



A Study On Impact Of Product Quality On Customer Brand Loyalty Towards FMCG Products With Reference To Coimbatore District

Sanraj M, B.Com with professional accounting Sri Ramakrishna College of Arts & Science, Coimbatore.

W. Infant Emiliya, Assistant Professor of B.Com with Professional Accounting Sri Ramakrishna College of Arts & Science, Coimbatore.

ABSTRACT

Products which have a quick turnover, and relatively low cost are known as Fast Moving Consumer Goods (F.M.C.G.). F.M.C.G. products are those that get replaced within a year. To attract the consumers the FMCG companies are introducing various types of products with different brands but we are seeing Hindustan Unilever limited product which make the consumers to change their product from the existing to the latest brand. The study will be beneficial for the consumers with the help of this study the consumers will know about the various products, pricing factors, promotional schemes, marketing strategies, competitiveness of the product and the availability of products in their surroundings. The study was conducted on

100 respondents in Coimbatore District using convenience sampling method. Percentage Analysis, Chi – square test, ANOVA and Method have been used to analyze the data. It is concluded from this study that FMCG sector is growing and will continues to grow very fast. The futures for the FMCG sector look extremely encouraging. The sector having under gone a structural change is all set to emerge stronger in future. The FMCG market remains highly fragmented with almost half of the market representing brand up package homemade product.

INTRODUCTION OF THE STUDY

Products which have a quick turnover, and relatively low cost are known as Fast Moving Consumer Goods (F.M.C.G.). F.M.C.G. products are those that get replaced within a year. Examples of F.M.C.G. generally include a wide range of frequently purchased consumer products such as toiletries, soap, cosmetics, tooth cleaning products, shaving products and detergents, as well as other non-durables such as glassware, bulbs, batteries, paper products, and plastic goods. F.M.C.G. may also include pharmaceuticals, consumer electronics, packaged food products, soft drinks, tissue paper, and chocolate bars. India's F.M.C.G. sector is the fourth largest sector in the economy and creates employment for more than three million people in downstream activities. Its principal constituents are Household Care, Personal Care and Food & Beverages. The total F.M.C.G. market is in excess of Rs. 85,000 Crores. It is currently growing at double digit growth rate and is expected to maintain a high growth rate. F.M.C.G. Industry is characterized by a well established distribution network, low penetration levels, low operating cost, lower per capita consumption and intense competition between the organized and unorganized segments.

STATEMENT OF PROBLEM

Now a day's many varieties of personal care products like toothpaste & brush, bath soap, shampoo, hair oil, cosmetics etc are available in the market but the users are not in a position to identify and select a particular brand. Hence because of this all fmCG companies undertakes various strategies to deliver their product information to the consumers through internal and external sources. In spite of this only some of the sources induce them to buy those products. In the mean time, the level of income and size of the family also affects the purchase behaviour of the consumers which determines their standard of living.

OBJECTIVE OF THE STUDY

- To evaluate the brand awareness and of rural consumer in Coimbatore District.
- To find out the factors that influencing consumer behavior in fast moving consumer goods and role of media among the rural consumers.
- To Understand the overall satisfaction level of respondents using FMCG goods.

REVIEW OF LITERATURE

- **Venukumar G., (2024)** in his study "Growth on F.M.C.G in rural market" conclude that, it is certain that F.M.C.G. companies will have to really gain inroads in the rural markets in order to achieve double digit growth targets in future. There is huge potential and definitely there is lot of money in rural India. The companies entering rural market must do so, for strategic reasons and not for tactical gains as rural consumer is still a closed book and it is only through unwavering commitment that the companies can make a dent in the market. Ultimately the winner would be the one with the required resources like time and money and also with the much needed innovative ideas to tap the rural market.

- **Dr.Singh S., (2023)** concluded in his study that, H.U.L. has shown the way to other companies producing fast moving consumer goods (F.M.C.G.) on how to penetrate the rural market. Intensifying its reach in the rural markets, H.U.L. has decided to make its brands more 'experiential' in nature instead of merely making them available in these media dark markets. They have carried out one of the largest sampling exercises for this purpose to overcome barriers like lack of brand awareness, ignorance of product benefits and complete absence of any firsthand experience of usage.
- **Jain and Sharma (2019)** analyzed the "Brand awareness and customer preferences for FMCG products in rural market of Garhwal region". The study found that average awareness of the respondents in the rural market is approximately 75 per cent, 70 per cent, 72 per cent, 64 per cent and 73 per cent in case of shampoo, washing powder, soap, tea, toothpaste respectively, which infers that people in the rural market have an average awareness about most of the products which infers that advertising and marketing activities have major influences in choices of people in rural market. The study further found that among various factors like quality, price, easy availability, family liking, advertisement, variety, credit attributes of brand preference; the quality is the first preference in case of brand choices and rural people give least preference to variety and credit attributes. It is also concluded that there is a positive impact of media on brand preference of FMCG products among consumers.
- **Riyas G., (2015)**, "Customer perception towards F.M.C.G industry in Bangladesh" discussed in their study 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 that 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. This study recommends focusing on three important factors, i.e. sales promotion, time constraints and unavailability of brand to smoothen the progress of the FMCG industry in Bangladesh.

RESEARCH METHODOLOGY

The validity of any research depends on the systematic method of collecting the data and analyzing the same in a logical and sequential order. In the present study, an extensive use of both primary and secondary data was made.

RESEARCH METHOD

Business research is recent origin and is largely supported by business organizations that hope to achieve competitive advantages. Research methodology lays down the various steps that are generally adopted by a researcher in studying the problem. Research methodology is a way to systematically solve the research problems. It may be understood as a science of studying how research is done scientifically. It includes the overall research design, the sampling procedure, data collection method and analysis procedure.

RESEARCH DESIGN

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The Research design used in this study was descriptive research design. It includes surveys and fact- finding enquiries of different kinds. The main characteristic of this method is that the researcher has no control over the variables the researcher can report only what has happened or what is happening. The researcher used this research design to find out the fact of respondents attitude and opinion about satisfaction of customers.

SAMPLING SIZE

The study was conducted on 100 respondents in Coimbatore District using convenience sampling method.

PRIMARY DATA

Primary data is the data is collected from the respondent for the first time, it is original in nature. For the purpose of collection of primary data, a well structured questionnaire was framed and filled by the respondents. The questionnaire comprises of close ended as well as open ended questions. In close ended questions, checklist questions and multiple choice questions are used.

SECONDARY DATA

Secondary data are collected from books, magazines, web sites etc, and both open ended & close-ended questions are incorporated in the questionnaire for the collection of data.

ANALYSIS AND INTREPRETATION PERCENTAGE ANALYSIS

Table – 1.1- Demographic Profile

Factors	Particulars	No of respondents	Percentage (%)
Age	Below 20 years	35	35
	21 - 40 years	44	44
	41 - 60 years	15	15
	Above 60 years	6	6
	Total	100	100
Gender	Male	44	44
	Female	56	56
	Total	100	100
Educational Qualification	No formal education	17	17

	Educational up to 12th	25	25
	Graduate	53	53
	Professional	5	5
	Total	100	100
Occupation	No formal occupation	2	2
	Student	30	30
	Employee	39	39
	Agriculture	12	12
	Business	17	17
	Total	100	100
Family income	Below Rs.50,000	40	40
	Rs.50,001 - Rs.1,00,000	30	30
	Rs.1,00,001 - Rs.1,50,000	25	25
	Above Rs.1,50,000	5	5
	Total	100	100
Marital Status	Married	63	63
	Unmarried	37	37
	Total	100	100
Size of the family	2 members	33	33
	3 to 5 members	54	54
	Above 5 members	13	13
	Total	100	100
Types of the family	Joint	32	32
	Nuclear	68	68
	Total	100	100

(Source: Primary data)

Majority 44 % of the respondents are between the age group of 21-40 year 56% the respondents are female 53% of the respondents are graduates employees are respondents 39% the family income people below 50000/- 40% respondents. The Married person of 63% respondents. The family members of 3-5 members are 54% respondents the nuclear of family 68% respondents.

CHI SQUARE

Age and Level of Influence

H₀: There is no significant relationship between the two categories that are age of the respondents and their level of influence on the purchase of FMCG brands.

H₁: There is significant relationship between age of the respondents and their level of influence on the purchase of FMCG brands.

Table – 2.1

Age	Level of Influence			Total
	High	Moderate	Low	
Below 20 years	6	29	0	35
21 - 40 years	18	22	4	44
41 - 60 years	6	7	2	15
Above 60 years	2	0	4	6
Total	32	58	10	100

Calculated χ^2 Value: 34.805

Degree of freedom: 6

Table Value: Five per cent level: 12.592

Since the calculated χ^2 value (34.805) is greater than the table value (12.592). Therefore it is concluded that there is a significant association between age group of the respondents and their level of influence on the purchase of FMCG brands. Hence, Null hypothesis is rejected.

Gender and Level of Influence

H₀: There is no significant relationship between the two categories that are gender of the respondents and their level of influence on the purchase of FMCG brands.

H₁: There is significant relationship between gender of the respondents and their level of influence on the purchase of FMCG brands.

Table – 2.2

Gender	Level of Influence			Total
	High	Moderate	Low	
Male	11	28	5	44
Female	21	30	5	56
Total	32	58	10	100

Calculated χ^2 Value: 1.780

Degree of freedom: 2

Table Value: Five per cent level: 5.991

Since the calculated χ^2 value (1.780) is less than the table value (5.991). Therefore it is concluded that there is no significant association between gender of the respondents and their level of influence on the purchase of FMCG brands. Hence, Null hypothesis is accepted.

Educational Qualification and Level of Influence

H_0 : There is no significant relationship between the two categories that are educational qualifications of the respondents and their level of influence on the purchase of FMCG brands. H_1 : There is significant relationship between educational qualifications of the respondents and their level of influence on the purchase of FMCG brands.

Table – 2.3

Educational Qualification	Level of Influence			Total
	High	Moderate	Low	
No formal education	0	17	0	17
Educational up to 12th	10	13	2	25
Graduate	21	27	5	53
Professional	1	1	3	5
Total	32	58	10	100

Calculated χ^2 Value: 28.470

Degree of freedom: 6

Table Value: Five per cent level: 12.592

Since the calculated χ^2 value (19.856) is greater than the table value (15.507). Therefore it is concluded that there is a significant association between occupations of the respondents and their level of influence on the purchase of FMCG brands. Hence, Null hypothesis is rejected.

FINDINGS

PERCENTAGE ANALYSIS

- Most 44% of the respondent are belong to the age group between 21-40 years.
- Majority 56% of the respondents are female.
- Majority of 53% of the respondents are graduate holders.
- Most 39% of the respondents are employed.
- Majority 40% of the respondents family income is below Rs.50,000.
- Majority of 63% respondents are married.
- Majority 54% of the respondents have between 3 to 5 members in their family.
- Most 68% of the respondents are belongs to nuclear family.
- Majority 54% of the respondents are strongly agree with influencing radio advertisements.

- Majority 47% of the respondents are strongly agree with influencing bill boards advertisements.
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SUGESSTION OF STUDY

The suggestions from the study are as mention below

- Majority of the respondents give preference to the price of the products and subsequently they give importance to quality of products, quantity of products, awareness of products, and availability of products.
- Customers needs good quality of products at low price.
- Use of televisions and newspapers are more planners also should use these media to reach to maximum number of viewers/readers.
- Quality in FMCG products may be achieved through acquiring training in business development, quality product development, and marketing external monitoring of quality
- FMCGs should create impression of being premium for a given price.

CONCLUSIONS

It is concluded from this study that FMCG sector is growing and will continues to grow very fast. The futures for the FMCG sector look extremely encouraging. The sector having under gone a structural change is all set to emerge stronger in future. The FMCG market remains highly fragmented with almost half of the market representing brand up package homemade product. This presents a tremendous opportunity for the markets of branded product. The study on the consumer behaviour towards the products of FMCG has received a pivotal position in the market for paste, soap, shampoo although there are many competitors in the market.FMCG was able to maintain hold its top rank providing quality product at reasonable price to consumer. Quality is the main motivating factor for the consumer to buy the product of FMCG. Introduction of new products in the market to satisfy the consumer is also an importance reason for FMCGs to hold the top in the consumer market. It clears from the study that FMCG acquire a major share in the consumer goods market the manufacture as to provide quality goods at reasonable price.

REFERENCES

- **Venukumar G., (2024)** in his study “Growth on F.M.C.G in rural market”
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