

“A STUDY TO INVESTIGATE THE CONSUMER BUYING BEHAVIOR TOWARDS OPERATIONALLY DEFINE PERSONAL CARE PRODUCTS IN MOUNTAINOUS MARKET REFERENCE TO INDIAN STATE OF ARUNACHAL PRADESH”

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Abstract

Fast Moving Consumer Goods (FMCG) sector is the one of the largest one of the booming sector in India touching everybody’s life every day. The consumer is the prime factor of the market. The Consumer behavior is affected by various factors. The FMCG sector contributes a lot to the growth of GDP of a nation. Therefore it is necessary to identify the consumption FMCG products. The study was focused on these four categories, frequency of consumption, most preferred brands, and availability of products and mode of purchase of personal care household FMCG products. 90% of the respondents use daily the Personal Care Household FMCG. 70% respondents are using International Brand, 27 % are using National and 3% are using Local of personal care household FMCG brands. 70% respondents are purchasing from city, 25% are purchasing from local shops and only 5% are not purchasing. 90% respondents are buying in cash, 8% are buying in credit and 2% are not buying.

Keywords: Fast Moving Consumer Goods(FMCG), Buying Behavior, personal care household.

INTRODUCTION

[The Fast-Moving Consumer Goods (FMCG) is products that sell quickly at relatively low cost. These goods are also called consumer packaged goods. FMCGs have a short shelf life because of high consumer demand (e.g., soft drinks and confections) or because they are perishable (e.g., meat, dairy products, and baked goods). These goods are purchased frequently, are consumed rapidly, are priced low, and are sold in large quantities. They also have a high turnover when they’re on the shelf at the store. Fast-moving consumer’s goods are nondurable products that sell quickly at relatively low cost. FMCGs have low profit margins, but they account for more than half of all consumers spending. Examples of FMCGs include milk, gum, fruit and vegetables, toilet paper, soda, beer, and over-the-counter drugs like aspirin. Consumer goods are products purchased for consumption by the average consumer. They are divided into three different categories: durable, nondurable goods, and services. Durable goods have a shelf life of three years or more while nondurable goods have a shelf life of less than one year. Fast-moving consumer goods are the largest segment of consumer goods. They fall into the nondurable category, as they are consumed immediately and have a short shelf life.

Nearly everyone in the world uses fast-moving consumer goods (FMCG) every day. They are the small-scale consumer purchases we make at the produce stand, grocery store, supermarket, and warehouse outlet. Examples include milk, gum, fruit and vegetables, toilet paper, soda, beer, and over-the-counter drugs like aspirin.

FMCGs account for more than half of all consumers, but they tend to be low-involvement purchases. Consumers are more likely to show off durable goods such as a new car or beautifully designed smartphone than a new energy drink they picked up for \$2.50 at the convenience store.

FMCGs can be divided into several different categories including:¹

- **Processed foods:** Cheese products, cereals, and boxed pasta
- **Prepared meals:** Ready-to-eat meals
- **Beverages:** Bottled water, energy drinks, and juices
- **Baked goods:** Cookies, croissants, and bagels
- **Fresh, frozen foods, and dry goods:** Fruits, vegetables, frozen peas and carrots, and raisins and nuts
- **Medicines:** Aspirin, pain relievers, and other medication that can be purchased without a prescription
- **Cleaning products:** Baking soda, oven cleaner, and window and glass cleaner
- **Cosmetics and toiletries:** Hair care products, concealers, toothpaste, and soap
- **Office supplies:** Pens, pencils, and markers]¹

This study is focused on to investigate the buying behavior of buyers of the FMCG products in the Lower Subansiri District of Arunachal Pradesh.

BACKGROUND

Between 1950 and 1980, there was limited investment in the FMCG sector. Local people had lower purchasing power, which meant that people opted for necessity products rather than premium products. Indian government was inclined towards favouring the local shops and retailers. Between 1980 and 1990, people wanted more variety of products which encouraged FMCG companies to increase the availability of products. FMCG Industry started getting traction and other companies started entering the industry. Media industry in India also boomed during the same time which gave new companies even more incentive to make their business profitable². when globalisation and liberalisation occurred in India, western apparels and foreign food products were not available to local customers. Common people weren't very aware of brand recognition. After 1991, FMCG industry was inspired by the international companies which also allowed government intervention to incentivise foreign FMCG companies to operate in India.³

The [fast-moving consumer goods](#) (FMCG) industry or consumer packaged goods (CPG) industry is mainly responsible for producing, distributing and marketing [fast-moving consumer goods](#). The FMCG industry is the fourth largest sector in the [Indian economy](#).⁴ Household and personal care products accounts for 50% of the sales in the industry, healthcare accounts for 31-32% and food and beverage accounts for the remaining 18-19%⁵. The Indian FMCG industry generates massive employment opportunities and currently employs more than 3 million people.⁶ Departmental stores, grocery stores, and supermarkets are the places where consumers buy the necessary products for daily consumption.⁷ In the 21st century, people don't want to move across different stores to acquire the common household goods. Hence, the introduction of supermarkets, where customers have a variety of choices for different household products, into localities are proving to be extremely convenient to the customers. Some of the most common stores in India are: Reliance Retail, Big Bazaar, D-Mart, Easy day, MORE, Spencer's, Spar, HyperCity, and Star Bazaar. Although the operations of supermarkets are profitable, local grocery

stores are suffering due to lack of variety of products.⁸ Unlike other emerging FMCG industry around the world, FMCG sector in India is still quite conventional. Despite street markets are still one of the most visited places for shopping in urban and rural settings, online platforms are leading the way to buy FMCG products.⁹

NEED FOR STUDY

The researcher, after having lived in the Ziro for a number of years for academic purpose, observed that FMCG is growing rapidly in the valley and few of new FMCG production unit has been established in this period. So with the intention of showcasing the Consumer Buying behavior at national and international level, the study has taken place.

STATEMENT OF PROBLEM

“A Study to Investigate the Consumer Buying Behavior towards Household FMCG (Personal Care) Products in the Arunachal Pradesh.”

OBJECTIVE OF THE STUDY

- 1- To collect the data from consumers regarding use of Personal Care Household FMCG products, Frequency of Consumption, Brand Preference, Place of Purchase/ Availability, and Mode of Purchase.
- 2- To collect the opinion of Consumers regarding the brand loyalty of Personal Care Household FMCG Products.

RESEARCH QUESTION

- 1- Dose the Consumer Buying Behavior Plays a role in the purchase decision towards Personal Care Household FMCG Products?

REVIEW OF LITERATURE

Pallavi G S and Shashidhar had done a study on A Study on Consumer Behavior towards Selected FMCG. They found that In the survey, a very huge brand recall in FMCG, Another major finding is that a lot of people stated using which are out of the brand basket of their reach. The most influencing factor that affects the buying decision of the consumers is still the price, followed by quality and then easy availability.

Dr. Rambabu Gopiseti and G.Linganna had done a study focused on gaining insight into the influence of various factors on the buying behaviour of consumers towards personal care products, They found that consumers perceived that Television commercials and followed by Quality and Brand loyalty are significant factors which more influences on the consumer buying behaviour even though they are middle income groups and lower income groups. With increased education and below the 40 years age respondents are more using the personal care products. Further, they consider reach the branded products to the final consumers use the print media and incentive schemes. There, it may be recommended that the marketers must constantly monitor the final consumers and to use the electronic media i.e. T.V. print media i.e. news paper to create awareness of their brands among the final consumers with quality products.

METHODOLOGY

Research Design: The Study is a survey in nature.

Setting: Professors, Clerks, Staffs and Students of Indian State of Arunachal Pradesh

Target Population: Professors, Clerks, Staffs and Students (from almost all the districts of Arunachal Pradesh).

Sampling Techniques: Non-Probability Sampling (Convenient)

Sample Size: 100

Tool for Data Collection: Questionnaire is being prepared focusing the following:

- (i) Frequency of Consumption,
- (ii) Brand loyalty,
- (iii) Distribution channel used, and
- (iv) Mode of Purchase.

ASSUMPTION

It is assumed that the respondents are honest and unbiased in their responses.

DURATION OF DATA COLLECTION

29 July to 05 August 2021.

DATA ANALYSIS

The collected data are organized into the representative categories so as to come up with logical result. In the quantitative analysis based on the evidence, an effort is being made to carefully understand and interpret the information. Percentage is used for the data interpretation.

LIMITATION OF STUDY

The Study is limited to All the Departments of Indira Gandhi Technological and Medical Sciences University's Professors, clerks, Staffs and Students.

FINDINGS

90% of the respondents uses daily the Personal Care Household FMCG like : Cold Cream, Hair Oil, Lipstick, nail polish, Shampoo, shoes, Tooth Paste, Washing Powder, Beer, etc. 70% respondents are using International Brand, 27 % are using National and 3% are using Local of personal care household FMCG brands. 70% respondents are purchasing from city, 25% are purchasing from local shops and only 5% are not purchasing. 90% respondents are buying in cash, 8% are buying in credit and 2% are not buying.

ANALYSIS AND INTERPRETATION

The respondents are highly aware of the consumption of Personal Care household FMCG in the Ziro, especially the students of Indira Gandhi Technological and Medical Sciences University. The respondents are highly brand conscious. They prefer to buy in cash and from reliable retailers. Discussion has done so as to why the buying behaviors are different between students and staff (Matured people) is it because of students are not experienced and expenditures are depending on parents' income, more influenced by the advertisements and glamour.

DISCUSSION

Pallavi G S and Shashidhar S, found that most of the consumers still want to go to traditional shop for purchasing household consumables supermarket is the least preferred by the consumers. They find that 38% of the respondents said that they would like to shop for household consumables once in a month basis. As they find it convenient to shop in this manner. They also find that 72% of consumers get to know about FMCG products through Advertisement. He says that positioning matters in medicated product. As I find that the income level, advertisements pay big role in the buying behavior.

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The respondents are more aware of using branded products and as buys from their reliable shops. Advertising and positioning also plays a big role in consumer buying behavior.

SUMMARY AND CONCLUSION

The study focused on gaining insight into the influence of various factors on the buying behaviour of consumers towards household FMCG (personal care) products , it is found that consumers perceived that Brand loyalty is one of the significant factors which more influences on the consumer buying behavior even though they are living in mountainous rural areas, variable climatic condition and availability of brands. With increased education and reachability of e-commerce companies respondents are more using the personal care products. Further, they consider reach the branded products to the final consumers use the Electronic Media and offers discounts.

RECOMMENDATION

The study can be done at a wider range including the outside peoples living in the district to come up with a near to generalization of the findings.

Another study can be undertaken, taking into consideration, the retailers and general public.

LIMITATION OF THE STUDY

The study is limited to the Various Departments of Indira Gandhi Technological and Medical Sciences University, and students of Arunachal Pradesh.

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