

An Empirical Study on Brand Awareness and Consumer Preferences Towards FMCG in Thiruvannamalai District

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Abstract

The market for FMCGs has been developing consistently throughout the long term and has been dissimilarity in the utilization designs. The FMCG area is the fourth biggest in the Indian economy .Growing mindfulness, simpler access, and changing ways of life have been the key development drivers for the area. With the expanding discretionary cash flow, the mid, top level salary bunch customers have moved their buying pattern from fundamental for premium items. Buyers brand inclinations address a crucial advance in understanding customer conduct which would help advertisers' in planning promoting program for making long haul relationship with shoppers. Brand mindfulness is the level of commonality among shoppers about the life and accessibility of the items and Brand inclination is the singular tastes, estimated utility, similarity and eagerness to acknowledge. Subsequently an investigation has been made on five FMCG items Tooth glue, Toilet Soap, Tea, Cooking Oil and washing Soap in Thiruvannamalai region .The aftereffect of the examination showed that there is a cozy connection between Loyalty of clients to the items and segment factors; cozy connection between affecting people and all impacting factors in regard five FMCGs.; connection between Brands exchanging and plots offered. Artificial Neural Network showed that Quality, Attractive Features, Long Lasting brands Dignity and bundle are the best five factors that influence the inclinations of select FMCG items. The weighted scores showed that request for mindfulness and inclinations among the FMCGs. Making attention to the items exhaustive viable promoting utilization of versatile applications for sharing offers and plans and most recent appearances prices, product highlights plans with on line request and complaint offices would encourage purchasers to settle on opportune purchasing choices which would upgrade the deals of the customers. For mutually advantageous arrangement customers ought to comprehend the pattern of shopper behavior and their assumptions and buyers to comprehend the item profiles and its accessibility

Key Words: Fast Moving Consumer Goods, Consumer Awareness, Consumer Preference, Customer.

Introduction

The market for fast moving consumer goods consists of more number of competitive goods, variety in features, quality difference, difference in size, and price. At the same time, customer's choice also takes changes every day. They are exposed to mass media and technology development. On the other hand Customer's earnings and disposal income influence in product preference even though they know product feature and make them to compromise with low quality products.

Tiruvannamalai district has large size of rural consumers. Their disposal income is very low. Earning of the people is fully depends on agriculture. Failure in the monsoon makes their livelihood so difficult. The presence of low rate of industrial unit reduces the size of organized labor. Minimum number of municipalities and urban areas are not

favor to the consumer goods market. With this unfavorable market situation, the study was undertaken to study the level of brand awareness and brand preference of the selected fast moving consumer goods among the people living in Tiruvannamalai district with the purpose to develop a strategy to enhance market share of selected goods. In addition to this, the present study could add theoretical contributions to the existing theory on designing the product features to suit with low income group consumers and agriculture oriented market area.

Brand Awareness and Consumer Preferences

Brand awareness is the degree of familiarity among consumers about the life and availability of the brand. It is measured as ratio of niche market that has former knowledge of brand. Brand awareness includes both brand recognition, as well as, brand recall. Brand appreciation is the ability of customer to recognize prior knowledge of brand, when they are asked questions about that brand or when they are shown that specific brand, whereas brand recall is the potential of customer to recover a brand from his memory when given the product class/category, needs satisfied by that category or buying scenario as a signal. The consumer recognizing and recalling the brand depend on awareness and influences preferences

Brand Preference

Measures of brand loyalty in which, the consumer will choose a particular brand in the presence of competing brands. But they will accept substitutes, if that brand is not available. Branding, not only gives separate identity and easy recognition to the product, but it also creates special brand preference and brand loyalty. Branding is the powerful instrument of demand creation and demand retention. Brand preference happens when our brand is preferred over the competition. This is an ultimate goal of branding. It is a result of consumers knowing the brand, prioritizing the brand or preferring the brand over the competition, due to the implementation of an attractive differentiation strategy.

What has to be kept in mind; however is that, differentiation or singular distinction are necessary for the strong brand, but do not by them makes a strong brand. It should be combined with the associations that are shared by the competition, also known as 'Points of Parity'. The brand must also compare favorably with the competition on the expected criteria to neutralize those attributes and only can breathe easy and be assured that the distinction is in the real sense.

Consumer Preferences

Consumer preferences are defined as the subjective (individual) tastes, as measured by utility of various bundles of goods. They permit the consumer to rank these bundles of goods according to the levels of utility derived by the consumers. Ability to purchase goods does not determine a consumer's likes or dislikes. This is used primarily to mean an option that has the greatest expected value among a number of options. The individual consumer has a set of preferences and values whose determinations are outside the realm of economics. They are no doubt dependent upon culture, education, and individual tastes, among a plethora of other factors. The measure of these values in this model for particular goods is in terms of the real opportunity cost to the consumer who purchases and consumes the good. If an individual, purchases a particular good, then the opportunity cost of that purchase is the forgone goods the consumer could have bought instead.

Fast Moving Consumer Goods

Fast Moving Consumer Goods are popularly named as consumer packaged goods. Items in this category include all consumables (other than groceries/Pulses) people buy at regular intervals. The most common in the list are toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged food stuff, household accessories and extends to certain electronic goods. These items are means for daily frequent consumption and have a high return.

Fast Moving Consumer Goods companies maintain intense distribution network companies spend the large portion of their budget on maintaining distribution networks. New entrants wish to bring their products in the national level needs to invest huge sum of money on promoting brands. Manufacturing can be out sourced.

The recent phenomenon in the sector was entry of multinationals and cheaper imports. Also the market is more pressurized with presence of local players in rural areas and state brands.

Objectives of the Study

- i.To analyze the Indian FMCG industry with reference to select Fast Moving Consumer Goods.
- ii.To study the perception of consumers towards Fast Moving Consumer Goods and the role of brand in purchase decisions.
- iii.To analyze factors influencing the purchase decision of Fast Moving Consumer Goods.

Limitations of the Study

Here are some limitations of the study, which are usually inherent in all study

1. The research work covers only in Thiruvannamalai district and are covered with 600 sample respondents under convenient sampling method. If more numbers of respondents is covered, then the result would be more accurate.
2. The hub of the study is based on the personal information and their perception towards the five selected Fast Moving Consumer Goods. If personal information is not disclosed clearly then the perception and consumer preference may not be measured accurately.

Review of Literature

Wei Ying Chong (2012) to investigate that perceived success factors of operating small and medium enterprises amongst Malaysian entrepreneurs. The researcher taking sample was one hundred and eight entrepreneurs from Klang Valley were surveyed. Eighteen Likert-style questions were used to determine the perceived success factors. Findings revealed that the perceived success factors across ethnic groups and gender were reputation of honesty, good customer service and hard work. Finally, reported in this article indicated that several similarities are shared amongst entrepreneurs in terms of success factors perceptions despite differences across ethnic groups and gender.

Theo Lieven (2015) to examine the impact of brand design elements (logo shape, brand name, type font and color) on brand masculinity and femininity perceptions, consumer preferences and brand equity, research empirically tests the relation between brand design elements, brand masculinity and femininity and brand preferences/equity in four studies involving fictitious and real brands. In suggestively related to consumer preferences and brand equity. Brand

masculinity and femininity perceptions successfully predicted brand equity above and beyond other brand personality dimensions.

Mai Ngoc Khuong and Vu Ngoc Bich Tram (2015) this study was conducted to identify the impacts of emotional marketing on purchase decision. Quantitative approach was the major method used and a self-administered questionnaire survey was conducted with sample size of 197 consumers who used the products of OMO washing powder, Neptune oil, Kotex tampon, and Red Bear noodle. The results showed that all factors of emotional marketing were positively associated with consumers' purchase decision. The results showed that the purchase decision was directly affected by factors of brand recall, brand recognition and perceived quality of product.

JusufZekiri, VjollcaVisokaHasaniAab (2015) to determine the elements that play an important role on consumer's buying behavior. The researcher will identify the relationship between consumer buying process as the main variable of the study and some independent variables like packaging color, printed information, packaging material, design of wrapper, printed information, brand image, and innovation and practicality that help consumers in their decision buying process. The primary research data will be collected through a structured questionnaire and SPSS software will be used for analysis purposes. To find out the most important factors that have an impact and influences consumer's purchase decision.

Sample Design

Thiruvannamalai District has been taken for the study as it covers both the rural and urban populations. Majority of the populations are in villages and only minority of people live in city area. Convenient sampling method was used to select the sample respondents.

Sample Size

The population of Thiruvannamalai as per 2011 census is 24,64,875. The sample size is determined as 600.

Selection of Sample Respondents

Sample respondents who have purchased all five FMCG products have been selected from Thiruvannamalai district. 60 Sample respondents have been selected from each Taluk. Out of 720 samples, 600 respondents (85%) responded correctly and provided all essential and required information in order to use their preference and decision making process for the study. The remaining 100 respondents have given information partially and 20 were not returned. Therefore the information given by they partially are considered as non-usable information.

Data Analysis and Interpretation

In this chapter, the data collected are systematically scrutinized, classified, tabulated and made suitable for analysis and interpretation. The study was based on the primary data collected through questionnaire from 600 respondents related to the respondents in Thiruvannamalai district. Statistical tools like descriptive analysis, Chi-Square Analysis, Artificial Neural Network analysis and weighted scores had been used in analyzing the data. The results of the analysis were presented in the form of charts and tables for easy understanding.

Profile of the Respondents

The level of customer perception, brand awareness, brand preference patterns, major determinant factors which influences the selection of brands of FMCGs are analyzed. The following table' showed the demographic profile of the respondents such as Gender, Age, Marital Status, Educational Qualification, Occupation, Number of members in the family, monthly income and brand awareness and preference patterns of the respondents:

Table 1
Age of the Respondents'

Age Group	Frequency	Percentage
below 30	362	60.3
31-35	107	17.8
36-40	62	10.3
41-45	33	5.5
45-50	23	3.8
Above 50	13	2.2
Total	600	100.0

(Sources: Primary Data)

Inferences:

The above table showed that the majority respondents (60.3 percent) fell in less than 30 years, 17.8% of respondents are in the Age Group 31-35, 10.3% of the respondents are on the age 36-40, 5.5% of the respondents are in the age of 41-45, 3.8% respondents are in the age of 46-50, whereas the minimum figure of 2.2% are above 50 years.

Table 2
Educational Qualification

Educational Qualification	Frequency	Percentage
Illiterate	39	6.5
SSLC/HSC	151	25.2
Bachelor's Degree	140	23.3
Masters Degree	195	32.5
Others	75	12.5
Total	600	100.0

(Sources: Primary Data)

Inferences

It is analyzed from the above table that 32.5% of the respondents influenced by Master Degree, 25.2% of the respondents are SSLC/HSC, 23.3% of the respondents are Bachelor Degree, 12.5% of the respondents are others, 6.5% of the respondents are illiterate, therefore it is inferred that maximum of the respondent influences by the Master Degree.

Table 3
Buying Branded Goods

Buying of Purchase	Frequency	Percentage (%)
Always	197	32.8

Never	160	26.7
Meets Quality	146	24.3
Rarely	97	16.2
Total	600	100.0

Source: Primary data

Table 4
Loyalty of Customers

Loyalty of Customers	Frequency	Percentage (%)
Purchase the same products.	94	15.7
Experiencing with new products	113	18.8
Only quality products	325	54.2
Least priced products.	68	11.3
Total	600	100.0

Source: Primary data

The above table showed that 325 respondents out of 600 intended to buy only Quality Products; they ignore branded goods, if it is poor quality. 18.8% only go for new products. It is very important that 15.7% respondents preferred same products. It gives a note that Brand alone does not influence the purchasing behavior of customer. If the product meets quality expected, then it influences buying behavior. Hence all the producers must be given more an importance to Quality than other promotional offers.

Table 5
Factor Influence Brand Image

Factor Influence	Frequency	Percentage (%)
Quality	245	40.8
Communication Strategies	46	7.7
Competitive pricing	125	20.8
Good Value added products	111	18.5
Discounts and Price offer	67	11.2
Others	6	1.0
Total	600	100.0

Source: Primary data

The above table showed that three factors influence strongly to build brand image. They were Quality, competitive pricing and value added with products. Quality of products dominated nearly 40.8% respondents' opinion. Hence producers and Marketer must take Quality as their promotional strategy.

Table 6
Trust Level of Branded Goods

Level of Trust	Frequency	Percentage (%)
Strongly Disagree	54	9.0
Disagree	68	11.3
Neither agree nor disagree	139	23.2
Agree	259	43.2
Strongly Agree	80	13.3
Total	600	100.0

Source: Primary data

Table 6 showed that (43.2%) Agree was a major trust level and (23.2%) neither agree nor disagree level of trust branded goods. So Marketers try to develop a strategy to improve trust level.

Table 7
Sources of product brand information

Sources of product	Frequency	Percentage (%)
Family members	170	28.3
Friends	83	13.8
TV ads	204	34.0
Point of sales	58	9.7
Website	55	9.2
Others	30	5.0
Total	600	100.0

Source: Primary data

Table 7 showed that (34.0%) TV advertisement was a major source to know about product and (28.3%) family members also gave products information. So the Marketers and producers features and develop personal selling strategy to impress family members.

Table 8
Awareness of Brands - Tooth Paste

Brands	Frequency	Percentage
Colgate- Palmolive	320	53.3
Close-Up-Unilever	153	25.5
Pepsodent	18	3.0
Babol	10	1.7
Vicco	22	3.7
Himalaya	19	3.2
Crest	13	2.2
Patanjali	41	6.8
"Other Brands"	4	.7
Total	600	100.0

Source: Primary data

The table given above 8 showed that the awareness of various branded toothpaste. Among the Brands 53.3% respondents aware the existence of Colgate and 25.5% know Close Up. These two toothpastes have strong influence on customer mind. Other products producers' identity the features which gave strong image to Colgate and Close Up and use the same to their products.

Table 9
Awareness of Brands- Soaps

Brands	Frequency	Percentage
Hamam-Unilever	217	36.2
Lux	106	17.7

"Life Buoy"	30	5.0
Liril	89	14.8
Cinthol	9	1.5
Medimix	85	14.2
Dettol	10	1.7
Patanjali	52	8.7
" Other Brands"	2	.3
Total	600	100.0

Source: Primary data

The above Table 9 showed that the awareness level of Hamam soap was known by large number of respondents and awareness of other products such as Lux, Liril, and Medimix was certain extent. The awareness level of Lifebuoy was very low among the respondents. All the products were advertised in TV but their knowledge was very low and contradictory.

Table 10
Awareness of Brands - Tea

Brands	Frequency	Percentage (%)
"Chakra Gold"	156	26.0
Duncan's	90	15.0
Taj Mahal	205	34.2
3 Roses	145	24.2
"Other Brands"	4	.7
Total	600	100.0

Source: Primary data

Table 10 showed that there was an equal awareness level about all tea brands. It is quite contradictory to awareness level of all other products. The technique and advertisement strategy adopted in these segment products must be applied for other products for increasing awareness level.

Table 11
Awareness of Brands - Cooking Oil

Brands	Frequency	Percentage
Usha Oil	247	41.2
Nutrela	126	21.0
Gold Winner	87	14.5
Nature Fresh	4	.7
Suffola	100	16.7
Fortune	13	2.2
Vimal Oils	21	3.5
Local Brands	2	.3

Total	600	100.0
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Source: Primary data

Table 11 showed that awareness level of Usha Oil was higher than other oil brands. Nutrella score second level. Suffola and Gold Winner score more (or) less same level of awareness.

Table 12

Awareness of Brands - Washing Soap

Brands	Frequency	Percentage
POWER	190	31.7
SURF EXCEL	12	2.0
RIN	6	1.0
ARIEL	5	.8
TIDE	113	18.8
SUNLIGHT	33	5.5
Mr.White	127	21.2
OTHER BRANDS	114	19.0
Total	600	100.0

Source: Primary data

The above table 12 showed that Power, Tide and Mr. White are known well by the respondents. 71.7% of respondents are using all the three products. Other Products awareness level was very low and producers of these products enhance awareness level.

Suggestions:

This empirical study has used many statistical tools for analyzing the data. Various useful findings have been extracted. The following suggestions are made towards brand awareness and brand preference of FMCGs.:

1. The results showed that 325 respondents out of 600 intended to buy only Quality Products; they ignore branded goods .it gives a note that Brand alone not influence the purchasing behavior of customer. If the product meets quality expected, then it influences buying behavior. Hence all the producers must be given more importance to Quality than other promotional offers.
2. The three factors influence strongly in creating brand image. They were Quality, competitive pricing and value added with products. Therefore the producers and the person who marketing the products must give much importance to these variables while developing a plan for creating brand image.
3. It was inferred that trust level on Branded goods only 50%. So Marketers try to develop a strategy to improve trust level.
4. TV advertisement is a major source to know about product and family members also gave products information. So the Marketers and producers must concentrate on contents of advertisements and make the consumers to buy the products and also develop personal selling strategy to impress family members.
5. Education, occupation, marital status and family size plays an important role in developing awareness level about the consumption goods. So Marketers must consider these variables while they develop any schemes, offers and promotional plan for increasing awareness of their products and market share.

6. Colgate, Hamam, Taj Mahal, Usha Oils and Power are well known products among the selected FMCG. The producers and marketer of other products develop a suitable strategy to win the hearts of consumers and try to increase their market share.
7. Loyalty of customers depends on Education, Occupation, Marital Status and Earnings of members. Hence company should develop appropriate customer relationship practice to suit with variables for retaining the old consumers.
8. The important product factors such as price, availabilities, brand image, promotion, advertisement and quality are influencing to prefer particular brand of selected five products. Therefore the producers and the person who marketing the products must give much importance to these variables while developing a plan for increasing market share of their products.
9. Promotions-offers, advertisement, preferable Schemes affordability, Brand awareness, Government promotions, intended benefits, Quality are the main factors to take purchase decision. The producers and marketers must take into account while they prepare to raise sales of their products.
10. The influence to prefer a brand is significantly impacted among the age, Education and family members. Therefore the producers and the person who marketing the products give much importance to these variables while developing a plan for inducing the consumer to select their product

Conclusion

The Fast Moving Consumer Goods (FMCG) sector is a corner stone of the Indian economy. Growing awareness, easier access, and changing lifestyles have been the key growth drivers for the sector. Sound understanding of consumer preference for branded products over time is the proper foundation for winning and retaining consumers. Marketer can select marketing actions that fit their consumer's patterns, commitment and behavior and can identify and use actions to influence those patterns. Insufficient understanding can lead marketers into trouble. Hence the study was undertaken to explore the consumer buying behavior through brand awareness and influence of demographic factors on brand preference of FMCG. Tiruvannamalai District has been taken for the study as it covers both the rural and urban populations. Data related to the study has been collected with the help of structured questionnaire. Convenient random sampling method has been used in getting response from the 600 respondents' through questionnaires. The collected data were analyzed by applying Descriptive Analysis, Chi-Square Test, and Artificial Neural Network: Multiple Layer Perception Model (ANN-MLP), Weighted Average Score Method, Kruskal-Wallis. The results showed that customers are always too interested in buying branded products. The quality of product brings brand image for fast moving consumer goods. Television advertisement and family members were the major source of information about the product. It was noted that brand does not influence the purchasing behavior of the customers.

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