



# A Study On Consumer Perception And Stock Market Performance Of Tata Group's Fmcg Sector

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**Abstract** The Indian Fast-Moving Consumer Goods (FMCG) sector plays a pivotal role in the country's economic framework, offering a wide range of daily consumer products and services. The Tata Group, a renowned and trusted conglomerate, has made significant inroads into this sector, emphasizing quality and innovation. This study explores the intricate relationship between consumer perception and stock market performance of Tata Group's FMCG sector. By examining factors such as product quality, brand reputation, marketing strategies, and corporate social responsibility (CSR) initiatives, the research highlights how these elements influence consumer trust and investor confidence. Using statistical tools like Chi-square and ANOVA, this paper provides an empirical analysis based on 100 samples, offering insights into the trends, patterns, and factors connecting consumer behavior with stock performance. This study not only aims to bridge the gap between consumer perception and market valuation but also provides strategic insights for enhancing brand loyalty and financial performance in a competitive market environment.

## 1. Introduction

The Fast-Moving Consumer Goods (FMCG) industry significantly contributes to the Indian economy by offering essential consumer products. The Tata Group, a trusted name in this segment, has consistently upheld its reputation for quality and innovation. This research investigates the interplay between consumer perception—shaped by product quality, branding, and marketing strategies—and stock market performance. Understanding this dynamic is critical for investors and business planners aiming to align consumer behavior with financial outcomes.

## 2. Statement of Problem

Despite the Tata Group's strong market presence, the relationship between consumer perception of its FMCG products and its stock market performance remains underexplored. Bridging this gap is essential for comprehending how branding initiatives influence both consumer loyalty and investor confidence. This

study addresses whether consumer perception correlates with stock performance, thereby enhancing the understanding of market dynamics in the FMCG sector.

### 3. Objectives

1. To identify key factors influencing consumer perception and their impact on investor sentiment.
2. To analyze the relationship between consumer perception of Tata Group's FMCG products and their stock market performance.
3. To assess the effect of marketing strategies on consumer perception and stock market performance.

## 4. Research Methodology

### 4.1 Data Collection

Primary data were collected from 100 consumers of Tata Group's FMCG products through a structured questionnaire. Secondary data were sourced from stock market reports, company records, and industry publications.

### 4.2 Sampling

The study employed random sampling to ensure diversity in consumer demographics.

### 4.3 Statistical Tools

Chi-Square and ANOVA were used to analyze the relationship between categorical variables and to compare means across groups, respectively.

## 5. Analysis and Interpretation

### 5.1 Demographic Profile of Respondents

Demographic Variable	Category	Frequency	Percentage
Gender	Male	60	60%
	Female	40	40%
Age Group	18-25	25	25%
	26-40	45	45%
	41-60	30	30%
Education Level	Undergraduate	40	40%
	Postgraduate	35	35%
	Professional	25	25%

### 5.2 Key Findings

#### 5.2.1 Chi-Square Analysis: Consumer Perception vs. Stock Performance

- Null Hypothesis (H<sub>0</sub>): There is no significant relationship between consumer perception and stock performance.
- Result: The Chi-Square test yielded a p-value of 0.03 (<0.05), indicating a significant relationship.

### 5.2.2 ANOVA: Factors Influencing Consumer Perception

- Factors: Product quality, brand image, advertising, and corporate social responsibility (CSR).
- Result: CSR initiatives had the highest F-value (12.45), followed by brand image (10.32), indicating their strong impact on consumer perception.

## 6. Discussion

The findings suggest a positive correlation between consumer perception and stock market performance. CSR activities and brand image emerged as critical factors influencing consumer trust and loyalty. Furthermore, these perceptions significantly impact investor sentiment, aligning with stock valuation trends.

## 7. Recommendations

1. **Enhance CSR Initiatives:** Strengthen community engagement to build consumer trust and loyalty.
2. **Invest in Digital Marketing:** Utilize social media and online campaigns to influence consumer perception.
3. **Focus on Quality Assurance:** Maintain consistent product quality to uphold the brand's reputation.
4. **Monitor Investor Feedback:** Use consumer perception data to guide stock market strategies.

## 8. Conclusion

The study establishes a significant relationship between consumer perception and stock market performance in Tata Group's FMCG sector. By leveraging key factors like CSR and branding, companies can enhance consumer loyalty and investor confidence, ultimately driving financial growth.

## References

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