

IMPACT OF ADVERTISEMENT ON CUSTOMER BUYING BEHAVIOUR OF FMCG PRODUCTS IN SURAT CITY

Tanvi Bhalala

Department of Master of Business Administration, Prof. V.B. Shah Institute of Management, India

Abstract

This paper aims to evaluate the impact of advertisement on customer buying behaviour of FMCG product in Surat city. A questionnaire was prepared to assess the impact of advertisements on FMCG with selected products, with the sample of 110, the sample data has been collected from Surat city. Data analysis was tested frequency analysis, cross tabulation and chi-square test by using SPSS 22.0 Version. Based on the analysis of data collected from respondents, it can be concluded that Internet and Television are most preferred media while Music and melody is most preferred advertisement appeal considered by customers nowadays for FMCG Product. The study also found that customer prefer to purchase FMCG products based on its advertisement and quality of products. One interesting thing identify form the study that those customer who makes repurchase decision based on repeated advertisement were attracted by two elements of advertisement i.e. usage information and attractive of advertisement.

Keywords:

Advertisements, Ads Appeals, Consumers, FMCG

1. INTRODUCTION

Fast-moving consumer goods (FMCG) sector is India's fourth largest sector and growing at health rates over the years because of rising disposable income, rising in population level, and awareness of verity of brands among customer. As FMCG products are need of the life, this category of product purchase by every household. These goods are often divided into categories referring to their shelf-life. They cover process goods like cheese, cereals etc. and prepared meals that are ready to eat and frozen food that is heated at the time of consumption. Beverages, baked foods, personal care products, home care products, stationary, etc. also included in this category. FMCG product covered up more than a half of the entire consumer spending. The intelligent marketer needs to acquire more information about customer profile to frame proper marketing strategy and to understand proper connection to consumer behavior. As a part of marketing strategy, marketer needs to do promotion using verity of promotion tools. Advertisement is one of the traditional and most effective tools of promotion since decades.

In modern era, advertisement play significant role for customer, producers and society at large. Advertisement performs many functions in the society such as, giving information about the advantages and uses of a product or service, which influences, targets or aims the attitudes and behaviors of customers by using different media outlets to capture their attention. For instance, the thousands of advertisements released through various media interfaced by the average consumer of the India. Therefore,

advertisement plays an incredibly vital role in shaping opinions, perception, attitude and behavior of products and services. Also, it supports many institutions, such as news outlets, the television industry, search engine companies, and social media websites. It also serves as an art form or way of communicating with the customers. This deals with communication skills and convincing power. This helps in increasing demand of products on the side of the producers, at the same time increasing sales.

The major purpose of advertising is to impact on consumer buying behaviour; however, this impact about brand is changed or strengthened frequently through people's memories. Consumers buying behaviour has always been given so much importance and space in the literature study of impact of advertising regarding its effectiveness. Most of the time consumers buying behaviour depends on liking or disliking of consumer towards the advertisement of the product advertised. A good quality advertisement is likely to influence consumers into buying that product while a poor-quality advertisement will do the opposite.

2. REVIEW OF LITERATURE

The impact of advertising on consumers buying behavior in Enugu state Nigeria studied by [1]. Through questionnaire, they collected response of 320 respondents using non-probability convince sampling method. Multiple regression technique was used for analysis. The results indicate that significant positive relationship present between emotional response, environmental response, brand awareness and sensory stimulated advertising on consumer buying behavior [1].

Similarly, the effect of advertisement in consumer behavior studied by [4]. The study was conducted using response of 200 respondents through convenience sampling. The positive impact of advertisement on consumer behavior was found. It also revealed that television is more effective media to influence and convince the audience towards advertised products as well as it created curiosity on customers [4]

The impact of advertisement on attitude of consumer buying behavior towards FMCG goods especially packed food evaluated by [5]. The study was conducted considering youth of age group between 18 to 21 years. A sample of 100 was consider for the study. The collected data was analysed by using Regression analysis and Karl Person Co-efficient. The study concluded that the effectiveness of advertising on reach and creation of awareness was determined by the level of knowledge about the existing platforms of advertisements adopted by various media [5].

The influence of advertisement on consumer buying behavior of customers of Bangladesh examined by [3]. The survey of 544 consumers has been done for data collection. The data was analysed by using regression analysis. The study revealed positive impact of all variables (i.e., Entertainment, Familiarity, Social imaging and spending) of advertisement on consumer buying behavior. Among four independent variables, Familiarity and Entertainment have most significant impact on consumer behavior [3].

However, the impact of advertisement on buying behavior of consumers in Sivakasi evaluated [11]. Primary data through questionnaire of 125 students of college has been collected for the study. The data was analysed using chi-square test. The study concluded that no relationship found between age of the respondents and level of impact of advertisement as well as no relationship identified between income and satisfaction with advertised product at the time of using [11].

The effect of advertisement on consumer behavior examined by [8]. The survey of 474 consumers of five products of HUL and P&G was conducted in Faridabad. The result was derived by conducting Regression analysis. The study concluded that advertisement attracts the consumer to purchase particular product. The study also found significant impact of advertisement on post purchase behavior of consumers [8].

Similarly, the impact of advertising on consumer buying behavior with reference to FMCG's in Urban Bengaluru evaluated by [6]. The study conducted using primary data from 151 respondents adopting simple random sampling. For the analysis, Independent T-test and ANOVA was used. The study revealed significant relationship between social media advertisement and buying behavior. It also identified that loneliness also leads to impulsive shopping. [6]

The impact of advertisement on buying behavior of consumers in Andhra Pradesh studied by [7]. Total 150 responses collected for conducting study. The study concluded that multimedia presentation of advertisement was most influencing factor for buying behavior. The knowledge of price discrimination was most important factors that affect buying behavior. [7]

The study on impact of advertisements on consumers towards FMCG products in Hyderabad City conducted by [10]. A questionnaire was prepared and responses of 174 respondents were collected. The data was analysed conducting ANOVA, Correlation and Multiple regression analysis. The positive effect of media ads, media vehicle and advertisements appeal on consumer buying was identified. [10]

The effects of advertisement on consumer behavior evaluated by [2]. Based on secondary data collection, the authors try to examine relationship through past study in the fields. The study concluded that People from different culture is having different perception about advertisement. It also revealed that different media of advertisement had effects on the buying behavior of the customers of different products. [2]

However, the impact of advertising on consumers buying behavior with reference to selected FMCG examined by [9]. The

questionnaire was used to collect responses of 180 respondents in Bangalore City. The study focused on five brands such as Parle Agro, ITC, Dabar India, HUL and Britannia. The study indicated that Brand name of the product makes more impact on buying behavior than a label and environment of advertisement. [9]

Prior studies have been conducted on effectiveness of advertisement and on advertisement's impact on consumer buying behaviour which depicted positive relationships. However, in this paper we have introduced a combination of different variables and attempted to examine their influence on consumer behaviour. This paper aims to determine which of these variables carries the most importance in terms of effecting consumer behaviour and which of these variables carries less significant impact. This will help marketers to focus on the right factors and achieve maximum benefit from their advertisement.

3. SCOPE OF THE STUDY

The scope of this research is to figure out the influence of advertisements on consumer buying behavior relating to the purchase of FMCG goods. FMCG has a huge consumer base as the goods are everyday needs. Selecting FMCG goods will help in covering varied age groups. This range of consumers will assist in better understanding the impact of advertisements on consumer purchasing behaviors. Advertising media such as television ads, internet ads, social media marketing as well as factors affecting behaviour of customer while buying FMCG products are studied. To collect data, the Surat city of Gujarat state has been selected.

4. OBJECTIVES OF THE STUDY

4.1 PRIMARY OBJECTIVE

- To investigate the impact of advertisement on customer purchase behavior of FMCG in Surat city

4.2 SECONDARY OBJECTIVES

- To find out the most effective advertisement media, appeal and element for advertisement of FMCG Products
- To determine the relationship between advertising and purchase decision.
- To know the opinion of Customer towards advertisement of FMCG Products.
- To know the action/ response that given by customer to the advertisement of FMCG products.
- To evaluate relationship between advertisement elements and repurchase decision of customers towards FMCG products.
- To know the way of purchase decision of new brand of FMCG taken by customer after seeing advertisement.

5. METHODOLOGY

In order to fulfill the requirement of research objectives a total number of 110 respondents have been chosen by using convenience sampling technique who were purchasing FMCG and also the respondent who had already purchased. Total questionnaire are distributed of 125 and finally we receive 110 so our respondent rate is 88%.

The study is concerned with the influence of Advertisements on consumer buying behaviour towards FMCG products. For this purpose, survey method was employed to collect data from 110 sample respondents from the study area i.e. Surat city. Primary data have been collected randomly from the different places of the study area by the structured questionnaire. Secondary data is collected from various Journals, Periodicals such as Magazines, Business newspapers, and from subject related books and websites. The Data collected from Primary sources is analyzed with the help of appropriate statistical Package like SPSS 22. The Statistical tools used are frequency analysis, cross tabulation and chi-square test.

6. DATA ANALYSIS AND INTERPRETATION

From total 110 respondents, there were 64 males and 46 females. Their percentage was 58.2% and 41.8% respectively. Their age level: less than 25 years were 59.1%, 25 to 45 years were 30.9% while more than 45 years were 10%. 7.3% respondents were have education below HSC, 15.5% were Graduate, 53.6% were Post-graduate and 23.6% were belong to others category of education. 24.5% respondents were businessman, 50.9% were students, and 19.1% were employees of some organisation while 5.5% were housewife. On the basis of their monthly income, 56.4% respondents were earning below Rs. 20,000Rs, 13.6% were earning Rs. 20,001 to Rs. 30,000, and 21.8% were earning Rs. 30,001 to Rs. 40,000 while only 8.2% were earning monthly more than Rs. 40,001 Rs.

Table.1. Demographic Profile

Age	Counts	% of Total
Less than 25 years	65	59.1 %
25 to 45 years	34	30.9 %
More than 45 years	11	10.0 %
Gender	Counts	% of Total
Male	64	58.2 %
Female	46	41.8 %
Education	Counts	% of Total
Below HSC	8	7.3 %
Graduates	17	15.5 %
Post- Graduates	59	53.6 %
Others	26	23.6 %
Occupation	Counts	% of Total
Businessman	27	24.5 %
Students	56	50.9 %
Employee	21	19.1 %
Housewife	6	5.5 %
Income	Counts	% of Total
Below Rs. 20,000	62	56.4 %
Rs. 20,001 to Rs. 30,000	15	13.6 %
Rs. 30,001 to Rs. 40,000	24	21.8 %
More than Rs. 40,001	9	8.2 %

The one of the objectives of the study was to determine the relationship between advertising and purchase decision. Respondents were asked to indicate the media advertising, advertisement Appeal and Advertisement Element that mostly influenced their decision to purchase a product. The results were tabulated in Table.2.

Table.2. Preference towards Advertisement Media, Appeal and Elements

Advertisement Media	Counts	% of Total	Advertisement Appeal	Counts	% of Total	Advertisement Elements	Counts	% of Total
Television	33	30.0 %	Emotional	27	24.5 %	Multimedia Presentation	16	14.5 %
Radio	3	2.7 %	Action	22	20.0 %	Usage Information	18	16.4 %
Newspaper	10	9.1 %	Family Drama	29	26.4 %	Attractiveness	23	20.9 %
Internet	53	48.2 %	Music and Melody	32	29.1 %	Logo	10	9.1 %
Billboards	11	10.0 %				Jingle	14	12.7 %
						Punch lines	16	14.5 %
						Celebrity	13	11.8 %

Table.3. Opinion regarding Advertisement

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Buy product based on advertisement	39 (35.5%)	30 (27.3%)	25 (22.7%)	5 (4.5%)	11 (10%)
Awareness through advertisement	30 (27.3%)	53 (48.2%)	15 (13.5%)	12 (10.9%)	0
Good presentation of a product	32 (29.1%)	39 (35.5%)	34 (30.9%)	0	5 (4.5%)
Believability of the advertisement	26 (23.6%)	40 (36.4%)	30 (27.3%)	10 (9.1%)	4 (3.6%)
Quality of a product	57 (51.8%)	31 (28.2%)	18 (16.4%)	2 (1.8%)	2 (1.8%)

The Table.2 indicating the highest number of respondents, 48.2% respondents were influenced to buy a FMCG products based by internet, being with the second 30% were influenced by Television . Billboards, Newspaper and Radio were influenced by 10%, 9.1% and 2.7% respectively.

However, majority of respondents i.e. 29.1% respondents were influenced by Music and Melody part of advertisement, 26.4% respondents were influenced by Family drama used by advertiser, 24.5% respondents were affected by emotions used in designing advertisement while 20% respondents were influenced by Action shown in advertisement.

Along with advertisement appeal, the advertisement appeal influenced to respondents while buying FMCG product were also try to search by researcher. The result of Table.2 indicating that Attractiveness, Usage information, Multimedia presentation and Punch lines of advertising were most influencing advertisement elements to purchase decision of FMCG products.

The one of the objectives of the study was to know the opinion of respondents towards advertisement of FMCG Products. Respondents were asked to represent their opinion from strongly agree to strongly disagree on five statements related to it. The results were tabulated in Table.3.

The result of Table.3 indicates that majority 35.5% respondents strongly agree that they often buy FMCG products based on advertisement. 48.2% respondents were agreeing that they purchase FMCG product after being aware through advertisement. 35.5% respondents agree with the statement that good presentation of FMCG products in advertisement push them to buy product. 36.4% respondents said that they were believed in messages conveyed by the advertisement. However, 51.8% respondents strongly agree that along with advertisement they also like to check quality of product before buying a product.

The one of the objectives of the study was to know the action/ response that given by customer to the advertisement of FMCG products. Respondents were asked to represent the action they normally take after seeing advertisement. The results were tabulated in Table.4.

Table.4. Response towards of Advertisement

Particulars	Counts	% of Total
Immediately buy product	35	31.8 %
Buy during Next Visit	31	28.2 %
Has a Partial Impact on their buying	40	36.4 %
Ignore it	4	3.6 %

The Table.4 indicates response/action of customer after seeing advertisement of FMCG products. The result indicates that majority 36.4% respondent said that advertisement makes partial impact on their buying decision. 31.8% said that they immediately buying product after seeing its advertisement. 28.2% said that they buy product during next visit after seeing advertisement. However, only 3.6% said that they ignore advertisement.

The one of the objectives of the study was to evaluate relationship between advertisement elements and repurchase decision of customers towards FMCG products. To evaluate this relationship, cross tabulation and chi-square test was performed and result reported in Table.5.

H0: There is no association between advertisement elements and repurchase decision of FMCG Products.

H1: There is association between advertisement elements and repurchase decision of FMCG Products.

Table.5. Cross tabulation and Chi-square test between Advertisement Elements and Repurchase decision of customers

Adv Elements	Re-Purchase Decision of FMCG Products based			Total
		Repeated Advertisement	Satisfaction from last use	
Multimedia Presentation	Observed	6	10	16
	% of total	5.5 %	9.1 %	14.5 %
Usage Information	Observed	10	8	18
	% of total	9.1 %	7.3 %	16.4 %

Attractive-ness	Observed	10	13	23
	% of total	9.1 %	11.8 %	20.9 %
Logo	Observed	6	4	10
	% of total	5.5 %	3.6 %	9.1 %
Jingle	Observed	4	10	14
	% of total	3.6 %	9.1 %	12.7 %
Punch lines	Observed	9	7	16
	% of total	8.2 %	6.4 %	14.5 %
Celebrity	Observed	6	7	13
	% of total	5.5 %	6.4 %	11.8 %
Total	Observed	51	59	110
	% of total	46.4 %	53.6 %	100.0 %

χ^2 Tests	N	Value	df	P
χ^2	110	4.35	6	0.629

The Table.5 indicated how customers of FMCG products make repurchase decision after consuming products once seeing advertisement. The result indicates that 53.6 % respondents make repurchase decision based on their satisfaction from their last use while 46.4% respondents encouraged to make repurchase of product based on repeated advertisement of same products in various media.

The Table.5 also indicates cross tabulation of repurchase decision of consumer towards advertisement elements and to check its association chi-square test was performed. The result indicates interesting thing that those customers who makes repurchase decision based on repeated advertisement were attracted by two elements of advertisement i.e. usage information and attractive of advertisement.

The result indicates chi-square value of 4.35 with degree of freedom 6, have significant value of 0.629 which is more than assumed significant value of 0.05 that means there is no association between repurchase decision and advertisement elements of FMCG products.

The one of the objectives of the study was to know the way of purchase decision of new brand of FMCG taken by customer after seeing advertisement. Respondents were asked to represent the method that normally customer prefers to arrive at purchase decision of new brand when they come to know about new brand of FMCG product through advertisement. The results were tabulated in Table.6.

Table.6. Purchase Decision of New Brand of FMCG Products

Response	Counts	% of Total
Just after seeing the advertisement on the media	21	19.1 %
After discussing about the advertisement of the product with the friends	24	21.8 %
After getting the confirmation from the friends	46	41.8 %

After your friends have used the products	19	17.3 %
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The Table.6 indicates that majority 41.8% respondents prefer to purchase new brand of FMCG products after getting conformation from the friends about that new brand. 21.8% respondents like to discuss with their friend about new brand of FMCG product before purchasing it after seeing advertisement. 19.1 % respondents make their first purchase of the new brand of FMCG product only by seeing its advertisement on some media. However, only 17.3% respondents said that they will try new brand only after their friends have used the products.

7. CONCLUSION

This research was a study to evaluate impact of advertisement on consumer buying behavior for FMCG Products in Surat city. For this purpose, the response of 110 respondents of Surat city has been collected. Based on the analysis of data collected from respondents, it can be concluded that Internet and Television are most preferred media while Music and melody is most preferred advertisement appeal considered by customers nowadays for FMCG Product. The study also found that customer prefer to purchase FMCG products based on its advertisement and quality of products. One interesting thing identify form the study that those customers who makes repurchase decision based on repeated advertisement were attracted by two elements of advertisement i.e., usage information and attractive of advertisement. This study can be helpful for marketers to understand what causes a consumer’s intention to purchase. They can identify the elements of advertising that is most influencing to customers and those which are less attractive. Although this research can make noteworthy contribution to literature but for future study qualitative data can be used. Qualitative data will provide further insight into the relationship among these variables.

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