Impact of Advertisement on Consumer Behavior of FMCG in Bhadrak Town: with a Focus on Consumption of Detergent Powder

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Abstract : The study was conducted with an objective to find out the advertisement effectiveness on the behavior of the consumers towards fast moving consumer goods in Bhadrak district. The sample for study chosen was 200. A questionnaire was thoroughly prepared to measure the advertisement effectiveness. The study aimed to generate the perception and awareness of people about the (FMCG) detergent brands. 5 brands of detergent powders were selected in our present study. For a better analysis Chi-Square test was used. The results proposed that people change their brand for to try the new brand. Results are also proposed that consumer behavior changed to the type of income and male were more receptive to advertisement in comparison to female. The behavior of the consumer can be changed through advertisement.

Keywords: Advertisement, Impact, FMCG, Brand

I. INTRODUCTION

Advertising as a form of communication aims to convince the targeted customers to purchase or take some action upon products, information, or services etc. Companies and their advertising agencies seem to have gradually shifted away from traditional marketing medium to innovative, interactive and more personalized mediums. Advertising today has been looked as a business, a creative communication process, a social phenomenon, and a fundamental ingredient of the organization system. Advertising has existed for decades, and as time goes by, more and more advertising mediums are discovered where companies can invest to promote their products and hopefully to influence the consumers to purchase their product. Consumers are exposed to a numerous number of advertising everyday and thousands of products and whether advertising achieves in persuading these consumers to purchase their product remains an area that should be carefully investigated.

Advertising is considered an important determinant of new product success and extension acceptance (Reddy et al, 1994; Nan, 2006). Compared to traditional TV commercials, at present online advertising works interactively, which has been found to be more efficient than one way advertising as interactivity improves comprehension of the message the advertisement tries to convey (Risden et al. 1998, Macias 2003).

II. OBJECTIVES

a. To study how the sample surveyed got information to different brands of detergent.

b. To examine the factors influencing the brand choice of various detergent powder.

c. Does consumer behavior change with regards to gender?

d. Does advertisement of brands affect the buyer behavior?

III. LITERATURE REVIEW

Advertising is one of the key activities for potential business and is equally important as producing something using raw material, or as capital, manpower, planning, organizing etc. products or services. The Indian advertising industry is talking business today and has evolved from being a small-scale business to a full-fledged industry. Indian advertising Industry which has an estimated value of Rs.13, 200-crore has made jaws drop and set eyeballs gazing with some astonishing pieces of work that it has given in the recent past. The creative minds of the Indian advertising industry incorporates have come up with some mind-boggling concepts and work that can be termed as masterpieces in the field of advertising.

The annual Pitch Madison Media Advertising Outlook (PMAO) for 2016 predicts that Advertising industry will grow 16.8 per cent to reach Rs 51,365 crore. This is a growth of Rs 7,300 crore over last year. In 2015, the industry grew by 17.6 per cent, exceeding mid-year projections of 13.8 per cent.

Advertising is the non-personal communication of the information usually paid for and persuasive in nature about products, services or ideas by identified sponsors through the various media (Datta, 2008). The present world, which is flooded with the mass media e.g. television, advertising, films, videos, billboards, magazines, movies, music, newspapers, and internet, no one can stay away from advertisement. (Latif & Abideen, 2011).
Of all the major marketing weapons, advertising is renowned for its long lasting impact on viewer’s mind, as its exposure is much broader (Katke, 2007). Advertising is a subset of promotion mix. As a promotional strategy, advertising serve as a major tool in creating product awareness in the mind of a potential consumer to take eventual purchase decision. Advertising through all mediums influence audiences, but television is one of the strongest medium of advertising and due to its mass reach; it can influence not only the individual’s attitude, behavior, life style, exposure and in the long run, even the culture of the country (Latif and Abideen, 2011).

Now a day, online advertising is widely used by companies and advertisers to promote their products and services (Kaye and Medoff, 2001). Arens and Schaefer (2007) emphasized on understanding consumers’ profile, behavior, and attitude as they are the key in developing an effective advertising strategy. Since different consumers exhibit different attitudes toward advertising, it is important to form theoretical frameworks or models to standardize the measurement of these attitudes (Edell and Burke, 1987).

MacKenzie and Lutz (1989) identified advertising as a credibility that helps consumers’ to generate general perception towards the truthfulness, reliability, trustworthiness and believability of an advertisement.

In today’s dynamic world, it is almost impossible for advertisers to deliver advertising message and information to buyers without use of advertising. Certainly, this may be because of the globalization and accessibility of hundreds of channels for the viewers of this modern era. Now a day, due to globalized economy, which made available a bulk of marketing stimuli to the modern consumers. More often consumerism describes the way of equating personal happiness, with purchasing material possessions and consumption in excess of one’s need (Saleem et al., 2010).

Cassettes and CDs, imperial Blue Cassettes and CDs, Hayward’s Soda, Royal Challenge Golf Accessories and Mineral Water, Kingfisher Mineral Water, White Mischief Holidays, Smirnoff Cassettes and CDs, etc. The specialty of these products is that they have the same brand name and logo which the audiences see in liquor advertisements. The companies ingeniously flash these commercials and promote their liquor products. Cigarettes, Paan Masala and Gutkha making companies are also the part of the same bandwagon. Though a ban has been imposed on advertisements endorsing tobacco products, this industry had resorted to surrogate advertising a few years ago only. Some examples in this category are Manikchand Awards, Red and White Bravery Awards, Wills lifestyle, Four Square White Water Rafting, etc (Gupta Ruchi, 2011)

IV. METHODOLOGY

The study has been an analytical study from January 2016 to February 2016. A questionnaire was designed, to know the point of view of people in Bhadrak regarding the impact of advertisement in changing their consumer behavior. The questionnaire was so designed that the first part of questionnaire contains information regarding demographic while the second part contained a series of close-ended indirect questions. To complete the survey 200 respondents were selected from different areas of Bhadrak to form the sample. The questionnaires were asked to be filled by every age person.

The primary data was collected through questionnaires served to 200 people from varied age group. Out of 200 customers 60 customers were between age group of 20-30, 78 were in the age group of 30-50 and 62 were above 50. The sample consists of people such as housewives, students, professionals and day to day labours of the village under the study. To analyze the data and derive results from it percentage method is used. This method is easy to use and taken as suitable method to compare, keeping in view the objective of the study.

V. LIMITATIONS OF THE STUDY

- The study is limited to Bhadrak district only.
- The sample is limited to 200 and it may not represent the behavior of all the consumers of the area under study.
- The survey was conducted for a very small time period i.e. from January 2016 to February 2016.

Findings of the study

The findings of the research study have been illustrated below. The tables have been formed with respect to the questions contained in questionnaire. During the research period it has been concluded that consumer buying behavior differed from one another depending upon the age group of the consumer.

How did they come to know about the different brands of detergent powder?

Majority of the respondents said the advertisement given in TV, Radio, news papers and other sources gave the information about the various brands of detergent powder. The response are given in Table-I
Table-1: Source of information for brand selection by different age group

<table>
<thead>
<tr>
<th>Source</th>
<th>Age group between 20-30</th>
<th>Percentage</th>
<th>Age group between 30-50</th>
<th>Percentage</th>
<th>Age group above 50</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV</td>
<td>23</td>
<td>38.34</td>
<td>28</td>
<td>35.90</td>
<td>20</td>
<td>32.26</td>
</tr>
<tr>
<td>Radio</td>
<td>02</td>
<td>3.33</td>
<td>01</td>
<td>01.28</td>
<td>13</td>
<td>20.97</td>
</tr>
<tr>
<td>Newspaper</td>
<td>15</td>
<td>25</td>
<td>14</td>
<td>17.95</td>
<td>15</td>
<td>24.19</td>
</tr>
<tr>
<td>Relatives</td>
<td>05</td>
<td>8.33</td>
<td>08</td>
<td>10.26</td>
<td>05</td>
<td>08.06</td>
</tr>
<tr>
<td>Friends</td>
<td>10</td>
<td>16.67</td>
<td>15</td>
<td>19.23</td>
<td>06</td>
<td>09.68</td>
</tr>
<tr>
<td>Others</td>
<td>05</td>
<td>8.33</td>
<td>12</td>
<td>15.38</td>
<td>03</td>
<td>04.84</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
<td>78</td>
<td>100</td>
<td>62</td>
<td>100</td>
</tr>
</tbody>
</table>

Fig.-1: Source of information for brand selection by different age group

Interpretation:
Out of the respondents of age group of 20-30, 38.34% got the information from TV. 35.90% of the age group of 30-50 also got information from TV and in case of the age group of 50 and above it is 32.26%. Radio as a source of information comes second. Newspaper, friends, relatives and others come next. Thus it was observed that TV advertising had a greater impact on minds of the consumers irrespective of the age group.

What are the factors influencing the brand choice of various detergent powder? Consumers prefer goods having attractive packaging and suitable pricing. This is shown in Table-2.

Table-2: Brand preference on the basis of attributes

<table>
<thead>
<tr>
<th>Preference</th>
<th>Age group between 20-30</th>
<th>Percentage</th>
<th>Age group between 30-50</th>
<th>Percentage</th>
<th>Age group above 50</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>08</td>
<td>13.33</td>
<td>11</td>
<td>14.10</td>
<td>10</td>
<td>16.13</td>
</tr>
<tr>
<td>Quantity</td>
<td>05</td>
<td>8.33</td>
<td>10</td>
<td>12.82</td>
<td>12</td>
<td>19.35</td>
</tr>
<tr>
<td>Attractive Packaging</td>
<td>15</td>
<td>25</td>
<td>26</td>
<td>33.33</td>
<td>14</td>
<td>22.58</td>
</tr>
<tr>
<td>Price</td>
<td>13</td>
<td>21.67</td>
<td>20</td>
<td>25.65</td>
<td>13</td>
<td>20.97</td>
</tr>
<tr>
<td>Brand Image</td>
<td>10</td>
<td>16.67</td>
<td>05</td>
<td>06.41</td>
<td>06</td>
<td>09.68</td>
</tr>
<tr>
<td>Availability</td>
<td>09</td>
<td>15</td>
<td>06</td>
<td>7.69</td>
<td>07</td>
<td>11.29</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
<td>78</td>
<td>100</td>
<td>62</td>
<td>100</td>
</tr>
</tbody>
</table>
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Interpretations

In the research area, it is found that attractive small pack and price is given more importance by all the consumers irrespective of the age group. Quality seems to be secondary for the age group of 20-30 accordingly the brand image comes third and quantity comes last. In case of age group of 30-50 the quantity comes second preference and quality comes in to third place and brand image comes last. For the age group 50 and above quantity comes second and quality comes third and brand image come least.

Does consumer behavior change with regards to gender?

Consumer’s preference towards goods changes with respect to gender. This is shown in Table-3.

Table-3: Consumer behavior changes in regards to gender

<table>
<thead>
<tr>
<th>Gender Preference</th>
<th>Age group between 20-30</th>
<th>Percentage</th>
<th>Age group between 30-50</th>
<th>Percentage</th>
<th>Age group above 50</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40</td>
<td>66.67</td>
<td>48</td>
<td>61.54</td>
<td>44</td>
<td>70.97</td>
</tr>
<tr>
<td>No</td>
<td>20</td>
<td>33.33</td>
<td>30</td>
<td>38.46</td>
<td>18</td>
<td>29.03</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
<td>78</td>
<td>100</td>
<td>62</td>
<td>100</td>
</tr>
</tbody>
</table>

Fig. 2- Brand preference on the basis of attributes

Fig. 3- Consumer behavior changes in regards to gender
Interpretations

It is found that within the age group of 20-30, 66.67% of the respondents predict that gender plays an important role in the change of consumer behavior while within the age group of 30-50, 61.54% of the respondents predict that gender plays an important role and within the age group of above 50, 70.97% of the respondents state that gender plays an important role in the change of consumer behavior.

Table-4: Role of brand in change of consumer behaviour

<table>
<thead>
<tr>
<th>Brand Name</th>
<th>Age group between 20-30</th>
<th>Percentage</th>
<th>Age group between 30-50</th>
<th>Percentage</th>
<th>Age group above 50</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surf Excel</td>
<td>22</td>
<td>36.67</td>
<td>24</td>
<td>30.77</td>
<td>16</td>
<td>25.81</td>
</tr>
<tr>
<td>Tide</td>
<td>18</td>
<td>30</td>
<td>28</td>
<td>35.90</td>
<td>20</td>
<td>32.26</td>
</tr>
<tr>
<td>Wheel</td>
<td>12</td>
<td>20</td>
<td>16</td>
<td>20.52</td>
<td>15</td>
<td>24.19</td>
</tr>
<tr>
<td>Nirma</td>
<td>2</td>
<td>3.33</td>
<td>6</td>
<td>7.69</td>
<td>6</td>
<td>9.68</td>
</tr>
<tr>
<td>Ariel</td>
<td>6</td>
<td>10</td>
<td>4</td>
<td>5.12</td>
<td>5</td>
<td>8.06</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
<td>78</td>
<td>100</td>
<td>62</td>
<td>100</td>
</tr>
</tbody>
</table>

Fig.-4: Role of brand in change of consumer behavior

Interpretations

Table -4 depicts that for the age group 20-30, Surf Excel is the highly preferred brand followed by Tide, Wheel, Ariel and Nirma. For the age group of 30-50 and for the age group above 50 Tide is the preferred brand followed by Surf Excel, Wheel, Nirma and Ariel.

VI. CONCLUSION

The topic under study reveals that consumer behavior s highly affected by culture, traditions, trends and customs. Consumers are quality conscious and prefer fresh smell in the detergent brand. People like media advertisement most preferably Television as it creates a deep impact on the mindset rather than banners or newspapers. As consumers have been associated with the detergent products for a while, they do not prefer to change it. The consumers under study are aware about all the brands of detergent. Coming to brand preference, attractive packing, small size and low price plays an important role in all the age group and other factors become secondary in the market under study. In case of age group of 20-30 prefer Surf Excel as their first choice, however in case of age group of 30-50 prefers Tide as their first choice and similarly age group of above 50 prefer Tide. Finally, consumers will be attracted towards those products which are easily available and has more quality rather than quality. Income is a major factor on which bases people buy low price product brands of FMCG.
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