

Purchase Behavior of Consumers Towards Fast Moving Consumer Goods (FMCGs) in Bengaluru City

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Abstract The study attempts to assess the purchase behavior of consumers towards FMCGs in urban Bengaluru. The data collected from a sample of 60 consumers using random, sampling. The result of analysis revealed that most of the consumer visited organized retail formats on weekly base majority of consumers usually spent 30 minutes to 1 h for purchasing of FMCGs products, quality was the major factors which influenced consumer preference for FMCG products. For all the three categories of FMCG products television was the most preferred source of information by consumers, parents were the major decision maker for purchasing of FMCGs products in Bengaluru city.

Keywords FMCG, Consumer, Purchase, Retail, Market.

Introduction

Fast moving consumer goods (FMCG) sector is the fourth largest sector in the Indian economy with

household and personal care accounting for 50% of FMCG sales in India (Govardhan 2013).

Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 40%) is the largest contributor to the overall revenue generated by the FMCG sector in India and recorded a market size of around US\$ 29.4 billion in 2016-17. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared with urban India (Singh and Pratap 2013).

Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of total rural spending. Fast moving consumer goods (FMCG), also known as consumer packaged goods (CPG), is products that have a quick turnover, and relatively low cost. Items in this category include all consumables people buy at regular intervals. The most common in the list are toilet soaps, detergents, shampoos, toothpaste, shaving products, shoe polish, packaged foodstuff, and household accessories and extends to certain electronic goods (Janardhan 2012).

Objectives

To analyze factors influencing the purchase of FMCGs in Bengaluru city, To understand source of information to consumer on brand of FMCGs in Bengaluru.

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Review of Literature

Hugar and Vijaykumar (2001) implemented a study on changing of consumer behavior in vegetable selling in Dharwad city. High income groups purchased 4.66 kg/week as compared to medium income group with purchase of 5.40 kg/week and low income groups purchased lesser quantity (3.25 kg/week) of vegetables. Majority of low income group preferred to buy vegetables from farmer because of reasonable price. High and medium income consumers preferred retailers for buying vegetables because of good quality and exact weight (Hugar and Vijaykumar 2001).

Garga et al. (2009) implemented a study among the 300 rural customers in 3 districts of Punjab. They realized that, rural consumers were willing to purchase the goods in small size packets at fewer prices. They demanded products with rescannable prices. The study also revealed that promotional tools in rural areas were very important. He suggested that FMCGs enterprises must enter and effort to succeed step by step in the rural market (Garga et al. 2009).

Sulekha and Kiran (2013) indicated the FMCGs companies should prepare unique marketing strategies for rural markets. This study emphasized on understanding the rural customer purchasing behavior for FMCGs in Haryana. They revealed that in India more than 72% of people are living in rural area and FMCGs companies are mostly selling their goods to the middleclass family. It indicated that rural India market is a profitable and potential for FMCGs companies. Rural consumers were more willing to purchase products which develop their lifestyle because their incomes were increasing (Sulekha and Kiran 2013).

Materials and Methods

Datta regarding purchasing behavior of customers in modern retail formats in Bengaluru city in order to test the hypothesis of the study was collected from both primary and secondary sources.

Primary data was collected using individually interviewing the respondents with a structured

Table 1. General characteristic of customers.

Sl. No.	Particular	No.	Percentage to all
1.	Gender		
(a)	Male	37	61.67
(b)	Female	23	38.33
(c)	Child	0	0.00
	Total	60	100 percent
2.	Occupation		
(a)	Salaried person	29	48.33
(b)	Business	20	33.33
(c)	Student	6	10.00
(d)	Home maker	5	8.33
	Total	60	100 percent
3.	Age (in years)		
(a)	18-28	24	40.00
(b)	29-38	17	28.33
(c)	39-48	14	23.33
(d)	49-58	2	3.33
(e)	above 58	3	5.00
	Total	60	100 percent
6.	Income		
(a)	Below 9,999		46.67
(b)	10,000-19,999	12	20.00
(c)	20,000-29,999	7	11.67
(d)	30,000-39,999	8	13.33
(e)	40,000-49,999	13	21.67
(f)	above 50,000	16	26.67
	Total	60	100 percent
7.	Family structure		
(a)	Nuclear	47	78.33
(b)	Joint family	13	21.67
	Total	60	100 percent
8.	Marital status		
(a)	Married	41	60.33
(b)	Single	19	31.67
	Total	60	100 percent

schedule which was pre-tested and redefined. The secondary data about FMCGs were collected from internet, magazines, case studies and published sources.

The study area was in different parts of the city and popular markets of city, super markets, hyper markets and Mom pap retailer in the streets. Respondents are selected on the basis of random sampling. So, total 60 respondents were interviewed to have a representative sample mainly based on income level and social class (descriptive analysis was used to analysis the data) percentage use to examine the distribution of socio-economic characteristic and pur-

chasing behavior of consumers.

Results and Discussion

Gender of sample respondent

General characteristic consumer presented in Table 1. The result revealed that majority 61.67% were male and 38.33% female. This shows that male population is dominated to take purchase decision in most of the surveyed sample.

Family structure of sample respondents

The customers are presented in Table 1. It is reported that 78.33% of respondents were from the Nuclear family (family group consisting of two parents and their children) size followed by 21.67% from joint family size.

Marital status of sample respondents

Result employed that 68.33% of the respondent were married and 31.67% were unmarried. This shows that family influences the purchase decision.

Age of sample respondents

The majority (40%) of respondents were in the age group of group 28–38 years, followed by 18–28 years (36.7%), 10% of the respondents in the age 38–48 years. This mean that most of them are young they have tendency to buy more and attract towards different product.

Occupation of sample respondents

According to the occupation of the sample respondents, 48% of the respondents were salaried person, 33.33% of the respondent's business men and 10.00% were students. It's indicated that those categories of people mostly tend to purchasing branded FMCGs products.

Monthly income of sample respondents

The majority of respondents 26.67% were in the range of above Rs 50,000 thousand income groups, followed

Table 2. Frequency of visit and average time spent by consumer for purchase of FMCGs to organized retail store in Bengaluru city.

Sl. No.	Frequency of visit	Number	Percentage to the total
1.	Daily	6	10.00
2.	Weekly	20	33.33
3.	Fortnightly	6	10.00
4.	Monthly	13	21.67
5.	Occasionally	15	25.00
	Total	60	100.00
Average time spent			
1.	Less than 30 minutes	18	30.00
2.	30 min-1h	22	36.67
3.	1 h-2h	16	26.67
4.	Above 2 h	4	6.67
	Total	60	100.00

by Rs 40,000–49,000 (21.67%) and Rs 10,000–19,999 (20%) monthly income respectively. Hence, majority of the respondent earn more income.

Frequency of visit by consumer to organized retail store for purchase of FMCGs in Bengaluru city

Table 2 presents the frequency of visit by consumers to organized retail formats. Most (33.33%) of the consumer visited organized retail formats on weekly basis followed by whenever they needed (25.00%), monthly once (21.67%) fortnightly and daily (10.00%). Because most of people / consumers were employees, business man and student who were busy during week days and cannot go to buy any products. So they tend to buy a product once a week.

Average time spent by consumer for purchase of FMCGs in Bengaluru city

Table 2, presents the average time spent by consumers for purchase of FMCGs. Majority (37%) of consumers usually spent 30 minutes to 1 h for purchasing followed by less than 30 minutes (30%) and 1-h (26.67%) of them spent in organized retail format while the rest (4%) of consumer spent maximum time of 2 h. Spending time for purchasing FMCGs is mainly depends on the quantity of the products they buy. If they buy more it takes more time or if they buy less items it can be finished soon.

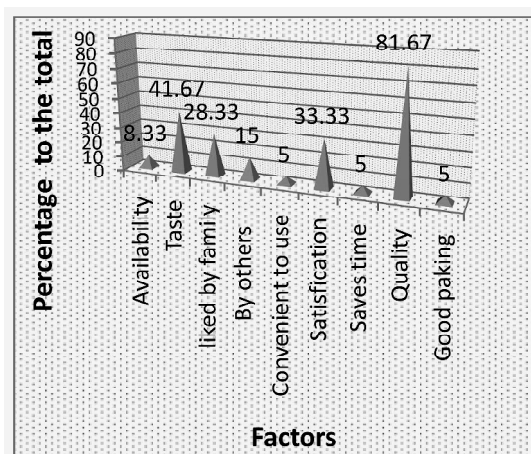


Fig. 1. Factors influencing the purchase of FMCGs in Bengaluru city.

Factors influencing the purchase of FMCGs in Bengaluru city

Fig. 1 indicates the features influencing the purchase of FMCGs in Bengaluru city. Analysis was made using percentage; multiple responses were taken during data collection for their influence on purchases. Quality (81.67%) is the major feature which influence on purchase decision followed by taste of the product (41.67%) liked by family (28.33%) influence of others (15%), availability (8.33%) and equal number (5%) of response were opined for convenient to use, saves time and good packing. In this study each factor separately evaluated and got above percentage to the total of 60 respondents. Because the main population of the Bengaluru city were all educated, the income level of people were also high and awareness of them are rising, so they prefer to purchase good quality FMCGs.

Source of information to consumer on brand of FMCGs in Bengaluru city

Fig. 2 indicates the sources of information to consumers on FMCGs like food items, Household care and personal care products. Multiple responses were taken by the consumers while analyzing the results. With regard to food items, most of consumers (68.33%) used television as their major source of information followed by newspaper (58.33%), internet (50%),

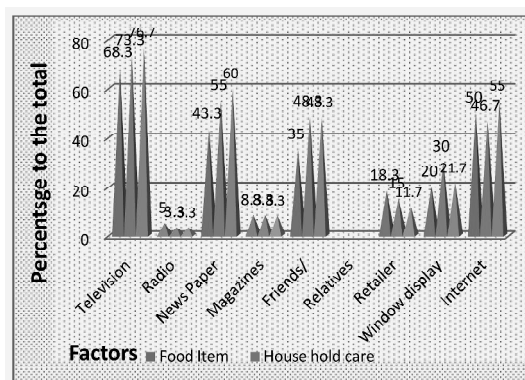


Fig. 2. Source of information to consumer on brand of FMCGs in Bengaluru city.

friends / relatives (35%), window display (20%), in case of household care products television (73.33%) was the major source of information followed by newspaper (55%), friends / relatives (48.33%), internet (46.67%), window display (30%). With regard to personal care products, television (76.67%) was the major source of information. The other sources were newspaper (60%) internet (55%) friends / relatives (48.33%), magazines (29%). Influences decision regarding purchasing for FMCGs products in Bengaluru city.

With regard to personal care products, television (76.67%) was the major source of information. The other sources were newspaper (60%) internet (55%) friends / relatives (48.33%), magazines (29%). Influences decision regarding purchasing for FMCGs products in Bengaluru city. Because all the families who are living in the city follow the television channels, senior people are mostly reading newspaper and young generation had access to internet, so it was the third source of information to for food item and personal care items.

Decision making in the purchase of FMCG

Table 3 presents the influences of decision of purchasing for FMCGs in Bengaluru city. Multiple responses were taken from consumers during data collection. With regard to food items, parents decision (60.00%) was the major factor followed by self-decision (43.33%), friends/relatives decision (43.33%),

Table 3. Decision making in the purchase of FMCG. n=60.

Sl. No.	Factors	Fast moving consumer good categories					
		Food items		Household care		Personal care	
		Number	Percentage to the total	Number	Percentage to the total	Number	Percentage to the total
1.	Parents	36	60.00	41	68.33	40	66.67
2.	Children	15	25.00	10	16.67	27	45.00
3.	Friends / Relatives	26	43.33	26	43.33	19	31.67
4.	Neighbour	15	25.00	4	6.67	10	16.67
5.	Advertisements	8	13.33	19	31.67	21	35.00
6.	Retailer	10	16.67	4	6.67	29	48.33
7.	Self-decision	26	43.33	41	68.33	39	65.00

Children and neighbors (25%), retailers (16.67%) and advertisements (13.33%). In case of household care products equal as well as majority (68.33%) of consumers influenced by parents as well as took a self-decision for purchase of FMCGs, followed by friends/relatives (43.33%), advertisements (31.67%) role, the others influences were based on self-decision (65%), retailers (48.33%), children (45.00%), advertisements (35.00%).

With regards to decision making regarding purchase of FMCGs in Bengaluru city easily find that in all the case for purchasing of food items and household care products, parents were taking decision because they had experience and they know the good and qualitative items, but in case of personal care items self-decision were major because everyone wanted to purchase according to their own wants.

Conclusion

Result revealed that 40% were in the age group 18–28 years, 68.33% married and 31.67% were unmarried, 78.33% of respondents were from the nuclear family size, the most of respondents (26.67%) were in the range of above 50 thousand income groups, most of the consumer visited organized retail formats on

weekly basis majority of consumers usually spent 30 minutes to 1 h for purchasing of FMCGs products, quality was the major factors which influenced consumer preference for FMCG products. For all the three categories of FMCG products television was the most preferred source of information by consumers, parents were the major decision maker for purchasing of FMCGs products.

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