. 1). The covid-19 pandemic and the resulting lockdowns have caused significant for people, communities, brands, and businesses. Day to day life of the people around the world has changed in a way that would have been unthinkable a few weeks ago. But as a consumer facing organizations try to find a way through the covid-19 pandemic. It is important to keep in mind that the global consumer was already involving at great speed. That process is now playing out faster than anyone imagined (Roger,K, & Cosgrove 2020) consumer optimism in India has declined as the covid-19 crisis has progressed.

As restriction begin to lift, consumers continue to be worried about personal and family safety. They expect to continue cutting back on spending across most categories, except for some household essentials and at home entertainment, and plan to shop more online for most categories. While at home, they have increasingly adopted digital and low touch activities such as online streaming and digital payments, many of which they intend to continue post covid-19 (www.mckinsey.com)

Considering the above situation, retailers and marketers are also struggling to find various ways to run their business somehow by fulfilling the needs and wants of consumers by understanding their purchase behaviour (either from online or physical mode) during the Covid-19 pandemic.

1.4 OBJECTIVES OF THE STUDY

PRIMARY OBJECTIVE OF THE STUDY:

- The main objective of this study is to understand the impact of the covid-19 pandemic on brand preference in purchasing decision.

SECONDARY OBJECTIVES:

- To broaden the scope of consumer behavior as a field by adding a complementary empirical perspective on how a pandemic affects brand preference in purchasing behavior, since it is a topic lacking in empirical research.
- To understand the decision-making criteria of consumers while purchasing low involvement products.
- To understand the recent trends in the consumer behavior in India, amidst Covid-19 pandemic.
- To understand how Covid-19 affects consumer purchase behaviour towards selected FMCG

1.5 LIMITATIONS OF THE STUDY

- The study is limited to Chennai city due to the limitation of time
- The study was conducted under the assumption that the information given by the respondents is authentic.
- The questionnaires are distributed through google form so the sample are collected only people having access to internet connectivity

3.4 SOURSE OF DATA

3.4.1 PRIMARY DATA

Information obtained from the original source by research is called primary data. They offer much greater accuracy and reliability. The data was collected from the respondents through the questionnaire.

3.4.2SECONDARY DATA

It means that data are already available. It refers to the data that are collected and analysed by someone else. The data was collected from the websites and journals.

3.5 STRUCTURE OF QUESTIONNAIRE

In this study, the primary data is collected through questionnaire from the respondents directly and online form. A questionnaire consists of a number of questions printed or typed in a definite order on a form. Here, open ended and close ended questions; rank order and rating scale are used in the questionnaire.

4.1 PERCENTAGE ANALYSIS:

TABLE 4.1.1 GENDER PROPORTION OF RESPONDENTS

GENDER	RESPONDENTS	PERCENTAGE
MALE	62	51.7%

FEMALE	58	48.3%
OTHER	0	0%
TOTAL	120	100

INTERPRETATION: From the above Table it was noted that 51.7% of the respondents fall in to the category of Male and 48.3% of the respondents fall into the category of Female. **INFERENCE:**Majority (51.7%) of the respondents are Male

CHART NO 4.1 SHOWING THE GENDER OF THE RESPONDENTS

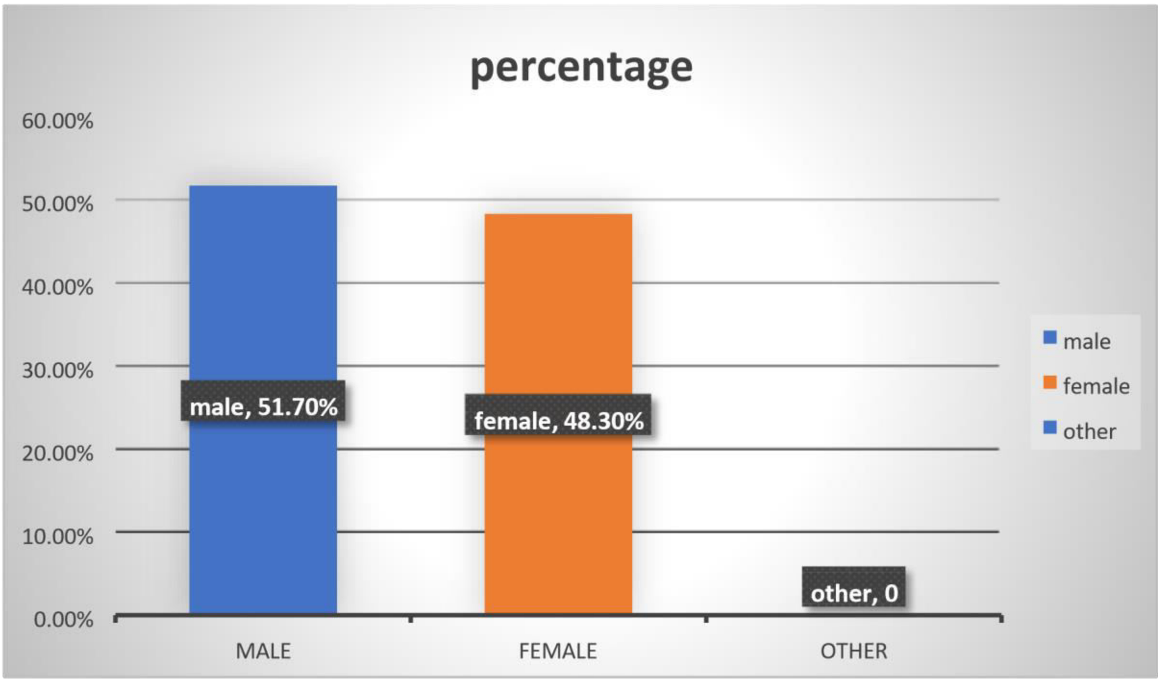


TABLE NO.4.6 PREFERENCE FOR SHOPPING FOR PURCHASING FMCG

	No. Of Respondents	**Percentage**
Departmental Store	33	27.5%
Super Market	32	26.7%
Convenient Store	51	42.5%
Kirana Store	3	2.5%
Online Store	38	31.7%
TOTAL	**120**	**100**

INTERPRETATION: The above table show that 27.5% of respondents prefer shopping for purchasing of FMCG in departmental store, 26.7% prefer super market, 42.5% prefer convenient store, 2.5% prefer kirana store and the remaining respondents prefer online store.

INFERENCE: It is inferred that majority that is 42.5% preferred convenient store for purchasing of FMCG.

CHART NO.4.5 SHOWING PREFERENCE OF PURCHASING FMCG PRODUCT

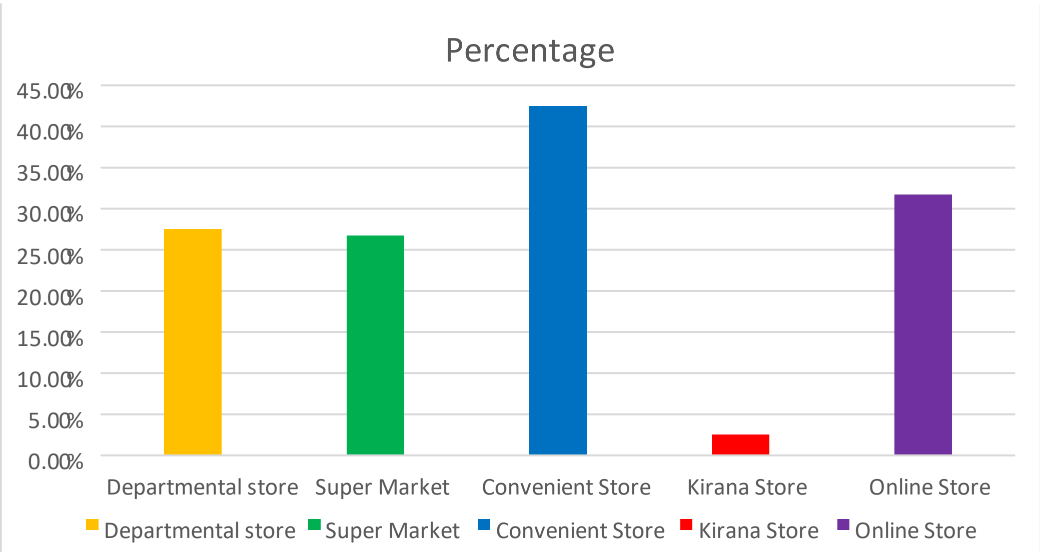


TABLE NO.4.10 SHOWING THE REASON FOR MAKING THE PURCHASE IN THE PREFER STORE

REASON	NO. OF RESPONDENT	PERCENTAGE
Discount	29	24.2%
Variety	55	45.8%
Service	25	20.8%
Proximity	7	5.8%
Ambience	4	3.3%
TOTAL	**120**	**100**

INTERPRETATION: From the above table it shows that the majority (45.8%) purchase in the prefer store because of variety available in the store. 24.2% of respondent purchase because of discount, 20.8% purchase because of service rendered. 5.8% purchase because of proximity and 3.3% because of the ambience of the store.

INFERENCE: It is inferred that majority of the respondents that is 45.8% purchase in the prefer store because of variety.

CHART NO.4.9 SHOWING THE REASON FOR MAKING THE PURCHASE IN THE PREFER STORE

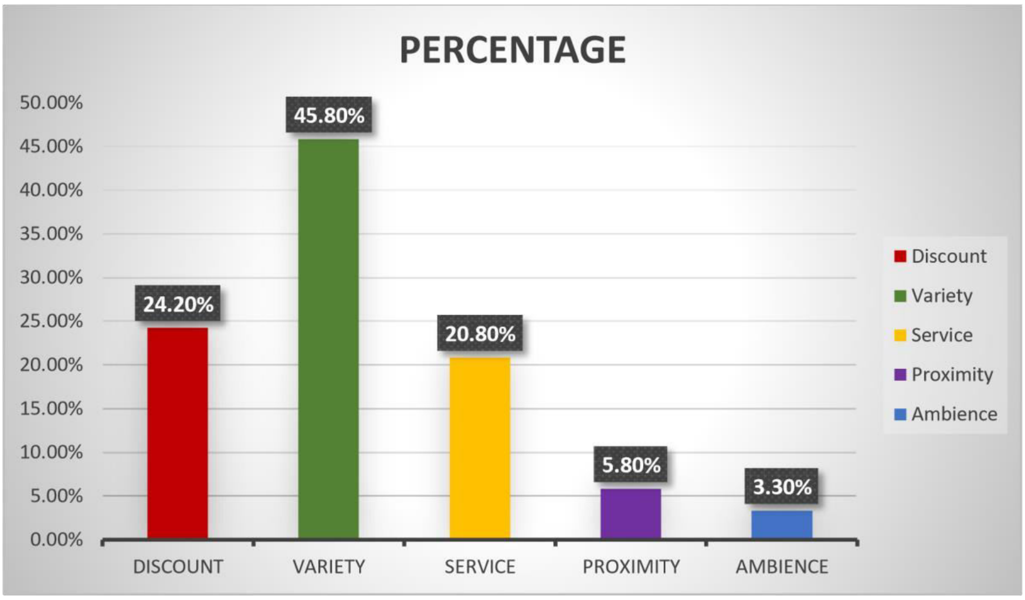


TABLE NO. 4.11 SHOWING THE IMPORTANCE OF PRICE OF FMCG DURING THE COVID-19 PANDEMIC

	No. Of Respondent	Percentage
Extremely Important	35	29.2%
Very Important	54	45%
Moderately Important	21	17.5%
Slightly Important	7	5.8%
Not at all Important	3	2.5%
Total	120	100

INTERPRETATION: From the table it shows that 29.2% of the respondents felt that the price of the FMCG is extremely important during the Covid-19 pandemic. 45% of respondents falls under very important, 17.5% of respondents are fall under moderately important, 7 respondents that is 5.8% are in slightly important category and 2.5% are in not at all important category.

INFERENCE: It is inferred that majority of the respondents that is 45% shows that the price of the FMCG during the pandemic are very important.

CHART NO.4.11 SHOWING THE IMPORTANCE OF PRICE OF FMCG DURING THE COVD-19 PANDEMIC

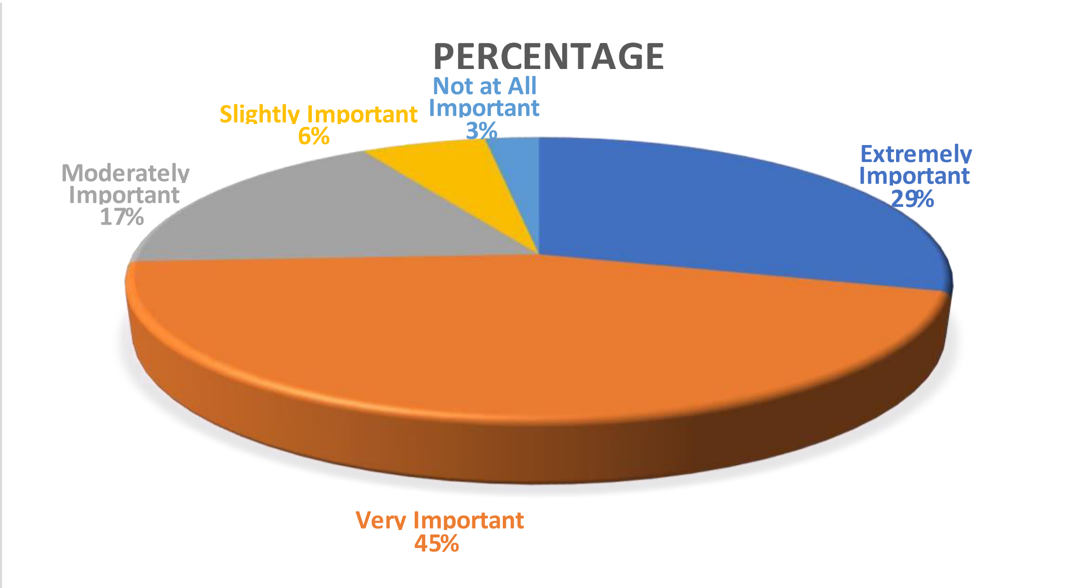


TABLE NO 4.12 SHOWING WHICH SCHEMES THE RESPONDENTS ARE LOOKING FOR.

SCHEMES	NO. OF RESPONDENTS	PERCENTAGE
Coupon	8	13.6%
Extra Quality	13	22.04%
Price Off	31	52.54%
Scratch Card	2	3.4%
Bundling Offer	5	8.5%
TOTAL	**59**	**100**

INTERPRETATION:

From the table above, among the respondents looking for schemes are 59. Out of the 59 respondents 52.54% are looking for price off scheme. 13.6% are looking for coupon, 22.04% are looking for extra quality,3.5% are looking for scratch card and the remaining 8.5% are looking for bundling offer.

INFERENCE:

It is inferred that majority of the respondents are looking for price off scheme in FMCG during the pandemic.

TABLE NO.4.13 SHOW SWITCHING OF BRAND PREFERENCE IF THERE IS SOME PROMOTIONAL SCHEME WITH ANOTHER BRAND

SWITCH BRAND	YES	NO	TOTAL
NO. OF RESPONDENT	77	43	**120**
PERCENTAGE	64.2%	35.8%	**100**

INTERPRETATION: The above table shows that 64.2% of respondents are willing to switch their brand preference if there is some promotional scheme with another brand and 35.8% are not switching brand.

INFERENCE: Majority of the respondents (64.2%) are willing to switch brand if there are some promotional schemes with another brand.

CHART NO.4.13 SHOW SWITCHING OF BRAND PREFERENCE IF THERE IS SOME PROMOTIONAL SCHEME WITH ANOTHER BRAND

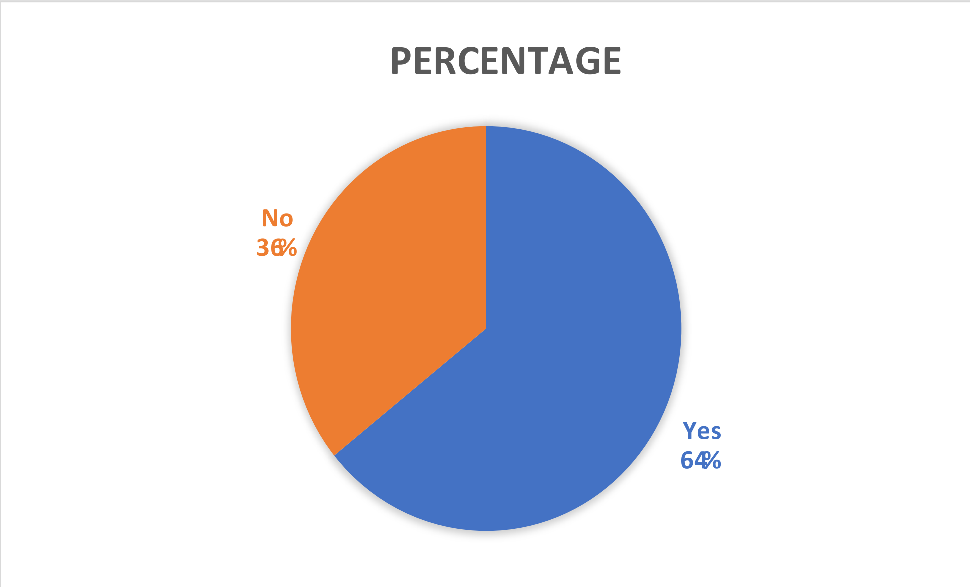


TABLE NO.4.14 CLASSIFICATION OF RESPONDENTS WHY THEY ARE WILLING TO CHANGE BRAND PREFERENCE.

REASON	NO. OF RESPONDENT	PERCENTAGE
Cost	14	11.7%
Quality	44	36.7%
Satisfaction	49	40.8%
More Benefit	9	7.5%
Seasonal	4	3.3%
TOTAL	**120**	**100**

INTERPRETATION: From the above table 11.7% of respondents wish to change brand preference because of cost, 36.7% fall under the reason of quality, 40.8% will change because of satisfaction given by the band. 7.5% of respondents will change because of more benefits and 3.3% because of seasonal.
INFERENCE: It is inferred that 40.8% of respondent will change because of the satisfaction.

CHART NO.4.14 CLASSIFICATION OF RESPONDENTS WHY THEY ARE WILLING TO CHANGE BRAND PREFERENCE.

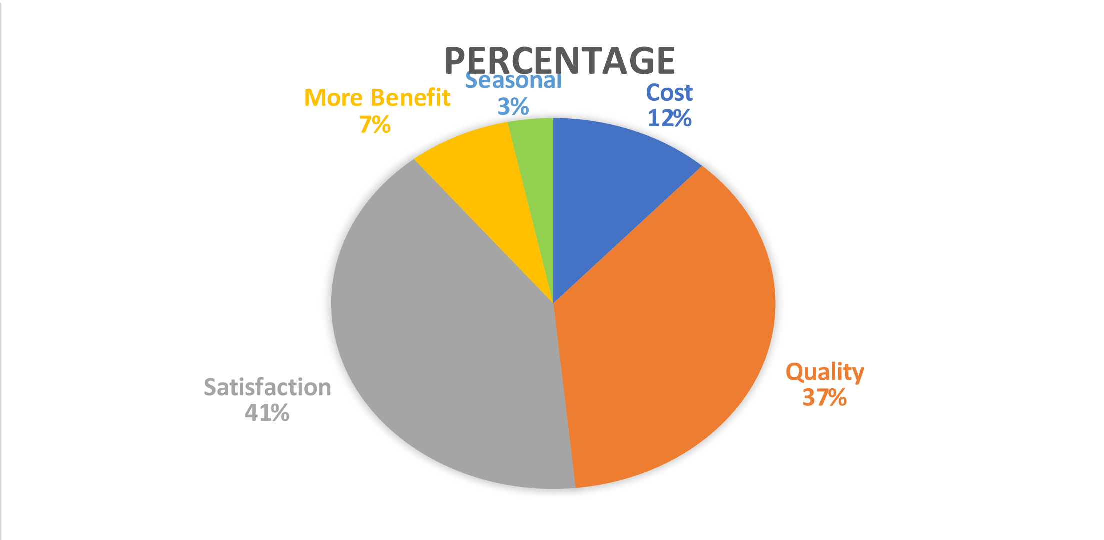


TABLE NO.4.15 SHOWING WHO INFLUENCE THE PREFERENCE FOR BRAND

INFLUENCER	NO. OF RESPONDENT	PERCENTAGE
FAMILY	21	17.5%
FRIEND	26	21.7%
ADVERTISEMENT	20	16.7%
SELF	53	44.2%
TOTAL	**120**	**100**

INTERPRETATION: The above table show that 17.5% of respondents are influence by the family , 21.7% are influence by friend, 16.7% are influence by an advertisement and 44.2% are influence by themselves

INFERENCE: It is inferred that majority (44.2%) are influence by themselves for brand preference

CHART NO 4.15 SHOWING WHO INFLUENCE THE PREFERENCE FOR BRAND

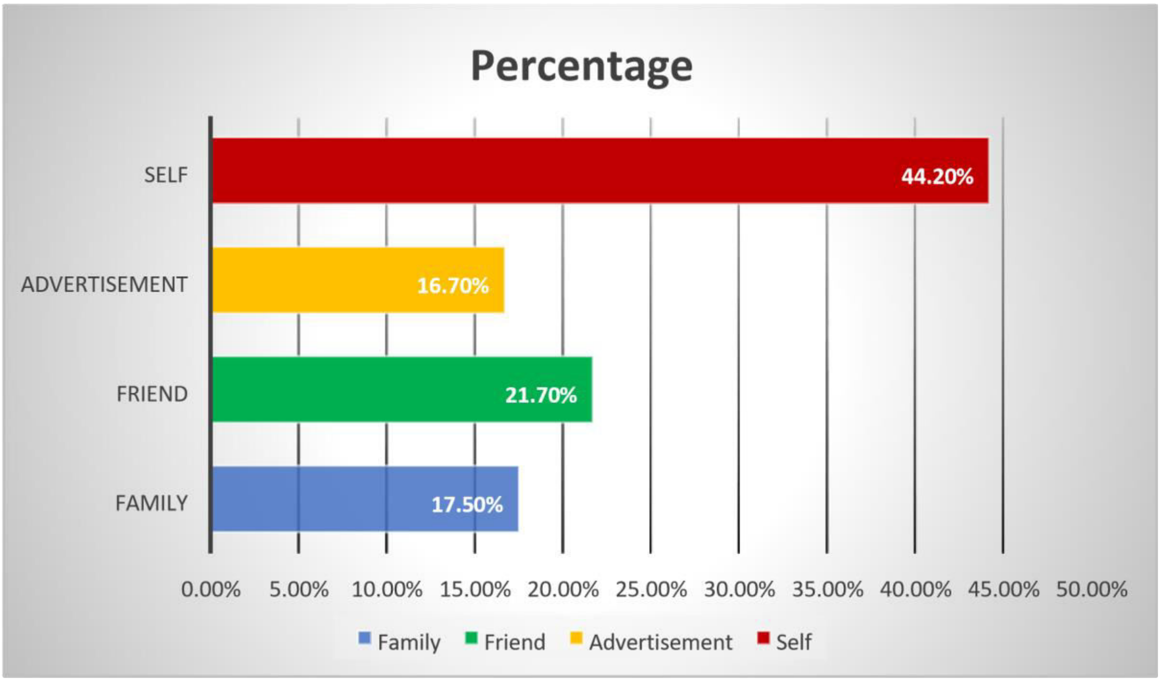


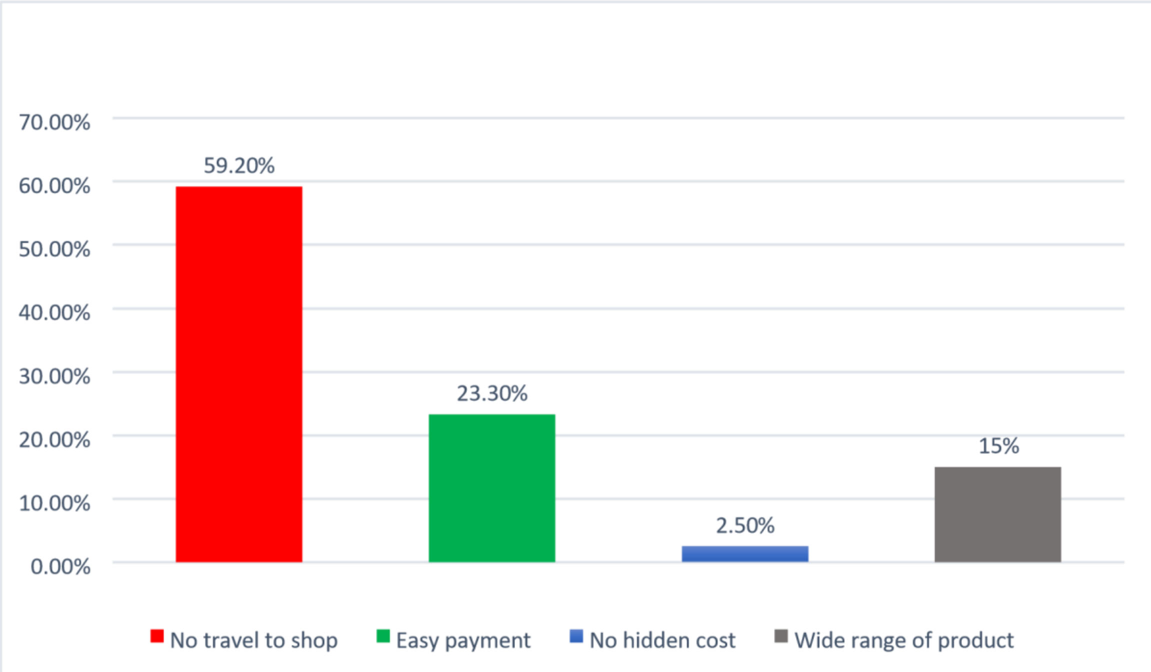
TABLE NO.4.18 SHOWING WHAT MOTIVATES TO BUY ONLINE DURING THE COVID-19 PANDEMIC

ATTRIBUTES	NO. OF RESPONDENT	PERCENTAGE
No Travel to Shop	71	59.2%
Easy Payment	28	23.3%
No Hidden Cost	3	2.5%
Wide Range of Product	18	15.%
TOTAL	**120**	**100**

INTERPRETATION: The above table show that 59.2% of respondents are buying online because of no travel to shop. 23.3% of respondent buy online because of easy payment. 2.5% because of no hidden cost and 15% because of wide range of product.

INFERENCE: It is inferred that majority (59.2%) of respondent buy online because of no travel to shop during the covid-19 pandemic.

CHART NO4.18 SHOWING WHAT MOTIVATES TO BUY ONLINE DURING THE COVID-19 PANDEMIC



5.1 RESEARCH FINDINGS:

- The project revealed that 51.7% of the respondents are male.
- The project revealed that 54.2% of the respondents are Students and 39.2% of the respondents are Salaried Employees. This could be because most of the Students and Salaried Employees have an access to internet where the questionnaire is collected through google form.
- This project revealed that 36.7% of respondent's monthly income is up to R.S 5,000.The reason behind this is majority of the respondents are students.
- The study revealed that 27.5% of the respondents are extremely familiar with the Covid-19 pandemic. 35% of respondents are very familiar, 20.8% of respondent are moderately familiar, 9 respondents that is 7.5% are slightly familiar and 9.2% are not at all familiar.
- Most of the respondents are more or less affected by the Covid-19 pandemic.

25.8% of the respondents are extremely affected by the Covid-19 pandemic. 31.7% of respondents are very affected, 25% of respondent are moderately affected, 14 respondents that is 11.7% are slightly affected and 5.8% are not at all affected

- This project show that 27.5% of respondents prefer shopping for purchasing of FMCG in departmental store, 26.7% prefer super market, 42.5% prefer convenient store, 2.5% prefer kirana store and the remaining respondents prefer online store

- It revealed that out of 120 respondents 57 of them always buy food. The majority that is 60 respondents often buy toiletries and 47 of the respondents sometime buy toiletries. In beverages product 49 respondents buy sometimes also 44 respondents buy often.

5.2 SUGGESTIONS

- From the study it clearly revealed that the Covid-19 pandemic did not directly affect their price sensitivity in the context of brand preferences for FMCG.

  However, there were a result of changes in demand and preferences.
- The customers are ready to switch their brand preference if there is scheme available in other brand so, the FMCG companies should aware of this to retain the existing customers.
- Most of the customer are looking for price off schemes during the pandemic so the FMCG companies can come up with more varieties and pricing strategy.
- There is no impact of Covid-19 pandemic in brand preference unless the quality of the product change. Therefore, the quality of the product should not compromise.

5.3 CONCLUSION

This article was a study conducted to know about the impact of Covid-19 pandemic in brand preference in purchasing decisions toward selected FMCG.

From the study it is clear that there is no impact of Covid-19 pandemic in brand preference in purchasing decision. However, there is changes in demand. The most influencing factor that affects the buying decision of the consumers is still the price, followed by quality and then easy availability. People still consider price as the most important factor during the pandemic.

Another finding is that most of the consumers purchase online during the pandemic for the reason of no travel to shop. Many customers want to shop for FMCG in convenient store, Kirana store is the least preferred by the consumers.

The FMCG companies have a wide portfolio of products. Consumer goods are those goods that are used widely by the consumers in their day to day life. So a major task is to make these products available to the consumers.