

An Impact of Advertising on Consumers Brand Switching with Special Reference to FMCG Products

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ABSTRACT

Brand Switching is when a consumer or group of consumers switches their allegiance from one brand of a certain type of product to another. This brand switching may be temporary or it may be longer lasting, perhaps for example in the case of products that longer or from which switching away is harder.

Fast-moving consumer goods (FMCG), also known as consumer packaged goods (CPG), are products that are sold quickly and at a relatively low cost. Examples include non-durable household goods such as packaged foods, beverages, toiletries, candies, cosmetics, over-the-counter drugs, dry goods, and other consumables.

KEY WORDS: brand switching; FMGC; goods; products.

INTRODUCTION

It is possible to research consumers in a market place to determine their attitude to brands and their likelihood to switch from a brand they are using at the moment, and in particular to which others brand they might switch. Brand Switching occurs for a variety of reasons, not just when the brand has done something to dissatisfy customers. Switching is sometimes induced by external reasons such as coupons, price reductions, peer or family advice as well as internal factors like desire to try something new, dissatisfaction with the service or product.

STATEMENT OF THE PROBLEM

The consumers play an important role so that testing helps to establish the safety of the product. Some problems can remain unknown, only to the discovered when a product is being used by a large

number of people. The researchers are undertaken to ensure that its products are safe and effective some of the researchers has proven that the ingredients in the FMCG products may not cause the problem. But some may arise such problems by using the FMCG products.

OBJECTIVES

- To study the influence of advertising on purchasing FMCG products
- To know about consumers brand switching
- To know about the advertising awareness among consumers
- To study about factors influencing the consumer to purchase a particular FMCG product.

LIMITATIONS

- The sample has been taken only from 100 respondents
- As this study is confined only to the respondents of Coimbatore city, the findings and suggestions are applicable only to Coimbatore city.
- The details furnished by the respondents are true and the result is based on this assumption.

RESEARCH METHODOLOGY

The process used to collect information and data for the purpose of making business decisions. The methodology may include publication research, interviews, surveys, and other research techniques and could include both present and historical information.

COLLECTION OF DATA

The data bases of the study consist of both primary data and secondary data that helped the researcher in systematic frame work of the study.

PRIMARY DATA

Data that has been collected from first-hand-experience is known as primary data. Primary data has not been published yet and it is more reliable, authentic and objective. The primary data was collected

through questionnaire from the dealers of FMCG product. It was prepared and administered by taking a sample of 100 respondents, which contains different categories of respondents like male & female etc who deals with the FMCG product.

SECONDARY DATA

Data collected from a source that has already been published in any form is called as secondary data. The review of literature in any research is based on secondary data. Mostly from books and internet.

SAMPLE SIZE

Sample is the selection of persons from the different background and level to know their views and opinions regarding the FCMG product. Assuming that the sample data will be able to estimate the brand switching of consumer's.

The sample size is 100 persons.

TOOLS AND TECHNIQUES

- ✦ Simple percentage method
- ✦ Chi-square test

PERCENTAGE METHOD:

Percentage method refers to a specified kind which is used in making comparison between two or more series of data. Percentage is based on descriptive relationship. It compares the relative item. Since the percentage reduce everything to a common base and thereby allow meaning comparison. To calculate percentage analysis, 100 respondent's opinion are taken

FORMULA:

$$\text{Simple percentage analysis} = \frac{\text{Actual response}}{\text{Total number of respondents}} \times 100$$

CHI SQUARE TESTS:

The chi square test is an important test among the several tests of signification developed by satisfaction. Chi-square, symbolically written χ^2 is a statistical measure used in the contexts of sampling analysis for comparing a variance to a theoretical variance. It can also be used to make comparison between theoretical population and actual data when categories as used.

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

•O = Observed frequencies •E = Expected Frequencies.

REVIEW OF LITERATURE

1. **Abhigyan Bhattacharjee (2011)**in his article entitled “Media Influence on FMCGs-A Comparative Study among Rural and Urban Households on Their Product Purchase Decision”, points out that are three related changes in the nature and content of media that deserves to be highlighted. First, there has been a several fold increase in the number of television channels in the country, and exponential rise in advertising expenditure in India, and finally, a related shift has been the altering of the programming overall media content to suit the corporate interest.
2. **Jyothi Rana (2011)**dealt with the awareness level of rural consumers and their purchase intention towards premium FMCG brands. The research was conducted in two villages of Faridabad district with a sample size of 200. Five categories of FMCG brands namely shampoos, soaps, washing powder, face cream and haircolors were selected for the study. The outcomes of the study were majority (60%) of the people use premium brands on special occasion and these consumers prefer quality over price and package. Youth were the messengers carrying information about these premium FMCG brands.
3. **Mahalingam and Nandha Kumar (2012)** In this study titled "A Study on Consumer Behaviour towards Selected Fast Moving Consumer Goods in Coimbatore City" the researcher has assessed the socio-economic profile, shopping pattern of consumers and found out the factors influencing the consumer to purchase the selected FMCG products. From this study it was found that most of the consumers are influenced by brand and quality in purchase of FMCG products.

4. **Ullah, Shafayet, Prince and Rozario(2012)**depicted that Fast Moving Consumer Goods (FMCG) sector is one of the largest sectors in the economy of Bangladesh. In the last few years, the FMCG industry in Bangladesh has experienced a dramatic growth; both qualitative and quantitative improvements have taken place in the consumer durables segment. FMCG in marketing means convenient and low involvement products like, salt, flours, pens, chocolates, etc. In recent years, the FMCG industry worldwide has experienced a difficult market condition. In some categories, formerly popular brands have either been deleted or squeezed between the category leaders and low-cost competitors. The study has identified eight primary factors that influence consumers' purchase decision of FMCG products in Bangladesh
5. **Srivastava and Kumar (2013)**Analysed that FMCG sector is a vital contributor to India's Gross Domestic Product. It has been contributing to the demand of lower and middle income groups in India. Over 73% of FMCG products are sold to middle class households in which over 52% is in rural India. Rural marketing has become the hottest marketing arena for most of the FMCG companies. The rural India market is huge and the opportunities are unlimited. x. The Indian FMCG companies are now busy in formulating new competitive strategies for this untapped potential market. Therefore, a comparative study is made on growth, opportunity, and challenges of FMCG companies in rural market.
6. **Sulekha and Kiran (2013)** concluded that in India more than 72% population lives in villages and FMCG companies are famous for selling their products to the middleclass households; it implies that rural India is a profitable and potential market for FMCG producers.
7. Rural consumers' incomes are rising and now they are more willing to buy products which improve their lifestyle. Producers of FMCG have to craft unique marketing strategies exclusively for rural consumers. In this process they need to understand the rural consumer buying behavior which may differ geographically. The present study focuses on understanding the rural consumer buying behaviour for FMCG in Haryana. The study emphasizes on the factors which influence the purchasing pattern of rural consumers. The study was conducted in four districts of Haryana namely Panipat, Jind, Kuruksetra and Gurgaon.
8. **Aggarwal (2014)**suggested that Consumer behavior research is the scientific study of the processes consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can satisfy those needs only to the extent they understand their customers. The main objective of this paper is to study the demographic differences in consumers' buying behavior of persons living in Madhya Pradesh and when they buy FMCG products. To attain this

objective a survey was developed and administered across some part of Madhya Pradesh. The findings confirm the factors influencing consumer buying behavior for tooth paste brands available in the market.

DATA ANALYSIS AND INTERPRETATION

DATA ANALYSIS

The process of evaluating data using analytical and logical reasoning to examine each component of the data provided. This form of analysis is just one of the many steps that must be completed when conducting a research experiment. Data from various sources is gathered, reviewed, and then analyzed to form some sort of finding or conclusion. Analysis of data is a process of inspecting, cleaning, transforming, and modeling data with the goal of discovering useful information, suggesting conclusions, and supporting decision-making. The purpose of analyzing data is to obtain usable and useful information. The analysis, irrespective of whether the data is qualitative or quantitative. To describe and summaries the data, to identify the relationships between variables, to compare variables, to identify the difference between variables, to forecast outcomes.

INTERPRETATION

Data interpretation refers to the process of critiquing and determining the significance of important information, such as survey results, experimental findings, observations or narrative reports. Interpreting data is an important critical thinking skill that helps you comprehend text books, graphs and tables. Researchers use a similar but more meticulous process to gather, analyze and interpret data. Experimental scientists base their interpretations largely on objective data and statistical calculations. Social scientists interpret the results of written reports that are rich in descriptive detail but may be devoid of mathematical calculations.

SIMPLE PERCENTAGE ANALYSIS

Percentage Calculator is a mathematical tool used in number conversion to calculate the percentage of a given quantity relative to whole number of quantity. A percentage is a way of expressing any quantity as a fraction of 100 to a whole and it is represented by the symbol $\%$. The simplest way to

calculate percentage is to divide the given number by the relative total number and then multiplying the answer by 100 will gives the percentage. The percentage of a relative quantity can be mathematically derived from the below formula.

SIMPLE PERCENTAGE ANALYSIS

TABLE .1

Age of the respondent

	Frequency	Percent	Valid Percent	Cumulative Percent
18-25	86	86.0	86.0	86.0
26-35	10	10.0	10.0	96.0
36-45	4	4.0	4.0	100.0
Total	100	100.0	100.0	

INTERPRETATION

The above table shows that 86% of the respondents belongs to the age group of below 18-25 years, 10% of the respondents belongs to the age group of 26 – 35 years, 4% of the respondents belongs to the age group of 36-45 years. Hence majority of the respondents belongs to the age group of 18 – 25 years.

CHART .1

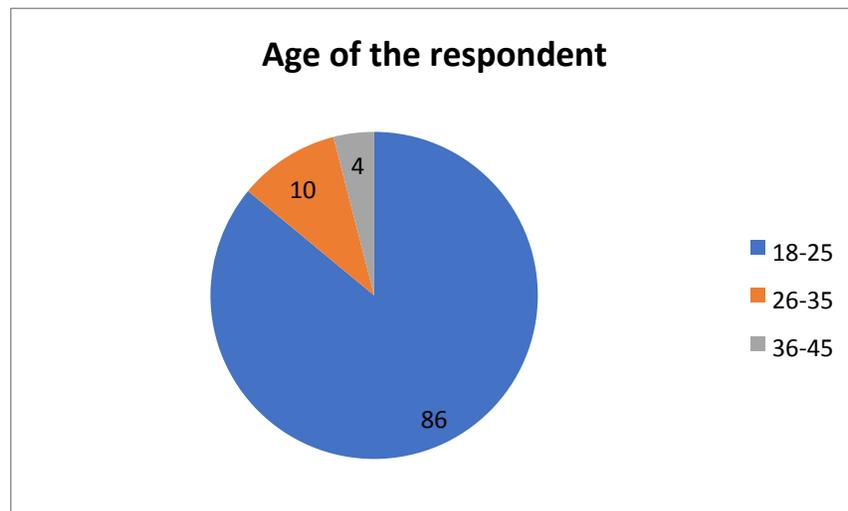


TABLE .2

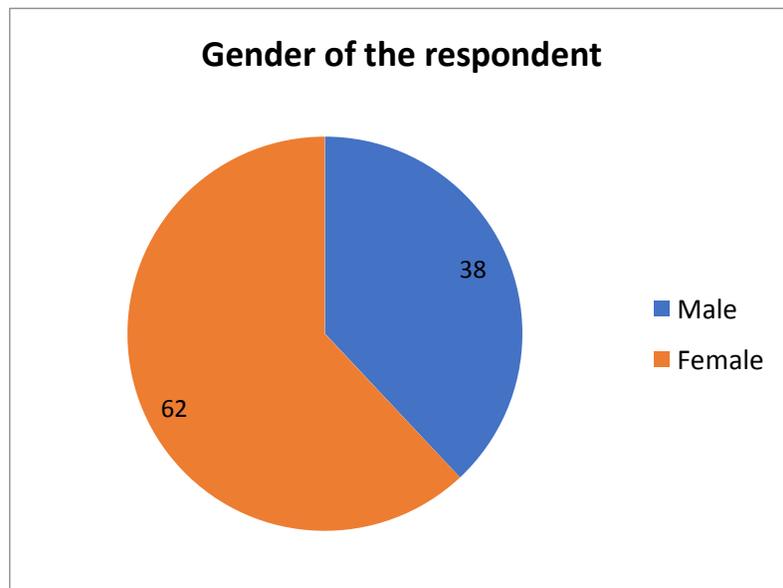
Gender of the respondent

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	38	38.0	38.0	38.0
Female	62	62.0	62.0	100.0
Total	100	100.0	100.0	

INTERPRETATION

The above table shows that 38% of the respondents are male and 62% of the respondents are female. Hence majority of the respondents are female respondents.

CHART .2



FINDINGS AND SUGGESTIONS

FINDINGS

1. 86% of the respondents belongs to the age group of 18-25 years
2. 62% of respondents are Female
3. 67% of the respondents are single
4. 57% of the respondents are post graduate
5. 34% of the respondents are influenced by Television advertising
6. 65% of the respondents occasionally consume the FMCG products
7. 30% of the respondents change their FMCG product monthly once.
8. 57% of the respondents are influenced by positive impression of the product.
9. 42% of the respondents switch their FMCG brand
10. 42% of the respondents change their FMCG brand due to quality

11. 42% of the respondents switch their brand on advertising.
12. 45% of the respondents switch their brand because it was a familiar product or brand
13. 67% of the respondents purchase the products from super markets.
14. 37% of the respondents are using the FMCG products more than 2years
15. 62% of the respondents buy products for good quality
16. 84% of the respondents look for various schemes in FMCG products
17. 45% of the respondents prefer discount schemes in FMCG products
18. 35% of the respondents purchase the product immediately when product gets over
19. 57% of the respondents spend Rs 500 – 1000 for the purchase of FMCG products
20. 31% of the respondents frequently purchase skin care product
21. 56% of the respondents motivating factor to purchase a product is its quality
22. 52% of the respondents are influenced by good collections they have in their brand
23. 57% of the respondents are satisfied with their level of purchasing the advertised product
24. 86% of the respondents agree that more times an advertisement is viewed the product is purchased
25. 47% of the respondents sometimes buy the advertised product even if they don't require it.

SUGGESTIONS

- As the awareness of customer regarding advertisement is very high in brand switching. The company should take steps to maintain it.
- Advertising creates an impact on the mind of the consumers. Brand loyal people go for repeatedly purchase of the same product. At the same time, it makes consumers aware of a particular new product, this happens in the case of the brand switching segment.
- Consumers of FMCG give utmost importance to the quality of the product. Price and offers are factors of lesser importance to them.

- Marketers may use price off or discount strategies to achieve short term objectives of promotion like Brand switching.

CONCLUSION

The Fast Moving Consumer Goods (FMCG) 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 list are toilet soaps, detergents, shampoo, tooth paste, shaving products, shoe polish, packaged food stuff and household accessories and extends to certain electronic goods. As like the same the advertisement of such product are also fast moving in creating responses among its consumers. These products which are essential for day to day life needs more thought while buying. The present study which aimed at studying the responses due to advertising on brand switching have depicted that advertisements while introducing new products are effective in creating responses among the consumers. Also many consumers believe that changing their traditional brand and they consider the FMCG advertising useful.

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QUESTIONNAIRE

1. Which advertising media gets your attention?
 - A. Television
 - B. Radio
 - C. Newspaper
 - D. Internet
2. Frequency of consumption of FMCG products?
 - A. Never

B. Seldom

C. Sometimes

D. Usually

3. How frequently you change your FMCG products?

A. Monthly once

B. Monthly twice

C. Two months once

D. Above

4. In what way it has influenced you?

A. Better Recall

B. Positive impression

C. Interest

D. Better exposure

5. Will you like to switch your brand preference if you get some professional scheme with another brand?

A. Yes

B. No

6. Give reason for the same?

A. Cost

B. Quality

C. Satisfaction

D. More benefits

E. Seasonal Change

7. Have you ever switched your brand preference from one brand to another on basis of advertising?

A. Yes

B. No

C. Sometimes

8. Which of these factors influence you to switch a brand of FMCG products?

A. The advertising was interesting

B. It was a familiar product or brand

C. I was curious about the brand

D. Others

9. What is your place of purchasing FMCG products?

A. Producers

B. Super markets

C. Special shops

D. Others

10. How long you have been using the same FMCG product like toothpaste, shampoo etc. A. 1-2 years.

B. Last 6 month

C. 6 months to 1 year

D. more than 2 years

11. While shopping under the influence of advertising what do you look for?

A. Value for money

B. Good quality.

C. Product image

D. Customer service

12. Do you look for various schemes in the FMCG products?

A. Yes

B. No

13. If yes which scheme? A.

Coupons.

B. Bundling offers

C. Scratch cards

D. Discounts

14. What is the time interval do you take to make the next purchase?

A. Twice in a month

B. Immediately when the products get over

C. Once in a month

D. Whenever needed

15. What is your monthly spending on FMCG products? A. Rs
500-1000.

B. Rs 1000-2000

C. Rs 2000-4000

D. More than 4000

16. Mention the frequency of purchasing of the following products?

A. Skin care

B. Hair care

C. Tooth paste

D. Detergent soaps