



EXPLORING THE FACTORS INFLUENCING BRAND PREFERENCE OF FAST-MOVING CONSUMER GOODS (FMCG) PRODUCTS: AN EMPIRICAL STUDY

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ABSTRACT

The fast-moving consumer goods (FMCG) market is highly competitive, with multiple brands fighting for consumer attention and loyalty. Understanding the elements influencing brand preference in this industry is critical for organisations looking to achieve a competitive advantage. The purpose of this study is to look into the elements that influence customers' brand preferences for FMCG products. The study was conducted 150 consumers of FMCG products in Coimbatore district. Statistical tools used in the study are percentage analysis and chi-square test. The findings reveal that a variety of factors influence brand preference for FMCG products, including product quality, pricing, packaging, advertising, and reputation. The survey found that product quality and price are the most important determinants of brand preference, followed by packaging and promotion.

Keywords: Brand preference, FMCG products, Buying behaviour and Quality products.

INTRODUCTION

The Fast-Moving Consumer Goods (FMCG) industry is one of the world's most dynamic and competitive sectors, offering a diverse selection of items to customers on a regular basis. FMCG products include food, beverages, cosmetics, and household items, among others. In today's market, brands are always competing for consumer attention and loyalty, making it critical for businesses to understand their preferences and behaviour.

Brand choice plays an important role in determining a company's success in the FMCG market. Consumers are more loyal to brands that provide high-quality products, distinctive value propositions, and consistent brand experiences. A brand preference survey for FMCG items can provide significant insights into customer behaviour, preferences, and attitudes towards various brands. This information can be used to guide marketing strategy, product development, and brand positioning.

OBJECTIVES OF THE STUDY

1. To identify the key factors that influence consumer brand preference in the FMCG industry.
2. To examine the relationship between consumer demographics and brand preference in the FMCG industry.
3. To provide suggestions for brand loyalty based on consumer demographics and purchase behavior.

STATEMENT OF THE PROBLEM

As competition in the fast-moving consumer goods (FMCG) business heats up, producers and marketers are increasingly concerned about consumer brand loyalty. Despite widespread adoption of digital marketing strategies and aggressive advertising campaigns, many FMCG companies are struggling to maintain a consistent brand preference among their target audience, which is known for preferring traditional brands but is increasingly influenced by new and innovative offerings. The study will look at how product quality, packaging, pricing, advertising, and brand reputation influence consumer preferences for various FMCG brands.

RESEARCH METHODOLOGY

The study was made in the Coimbatore district to identify the factors influencing to prefer branded FMCG products with the sample size of 150. Convenience sampling has been adopted to collect the responses through questionnaire.

Tools for Analysis:

1. Percentage analysis
2. Chi – Square

RESULTS AND DISCUSSION**1. Percentage Analysis****TABLE 1: INFORMATION ABOUT BRANDED FMCG GOODS**

Information about FMCG goods	Number of frequency	Percentage
Friends & relatives	30	20
News paper	12	8
Magazines	14	9
Radio	15	10
Television	22	15
Outdoor advertisement	20	13
Bill boards	27	18
Road show advertisement	10	7
Total	150	100

TABLE 2: LEVEL OF SATISFACTION ON QUALITY OF FMCG GOODS AVAILABILITY

Level of satisfaction on service of FMCG goods availability	Number of frequency	Percentage
Highly satisfied	30	20
Satisfied	75	50
Neutral	25	17
Dissatisfied	15	10
Highly dissatisfied	5	3
Total	150	100

TABLE 3: OVERALL PERFORMANCES OF THE FMCG GOODS

Overall performance of the FMCG goods	Number of frequency	Percentage
Excellent	55	37
Good	70	47
Normal	14	9
Poor	11	7
Total	150	100

TABLE 4: REASONS FOR MAKING PURCHASE IN YOUR PREFERRED STORES

Preferred stores	Number of frequency	Percentage
Discount	20	13
Variety	25	17
Serviced	74	49
Proximity	16	11
Ambience	15	10
Total	150	100

TABLE 5: PREFER MOST FOR BUYING FMCG GOODS

Prefer most for buying FMCG goods	Number of frequency	Percentage
Once in a week	55	37
Once in a month	75	50
Twice in a month	14	9
Not at all	6	4
Total	150	100

TABLE 6: ADVERTISEMENTS HAS INFLUENCED

Advertisement has influenced you	Number of frequency	Percentage
Better recall	20	13
Positive impression	21	14
Interest	15	10
Better exposure	30	20
Through knowledge about the product	64	43
Total	150	100

TABLE 7: OVERALL PRICE OF THE FMCG GOODS

Overall quality of the FMCG goods	Number of frequency	Percentage
Excellent	42	28.0
Good	58	38.7
Normal	25	16.7
Poor	15	10.0
Very poor	10	6.7
Total	150	100

TABLE 8: IMAGE OF BRANDED PRODUCTS IS BETTER THAN UNBRANDED PRODUCTS

Image of Branded products is better than unbranded products	Number of frequency	Percentage
Yes	120	80
No	30	20
Total	150	100

TABLE 9: EFFECTIVE PACKAGING OF THE BRANDED FMCG GOODS

Effective Packaging	Number of frequency	Percentage
Strongly agree	65	43.3
Agree	42	28.0
Neutral	18	12.0
Disagree	10	6.7
Strongly disagree	15	10.0
Total	150	100

From the analysis it is found that customers gather information from friends and relatives about branded FMCG products with 20%, 50% of the consumers are satisfied with the quality of the products, 49% of the respondents feels that the branded products are with better service.43% of the consumers are influenced to purchase the products by gathering knowledge about the product, 38.7% of the consumers feels that the price of the branded FMCG products are good and also the image and packaging of the products are effective. These were the factors which are influenced by the consumers to purchase the branded products.

2. Chi – Square

2.1 Association between Place of residence and overall price of the FMCG goods

Table 10: Place of residence and overall v of the FMCG goods (cross-table)

Place of Residence	overall performance of the FMCG goods					Total
	Excellent	Good	Normal	Poor	Very poor	
urban	2	8	16	7	34	67
rural	14	11	23	10	25	83
Total	16	19	39	17	59	150

Table 11: Place of residence and overall price of the FMCG goods (Chi-square)

	Calculated Value	DF	Table value
Pearson chi-square	11.057	4	12.9

Source: Primary data

Inference

From the above table it is observed that, the null hypothesis is accepted. It is inferred that there is a significant relationship between Place of residence and overall price of the FMCG goods.

CONCLUSION

The study on FMCG product brand preferences demonstrates that consumers' preferences for certain brands are influenced by a complex interplay of factors such as product quality, price, packaging, and brand image. Our findings indicate that while customers are loyal to specific brands, they are also willing to test new items and brands if they sense value and quality. Our findings emphasize the importance of product quality and perceived value in determining brand preference. Consumers tend to prefer brands that are regarded to deliver high-quality products at a competitive price. Furthermore, our findings reveal that packaging and branding have a major impact on customer preferences, with people preferring brands with distinctive and appealing container designs.

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