A STUDY ON CUSTOMER SATISFACTION TOWARDS FAST MOVING CONSUMER GOODS (FMCG) SPECIAL REFERS WITH COIMBATORE CITY

Hariharan.R[1], Mr. M .R.Chandra Sekar[2]

[1]*Student, Department of Commerce, Dr.NGP College of Arts and Science, Coimbatore-48.*

[2]*Assistant Professor, Department of commerce, Dr.NGP College of Arts and Science, Coimbatore-48.*

ABSTRACT

The consumer bahaviour plays an important role in marketing. This influenced by various factors. In the changing global scenario we find that consumers needs and wants to buy a product also changes with it. In this study titled "A Study on Consumer Behaviour towards Selected Fast Moving Consumer Goods in Coimbatore City" the researcher has assessed the socioeconomic profile ,shopping pattern consumer and found out the factors influencing the consumer to purchase the selected FMCG products. The primary data required for the study for collected through questioner which was distributed to 135 samples choose from Coimbatore city .The tools used for analysis are percentage analysis,Garrett ranking and chi-square. From this study it was found that most of the consumers are influenced by brand and quality in purchase of FMCG products. There by the researcher has suggested to improve the quality in FMCG product through product development and external monitoring.

KEYWORDS: *FMCG , Consumer Behaviour, awareness, preference.*

INTRODUCTION

Globally, India is becoming one of the most attractive markets for foreign FMCG players due to easy availability of imported raw materials and cheap labour costs. The urban segment is the biggest contributor to the growth of India FMCG sector, accounting for around two-thirds of the total revenues. However, the share of semi-urban and rural segments in the country's FMCG sector is anticipated to increase by the end of 2020.Fast-moving consumer goods (FMCG) can be defined as packaged goods that are consumed or sold at regular and small intervals.

The prices of the FMCG are low and profits earned are more dependent upon the volume sales of the products. The FMCG market can be broadly categorised as Personal Care, Household care, Food & Beverages and Others.The Indian FMCG sector is the fourth largest sector in the economy with a total market size of USD49 billion in 2016. The sector is projected to grow at a CAGR of 20.6% to reach USD103.7 billion by 2020.The FMCG industry in India, has grown rapidly over the last decade, predominantly on account of increasing income levels and changing lifestyle of Indian consumers. Fast Moving Consumer Goods are inexpensive products that require little shopping efforts and these non-durable products which are sold in packaged forms. These products are purchased by the end-consumer in small quantities and frequently.

- **Personal Care**: It consists of oral care, hair care, skincare, personal wash (soaps), cosmetics and toiletries, deodorants; perfumes; paper products (tissues, diapers, sanitary),shoe care etc.
- **Household Care:** It comprises of fabric wash (laundry)soaps and synthetic detergents); household cleaners (dish/utensil cleaners, floor cleaners, toilet cleaners, air fresheners, insecticides and mosquito repellents, metal polish and furniture polish).

EPRA International Journal of Research and Development (IJRD)

- **Branded and Packaged Food and Beverages:** It consists of health beverages; soft drinks; staples/cereals; bakery products (biscuits, bread, cakes),snack food,chocolates,ice cream, tea, coffee, processed fruits, vegetables and meat, dairy products,bottled water; branded flour ,branded rice, branded sugar,juices etc.

HISTORY

Fast moving consumer goods (FMCGs) constitute a large part of consumers" budget in all countries. Retail trade in these products, that is, their supply to household, has attracted considerable interest from consumers and policy-makers because a well functioning retail sector is essential for daily provision of these essential products at high quality and low cost.

Fast Moving consumer Goods are products that have a quick shelf turnover, irrelatively low cost and do not require a lot of thought, time and financial investment to purchase. The margin of profit on every individual FMCG product is less. However, the huge number of goods sold is what makes the difference.

Fast Moving Consumer Goods is a classification that refers to a wide range of frequently purchased consumer products including toiletries, soaps, cosmetics, teeth cleaning products, shaving products, detergents, other non-durables such as glassware, bulbs, batteries, paper products and plastic goods, such as buckets.

FMCG industry, alternatively called as CPG (Consumer packaged goods) industry primarily deals with the production, distribution and marketing of consumer packaged goods. The Fast-Moving Consumer Goods (FMCG) are those consumables which are normally consumed by the consumers at a regular interval. Some of the prime activities of FMCG industry are selling, marketing, financing, purchasing, etc.

FMCG INDUSTRY ECONOMY

The retail market in India is estimated to reach US$ 1.1 trillion by 2020 from US$ 840 billion in 2017, with modern trade expected to grow at 20 25% per annum, which is likely to boost revenue of FMCG companies. Revenue of FMCG sector reached Rs. 3.4 lakh crore (US$ 52.75 billion) in FY18 and is estimated to reach US$ 103.7 billion in 2020. FMCG market is expected to grow at 9-10% in 2020.Rise in rural consumption will drive the FMCG market. It contributes around 36% to the overall FMCG spending. In the third quarter of FY20 in rural India, FMCG witnessed a double-digit growth recovery of 10.6% due to various government initiatives (such as packaged staples and hygiene categories); high agricultural produce, reverse migration and a lower unemployment rate.

TOP 5 COMPANIES OF FMCG SECTOR IN INDIA

The following companies play the major role in Indian FMCG industry138.

- ◦ Hindustan Unilever Ltd.
- ◦ ITC (Imperial tobacco company)
- ◦ Nestlé
- ◦ Dabur
- ◦ Britannia Industries

ADVANTAGES IN INDIA

ADVANTAGE INDIA

Growing Demand
- Packaged food market in India is expected to double to US$ 70 billion by 2025.
- India's contribution to global consumption is expected to more than double to 5.8% by 2020.

Attractive Opportunities
- Increase in disposable income in rural India and low penetration levels in rural market offers room for growth.

Policy Support
- Investment approval of up to 100% foreign equity in single brand retail and 51 % in multi-brand retail.
- The union government's production-linked incentive (PLI) scheme gives companies a major opportunity to boost exports.

Competitive Advantage
- Investment in this sector attract investors as FMCG products have demand throughout the year.
- The sector witnessed healthy FDI inflow of US$ 16.28 billion during April 2000-March 2020.

STATEMENT OF THE PROBLEM

FMCG product touches every aspects of human life. These products are frequently consumed by all sections of the society and a considerable portion of their income is spent on these goods. Apart from this, the sector is one of the important contributors of the Indian economy. This sector has shown an extraordinary growth over past few years, in fact it has registered growth during recession period also. The future for FMCG sector is very promising due to its inherent capacity and favorable changes in the environment. In this study,the scholar makes an attempt to analyze the customer perceptions . In this background it is identified that there is a need for research work in the field of consumer behaviour of FMCG in the COIMBATORE CITY.

OBJECTIVES OF STUDY

➢ To analyze the socio-economic profile of rural consumers.
➢ To study the concept of FMCG.
➢ To identify the factors influencing for buying decision of fast moving consumer goods.
➢ To analyze their attitude towards buying products.

METHODOLOGY OF THE STUDY

Exploratory research design is used for conducting this study. The survey was conducted in Coimbatore city.. For the purpose of the study 120 respondents have been chosen in Coimbatore city by using convenient sampling technique. The questionnaire was prepared and administered in person to all the respondents. The study has used both the primary data and secondary data. Secondary data were collected through various journals, magazines, reports and newspapers. The tools used to analyze the data are Simple Percentage Analysis.

SAMPLE DESIGN

Convenient sampling method is adopted for the purpose of study.

DATA COLLECTION

Data was collected to both primary and secondary data source. Primary data was collected through questionnaire. The study was done in the form of direct personal interviews.

Primarily data

Primary data is a data which is collected for the first time for the particular interest to collect more information. In this study, the primary data was collected using questionnaire.

Secondary data

Secondary data consists of information that already exists somewhere, having been collected for some other purpose. In this study, the secondary data was collected from studies, journals and websites.

PERIOD OF THE STUDY

This study is based on a primary data collection. The study was conducted for a period of three months from December 2020 to February 2021.

TOOLS USED FOR THE STUDY

The rules of statistics in research is to function as a tool in designing research, analyzing the data, drawing its conclusion from most research studies result in large volume of raw data that must be suitable reduced so that the same can be read easily and can be used for future analysis. The tools used for

➢   Simple percentage analysis
➢   Weighted average analysis
➢   Chi-square Test

REVIEW OF LITERATURE

Kavitha and Santhi, (2017) investigated that the factors that influenced the purchase intention of female customers towards skin care products special reference to Perambalur town of Tamilnadu. A total of 60 current customers using cosmetics were approached to collect data, by means of questionnaires. They were analyzed utilizing the descriptive research technique. The research had been conducted to know the peoples expectation and satisfaction towards ponds skin care product. The difficulties faced by the customers with regard to skin care products availability and quality were also inquired into and there by their overall satisfaction level was studied. This was a descriptive research and mainly primary data was used for the purpose of data collection through questionnaire. It was undertaken to determine the customer opinion and behavior of customers, price, quality, brand name were included in the study. Satisfaction level on ponds skin care products. SPSS package program was used to analyze the data.

Bello Ayuba, (2014) observed that this study was an assessment of factors influencing consumer satisfaction; a survey of customers of Nigerian manufacturing companies. The main objective of the study was to investigate the key variables having strong influence on customer satisfaction and purchasing decisions of customers. As part of the methodology, both primary and secondary methods of data collection were adopted for the study. The data was analyzed using Descriptive Statistics (mean, standard deviation) and Regression Analysis to assess the satisfaction-rating in line with the objectives of the study. The major findings based on the formulated hypotheses reveals that most of the targeted consumers of the surveyed manufacturing companies in the six geo-political zones of the country agreed that high

pricing dimension of Nigerian manufacturers" products result in low-level customer satisfaction as consumers derive maximum satisfaction from a fair price, while effective customer services do not necessarily enhance customer satisfaction and increase in the number of satisfied customers. Some recommendations were made; among the major recommendations is the need for manufacturing companies in Nigeria to embrace the marketing concepts, by providing the much needed services and establishing good relationship with customers through effective and efficient customer services. This would result in brand loyalty and deeper market penetration that would help companies establish long term profitable relationships with their customers.

SIMPLE PERCENTAGE ANALYSIS
PURCHASE FROM

| S.No	Purchase from	No. of respondents	Percentage (%)
1	Departmental store	66	49
2	Super market	21	16
3	Convenient store	22	16
4	D mart	26	19
	TOTAL	135	100

Source: Primary Data

INTERPRETATION
From the above table, it is found that 49% of the respondents purchase from departmental store, 16% of the respondents purchase from super market, 16% of the respondents purchase from convenient store and remaining 19% of the respondents purchase from d mart.

Here majority 49% of the respondents purchase from departmental store.

PURCHASE FROM
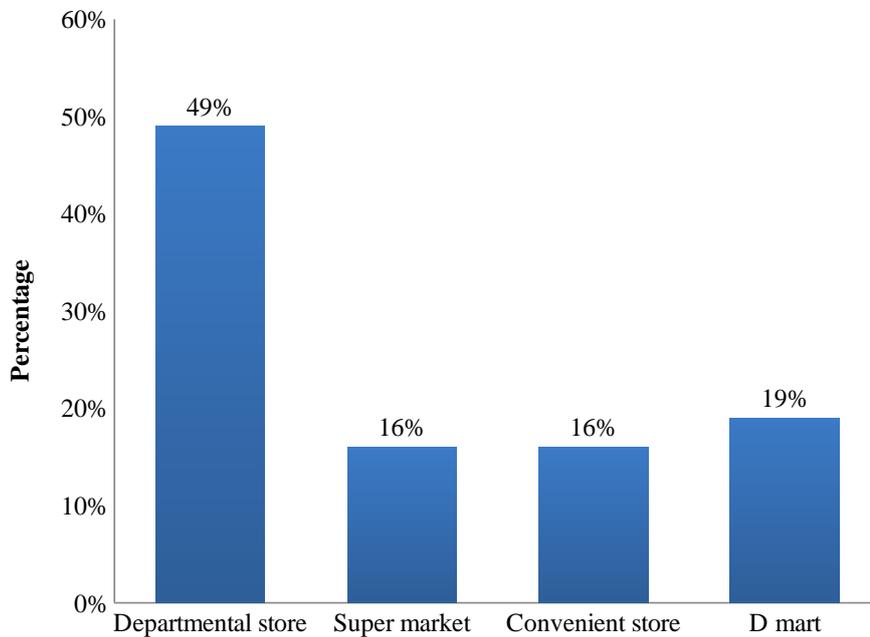
WEIGHTED AVERAGE ANALYSIS
PREFERRED BRAND CATEGORY

Category	5	4	3	2	1	Total score
Skin care	19	48	40	28	0	135
Haircare	27	55	10	28	15	135
Detergent powder	20	25	66	18	6	135
Toilet soap	28	37	47	8	15	135
Tooth paste	22	31	56	10	16	135
Cold drinks	18	32	46	20	19	135

Category	5	4	3	2	1	Mean score	Mean	Rank
Skin care	95	192	120	56	0	463	30.87	1
Haircare	135	220	30	56	15	456	30.40	3
Detergent powder	100	100	198	36	6	440	29.33	4
Toilet soap	140	148	141	16	15	460	30.67	2
Tooth paste	110	124	168	20	16	438	29.20	5
Cold drinks	90	128	138	40	19	415	27.67	6

Source: Primary Data

INTERPRETATION

The above table shows skin care ranks 1, toliet soap ranks 2, haircare ranks 3, detergent power ranks 4, tooth paste ranks 5 and cold drinks ranks 6. Majority of the respondents say Skin care ranks 1.

CHI SQUARE TEST
CHI-SQUARE TEST TO FIND THE SIGNIFICANT RELATIONSHIP BETWEEN LIKING OF PRODUCT AND DURATION OF USAGE

Null Hypothesis Ho

There is no significant relationship between liking of product and duration of usage

Alternative Hypothesis Ha

There is significant relationship between liking of product and duration of usage

Usage Duration Liking	Last 6 months	6 months to 1 year	1-2 years	More than 2 years	Total
Price	3	1	13	6	23
advertisement	14	16	3	8	41
Features	24	35	1	0	60
Brand	3	8	0	0	11
Total	44	60	17	14	135

Calculated value χ^2	97.84
Degree of freedom	12
Level of significant	50%
Table value	23.589
Result	Reject

INTERPRETATION

Since the calculated value is higher than the table value and our hypothesis is proved, null hypothesis is rejected. Hence alternate hypothesis is accepted. So there is significant relationship between liking of product and duration of usage.

CONCLUSION

In the present competitive business world, the market penetration and customer demand are not simply due to the product features, but due to the effort taken by the dealers to place the product in the hands of the right consumer. For this, dealers and distributors should be properly motivated by the manufacturers through awards and incentives based on their performance. Quantity discounts or trade in allowance should be offered to customers for making bulk purchases (individually or group) of the products of the company. It is recommended that the consumers of the FMCG products should be conscious about the media [especially television advertisement] which certainly do have an undue influence over them in the preference of the FMCG products. Manufacturers should use the retailers like convenience stores, discount stores and off-price leader etc. even though it is not popular in Indian markets. The regular and continuous improvements in the products are necessary after the careful research programmed that definitely not at the cost of the quality and hygiene

REFERENCES

1. Dr.Vibhuti, Dr. Ajay Kumar Tyagi and Vivek Pandey (2014), "A study on Consumer Buying Behaviour towards Selected FMCG Products" International Journal of scientific research and management (IJSRM) Volume 2, Issue 8,Pages 1168-1182 .
2. Thanigachalam S. (2014), "Consumer Behaviour towards Fast Moving Consumer Goods in Puducherry "Asia Pacific Journal of Research Vol: I Issue XVIII, October 2014, pp.130-137
3. Ganesh G. (2015), "Consumers' Perception towards Brand Loyalty of FMCG Products -An Analysis." Asia Pacific Journal of Research Vol: I. Issue XXX, August 2015
4. Mahaboob Basha A.M. (2016), "A Study on Consumer Behaviour towards Fmcg Goods an Empirical Study with Special Reference to Nellore District of Andhra Pradesh." International Conference of Recent innovations in Science Engineering and Management (ICRISEM) August 20, 2016.