



A STUDY ON CONSUMERS BUYING BEHAVIOUR TOWARDS FMCG PRODUCTS WITH REFERENCE TO RANCHI DISTRICT

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ABSTRACT

This study underscores the significance of consumer preferences in shaping purchasing behaviors within the fast-moving consumer goods (FMCG) sector, particularly concerning selected brands. It assesses the varying degrees of influence exerted by different factors on FMCG product purchases among respondents. Branding in the FMCG realm has become inseparable from consumers' daily lives, with an abundance of brands encountered regularly. The research delineates the key variables of branding, quality, and the traditional marketing mix (the 4Ps: pricing, packaging, promotion, and product purity). Results indicate that consumer choices primarily hinge on branding and product quality, with other variables holding lesser sway. Notably, FMCG products are pervasive across all strata of society, including rural consumers who allocate a significant portion of their income to branded goods across various categories. Consumers tend to mitigate risk by gravitating towards familiar brands, often influenced by advertising. Furthermore, the study suggests that consumers form behavioral and attitudinal inclinations towards FMCG brands, even if they exhibit low involvement in certain products. Despite facing criticism, the study effectively instills brand value perceptions among consumers, enhancing the appeal and recognition of FMCG products.

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

Introduction

Fast Moving Consumer Goods (FMCG) refer to everyday products consumed frequently by individuals, typically characterized by rapid turnover and low cost. This sector, a cornerstone of the Indian economy, encompasses a wide array of items such as packaged foods, toiletries, detergents, and household accessories, as well as some electronic goods. These products are integral to daily life and are known for their high demand and quick turnover.

India's FMCG industry holds immense potential for growth due to its relatively low per capita consumption compared to developed nations. Manufacturing of FMCG goods is primarily concentrated in the western and southern regions of the country, although there are other manufacturing hubs scattered throughout. Referred to interchangeably as Consumer Packaged Goods, FMCG markets experience high concentration in urban and rural areas, fueled by the rising income levels of the middle-income demographic.

Packaging plays a crucial role in FMCG marketing strategies, serving both functional and promotional purposes. Effective packaging enhances product protection, facilitates efficient



distribution, and conveys essential information to consumers, thus influencing purchasing decisions. Despite the narrow profit margins associated with FMCG products, their high volume sales translate to substantial cumulative profits, making FMCG a prime example of a low-margin, high-volume business model.

In summary, the FMCG sector in India holds significant promise for growth, driven by factors such as rising income levels, increasing consumer demand, and effective marketing strategies centered around packaging and affordability.

List of Top 10 FMCG Companies in India

- 1. Hindustan Unilever Limited (HUL)**
- 2. Dabur India Ltd.**
- 3. ITC Ltd.**
- 4. Britannia**
- 5. Godrej Consumer Products Limited (GCPL)**
- 6. Parle-Agro**
- 7. Amul**
- 8. Pidilite**
- 9. Patanjali**
- 10. Haldiram's**

Objectives of the Study

1. To know the profile of the FMCG products
2. To know the brand awareness of the consumers
3. To find out the level of preference among FMCG products

Review of Literature

In **Deliya's (2012)** study, the focus was on exploring the role of packaging design as a means of communication for packaged FMCG goods. The research methodology employed focus groups to delve into consumer attitudes and behaviors surrounding such products. The primary challenge for researchers lies in incorporating packaging as a crucial component within a comprehensive purchasing decision framework, necessitating a deeper understanding of consumer responses to FMCG packaging. When consumers engage in information gathering during in-store shopping experiences, product packaging serves as a repository of pertinent and valuable information. Positioned at the culmination of the promotional process, packaging is closely linked in time to the actual purchase, thus potentially exerting a significant influence on consumer decisions. Beyond mere containment, product packages fulfill a multifaceted role by providing brand identification, essential label information including usage instructions, contents, ingredient lists, usage warnings, and care directives for the product.

Tauseef (2011) sought to identify the factors influencing impulsive purchasing behavior among customers in the FMCG sector, focusing on the retail market in India. The study examines the effects of various factors contributing to impulse buying, such as sales and



promotions, product placement, window displays, and pricing strategies. A theoretical model was constructed to guide the research on consumer impulsive buying behavior, based on which the investigation was conducted. Primary data for the study were collected through structured questionnaires administered on a Likert scale in shopping malls, handloom stores, and markets in the Jodhpur region. Data analysis was performed using the SPSS software, employing Factor Analysis as the statistical method. The findings reveal a rising trend in impulsive buying, attributed primarily to increasing individual incomes and a growing inclination toward Western cultural norms in attire and dietary habits. This surge in purchasing power is further fueled by the pricing strategies of retail establishments and year-round festive offers.

Sulekha and Kiran (2013) concluded that with over 72% of India's population residing in rural areas, FMCG companies primarily targeting middle-class households find rural India to be a lucrative and promising market. This suggests a growing potential for FMCG producers to tap into rural markets. As rural consumers' incomes rise, there is an increasing willingness to invest in products that enhance their quality of life. To effectively penetrate these markets, FMCG producers must devise tailored marketing strategies specifically designed for rural consumers. Understanding the intricacies of rural consumer buying behavior, which can vary significantly across geographical regions, is crucial in this endeavor. The study at hand focuses on comprehending the purchasing habits of rural consumers for FMCG products in Haryana. It highlights the various factors that influence the buying decisions of rural consumers, with a specific focus on four districts within Haryana: Panipat, Jind, Kurukshetra, and Gurgaon.

Research Methodology

As Consumer attitude Programmes have been improving day by day everywhere especially in this company, this topic is chosen, among consumer aspects, the Consumer attitude Programmes among FMCG products in Ranchi District. For this study Convince Sampling method was used. Both primary and secondary data were used.

Data Analysis

The statistical tools are used to analyze the primary data collected from the above primary data collected. This involves a lot of calculation and computations. The following analyses were used, namely *Frequency tables*, and *Friedman Rank test* were used to find the preferences of the FMCG products.

Limitations of the Study

Every study has some limitations due to the environment under which a research is to be done.

Similarly this study is also confined to some limitations as mentioned below:

1. Since the study was restricted to Ranchi with covering only major five areas only.
2. This study limited to the branded products of the FMCG.
3. The biased view of the respondent is another cause of the limitation.



Analysis and Discussion

Particulars		Frequency	Percent
<i>Gender</i>	Male	120	60
	Female	80	40
<i>Age</i>	Below 25	48	24
	25 – 35	38	19
	36 – 45	62	31
	46-55	36	18
	Above 55	24	12
<i>Education Qualification</i>	UG	86	43
	PG	44	22
	Diploma	30	15
	Other Qualification	40	20
<i>Occupation</i>	Agriculture	12	6
	Govt. Employee	44	22
	Pvt. Employee	50	25
	Professional	60	30
	Others	34	17
TOTAL		200	100.00

Source of Awareness

Particulars		Frequency	Percent
Source of Information	Newspaper	38	19
	T.V	64	32
	Radio	22	11



	Friends & Relatives	40	20
	Others	36	18
	Total	200	100.00

Satisfaction Level of Respondents

Overall Satisfaction	Frequency	Percent
Highly Satisfied	46	23
Satisfied	40	20
Neutral	54	27
Dissatisfied	36	18
Highly Dissatisfied	24	12
Total	200	100

Respondent's Preference of FMCG Products

Sl. No	FMCG Items	Mean Score	Rank
1	Face Powder	5.67	9
2	Shampoo	3.53	3
3	Hair oil	5.22	8
4	Tooth Paste	6.54	10
5	Soap	4.76	7
6	Chocolates	1.43	1
7	Cold Drinks	1.78	2
8	Noodles	2.86	4
9	Biscuits	4.16	6
10	Cleaners	3.21	5

Profile of the Respondents

1. Majority of the sample respondents i.e., 60% are male.
2. Nearly one-third of the sample respondents i.e., 31% are aged between 36-45 years.
3. 43 % of the sample respondents are qualified Under Graduates in their qualification.
4. 30% of the sample respondents are professionals in their Occupation.

Source of Awareness



1. 32 % of the sample respondents are getting awareness of consuming FMCG products through Television.

Satisfaction Level of the Consumer

1. 27% of the sample respondents are NEUTRALLY getting satisfied about the satisfaction level. Respondents Preference on FMCG Products
2. The top preferred FMCG items are founded through Friedman Rank Test. It can also be found that the high ranking FMCG item is “**Chocolates**”. Hence, the respondents have preferences through ‘Chocolates’, ‘Cool Drinks’, and ‘Shampoo’ as the first three choices on purchasing FMCG items.

Conclusion

The researcher's findings underscored the crucial role of customer acquisition and retention in the success of businesses. It is imperative for companies to prioritize offering their products at competitive prices while maintaining high quality and ensuring widespread availability across all outlets. This approach helps in both retaining existing customers and attracting new ones. Brand loyalty emerges as a potent tool for companies, providing them with a competitive edge in the marketplace. Within India's dynamic FMCG sector, the primary objective remains the fulfillment of consumer needs and desires, along with the effective targeting of markets. The researcher anticipates that the insights gleaned from this study will aid companies in refining their marketing strategies and enhancing their customer service efforts, thereby fostering better relationships with their clientele.

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