A Study on Perception and Satisfaction of Consumers with Regard to FMCG Products in Chennai City

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ABSTRACT

The fast-moving consumer goods (FMCG) industry makes a significant contribution to India's GDP expansion. The FMCG sector currently accounts for the fourth largest share of the Indian economy and employs about 3 million people. The FMCG industry in India has been expanding at a steady rate over the years due to given rising brand awareness, swelling youth population, and rising disposable money amongconsumers. The purpose of this research project is to examine consumer satisfaction with FMCG items. The study's initial goal is to examine the socioeconomic background of responders, examining what influences FMCG product purchases, assessing brand awareness, and FMCG brand recognition in relation to products and also this study shows that location, product pricing, and advertising, as well as social influence and market-wide factors, have a significant impact on consumer behaviour. However, these characteristics' effects vary from one product to another.

Keywords: FMCG, GDP, Product, Price, Place and Promotion

Introduction

India is rapidly rising to the top of the list of most desirable markets for multinational FMCG companies due to its low labour costs and easy access to imported raw materials. With over two thirds of the total revenues coming from urban consumers, this sector of the Indian FMCG market is the one that has contributed the most to growth. However, it is expected that by the end of 2021, the semi-urban and rural segments' proportion in the nation's FMCG sector would rise. The term "fast-moving consumer goods" (FMCG) refers to packaged goods that are bought or sold often and in small quantities. The prices of FMCG items are low, and profits are largely based on how many units of such items are sold. The FMCG industry can be broadly divided into four categories: personal care, household care, food, and beverages.The FMCG industry in India is the fourth-largest industry inthe economy, which had a market of USD56 billion overall in 2018. The industry is anticipated to expand at a CAGR.

The FMCG business in India has expanded quickly over the past ten years, primarily due to rising income levels and changing lifestyles of Indian consumers. By 2021, it is expected to grow by 22.3% to reach USD105.8 billion consumers.Fast-moving consumer goods are low-cost items that need to be moved quickly little effort spent buying.

These bundled non-durable goods are available for purchase. These goodsare regularly and in little quantities acquired by the final customer. The principal FMCG markets include categorized under personal care, home maintenance, and Branded and Packaged Food and Beverages.

Personal care

It includes products for oral health, hair care, skincare, personal hygiene (soaps), cosmetics, toiletries, deodorants, perfumes, paper goods (toiletries, diapers, sanitary products), and shoe care.

Home maintenance

It includes household cleaners such as dish/utensil cleansers, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellants, metal polish, and furniture polish, as well as fabric wash (laundry) soaps and synthetic detergents.

Branded and Packaged Food and Beverages

It includes branded flour, branded rice, branded sugar, branded juices, as well as health beverages, soft drinks, staples/cereals, bakery products (biscuits, bread, cakes), snack food, chocolates, ice cream, tea, and coffee. It also includes processed fruits, vegetables, and meat.

Statement of the problem

FMCG products have an impact on many facets of human existence. All segments of society regularly consume these things, and a sizeable percentage of their money is spent on them. In addition, the sector is a significant contributor to the Indian economy. Over the past few years, this industry has had tremendous growth; in fact, it saw growth even throughout the recession. Due to its inherent capacity and favourable environmental changes, the FMCG sector has a highly bright future. The researcher attempts to assess client attitudes in this study. In light of the foregoing, it is determined that study is required in the area of FMCG consumer behaviour in Chennai City.

Objective of the study

- ✓ To examine the socioeconomic profile of rural consumers and their purchasing behaviour.
- ✓ To determine the elements influencing the purchase of fast-moving consumer items.

Hypothesis

H0: “There is no significant relationship between factors influencing purchase decision of FMCG products and income level of customers”.

Research Methodology

The study's strategy is an exploratory research strategy. The survey was carried out in Chennai city. 150 respondents from Chennai city have been selected for the study's purposes.By adopting a convenience sampling approach and all responders were personally approached and given the questionnaire. Both primary and secondary data were employed in the investigation. Through a variety of periodicals, magazines, publications, and newspapers, secondary data were gathered. Simple Percentage Analysis, the "t" test, and the "f" test are the methods utilized to examine the data.

Data analysis and interpretation

Table – 01
Gender wise classification of the respondents

SI. No	Gender	No. ofRespondents	Percentage
1	Male	81	54 %
2	Female	69	46 %
	Total	**150**	**100**

Source: Primary Data

The above table01 shows the gender wise classification of the respondents. It is clearly observed from the table, 54 % of the respondents are male and 46 % of the respondents are female.It is concluded that majority (54 %) of the respondents are male.

Table – 02
Age group of the respondents

SI. No	Age(in years)	No. ofRespondents	Percentage
1	Below 30 years	90	60 %
2	31-40	45	30 %
3	41-50	03	2 %
4	Above 50 Years	12	8 %
	Total	**150**	**100**

Source: primary data

The above table 02 shows that the age wise classification of the respondents. It is clearly observed from the table, 60 % of the respondents are in the age group of below 30 years, 30 % of the respondents are in the age group of 31 to 40 years, 8 % of the respondents are in the age group of above 50 years and 2 % of the respondents are in the age group of 41 to 50 years.It is concluded that the majority of the respondents (60 %) are in the age group of below 30 years.

Table - 03
Marital status of the respondents

SI. No	Marital Status	No. ofRespondents	Percentage
1	Married	42	28 %
2	Unmarried	108	72 %
	Total	**150**	**100**

Source: Primary Data

The above table 03 exhibits that the marital status wise classification of the respondents. It is clearly observed from the table, 72% of the respondents are unmarried and 28 % of the respondents are married.It is concluded that 72 % of the respondents are unmarried.

Table – 04

Educational status of the respondents

SI. No	Educational	No. of Respondents	Percentage
1	Under Graduate	47	31.4 %
2	Post Graduate	53	35.4 %
3	Professional Degree	49	32.6 %
4	Others	01	0.6 %
	Total	**150**	**100**

Source: Primary Data.

`The above table 04 predicts the Educational status of the respondents. From the above table, it is inferred that 35.4 % of the respondents Educational status is Post Graduates, 32.6 % of the respondents Education status is Professional Degree, 31.4 % of the respondents Education status is Under Graduate, and 0.6 % of the respondents Education status is other category. It has been observed from the table that majority of the respondents (35.4 %) Education status is Post Graduates.

Table – 05

Place of residence of the respondents

SI. No	Residence	No. ofRespondents	Percentage
1	Urban	30	20 %
2	Rural	88	58.7 %
3	Semi-Urban	32	21.3 %
	Total	**150**	**100**

Source: Primary Data

The above table 05 clearly point out that residence wise classification of the respondents. It is observed from the table, 58.7 % of the respondents are living in rural areas, 21.3% of the respondents are living in Semi - Urban areas and 20 % of the respondents living in urban areas.It has been observed from the table that majority of the respondents (58.7 %) are living in rural areas.

Table – 06

Occupational of the respondents

SI. No	Occupation	No. of Respondents	Percentage
1	Govt. Employee	26	17.3 %
2	Private Employee	52	34.7 %
3	Businessmen	44	29.3 %
4	Student	28	18.7 %
	Total	**150**	**100**

Source: Primary Data.

In the above mentioned table06, it has been observed that Occupation wise classification of the respondents. From the above table, it is inferred that 34.7 % of the respondents are Private Employees, 29.3 % of the respondents are businessmen, 18.4 % of the respondents are students and 17.3 % of the respondents are Govt. employees. It has been observed from the table that majority of the respondents (34.7 %) are Private Employees.

Table – 07
Family income level per month

SI. No	Income	No. of Respondents	Percentage
1	Below Rs.10,000	52	34.7 %
2	Rs.10,001-Rs.20,000	49	32.7 %
3	Rs.20001-Rs.30,000	41	27.3 %
4	Rs.30,001 and above	08	5.3 %
	Total	**150**	**100**

Source: Primary Data.

The above table 07 exhibits the monthly income level of the respondents. It is clearly observed from the table, 34.7 % of the respondents monthly income is below Rs.10,000, 32.7 % of the respondents monthly income varies from Rs.10,001 to Rs 20,000, 27.3 % of the respondents monthly income varies from Rs.20,001 to Rs.30,000 and 5.3 % of the respondents family income varies from Rs. 30,001 and above. It is inferred from the above table that Majority of the respondent's (34.7 %) monthly income is below Rs.10,000.

Table- 08
Factors influencing purchase decision of FMCG products

S.No	Parameters	HS (5)	S (4)	A (3)	D (2)	HD (1)	Weighted Average	Rank
1	Products factors	2	13	13	83	39	20.4	4
		10	52	39	166	39		
2	Price factors	0	13	67	44	26	24.46	3
		0	52	201	88	26		
3	Place factors	39	24	34	33	20	31.93	1
		195	96	102	66	20		
4	Promotionfactors	33	21	27	42	27	29.4	2
		165	84	81	84	27		

Source: Primary Data

The table 08 it has been observed that, the factors of purchase decision of FMCG products was the best in place factor was 1st rank, promotion factor was 2nd rank, price factors was 3rd rank, and products factors was 4th rank.

Table - 09
Factors Influencing Purchase Decision of FMCG products and Income level of customers - ANOVA

Purchase influential factors	Income level	Sum of Squares	df	Mean Square	F	P value
Products factors	Between Groups	434.507	3	212.253	18.272	.000
	Within groups	343.867	146	2.507		
	Total	778.373	149			

Pricefactors	Between Groups	723.528	2	372.295	13.559	.001
	Within groups	1576.618	147	10.975		
	Total	2300.146	149			
Place factors	Between Groups	219.960	2	143.557	7.880	.001
	Within groups	2751.487	147	17.562		
	Total	2971.447	149			
Promotion factors	Between Groups	171.366	2	86.397	2.501	.085
	Within groups	4890.253	147	34.672		
	Total	5061.619	149			

.Source: Computed data

The above table 09 shows the results of ANOVA based on factors influencing purchase decision ofFMCG products among different income level of customers. Since the 'p' value of factors influencing purchasedecision of FMCG products namely products factors, price factors and place factors are less than 0.05, thenull hypothesis is rejected. Therefore it may be concluded that income level wise there is a significant differencein factors influencing purchase decision of FMCG products namely products factors, price factors and placefactors.

Findings

- ❖ 54 % of the respondents are Male and 46 % of the respondents are Female
- ❖ 60 % of the respondent's age is below 30 Years and 2 % of the respondent's age is 41 - 50 Years.
- ❖ 72 % of the respondents areunmarried and 28 % of the respondents are married.
- ❖ 35.4 % of the respondent's Education Qualification is Post Graduate and 0.6% of the respondents are qualified for other category.
- ❖ 58.7 % of the respondent's place of residence is rural and 20 % of the respondent's place of residence is urban.
- ❖ 34.7 % of the respondent's occupation is private employee and 17.3 % of the respondents are Govt. employees.
- ❖ 34.7 % of the respondent's monthly family income is below Rs.10, 000 and 5.3 % of the respondent's monthly family income is Rs. 30,001 and above.
- ❖ The satisfaction level of FMCG the best in place factors is 1st rank and products factors is 4thrank.

Suggestions

The market penetration and customer demand in the current, cutthroat business environment are not just a result of the product's attributes, but also of the effort made by the dealers to get the product into the hands of the proper client.Through rewards and incentives depending on their success, the manufacturers should adequately motivate the dealers and distributors.Customers should be given quantity discounts or trade-in allowances if they buy a lot of the company's goods.Customers enjoy media because of their appealing qualities. High audio and video quality, message clarity, and affordability should all be considered, especially in advertising campaigns.Training in business growth, quality product creation, and marketing coupled with external quality monitoring can improve the quality of FMCG items.

Conclusion

This article analyses the primary information that was gathered from 150 respondents who regularly purchase FMCG products. The study's initial goals were to look into the respondents' socioeconomic backgrounds, analyse what drives people to buy FMCG items, and evaluate brand awareness and brand perceptions of FMCG products. This article demonstrates how location, product pricing, and advertising, as well as the influence of other individuals and market-wide factors, have a significant impact on customer behaviour. However, these characteristics' effects vary from one product to another. As a result, it is determined that this kind of research is important to determine the market potentials for fast-moving consumer items, especially in a city like Chennai.Future retail establishments will be upgraded with a variety of amenities to better serve customers and cater to their interests. According to the report, FMCG companies have a significant market share in the production of consumer goods in order to offer high-quality products at competitive prices.

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