

INFLUENCE OF DEMOGRAPHIC FACTORS ON THE CONSUMERS' AWARENESS OF FMCG PRODUCTS A CASE OF CONSUMERS IN KRISHNAGIRI DISTRICT OF TAMILNADU

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ABSTRACT:

Fast moving consumers goods (FMCG) market is highly competitive due to innumerable players in the field. It is true to all kind of FMCG products. Yet only few brands are firmly foot in the mind of customers. If a company succeed in making aware of a product brand, it ensures the major success of its marketing campaign. The awareness about a particular brand existence is caused by many factors. The existing customers as unpaid ambassadors, the reach of marketing communications and the receptive nature of the consumers are the factors generally influence the awareness level of the customers. The demographic factors such as age, education and gender predominantly playing a vital role in receiving portion of any communication due to communicational influences like selective perception etc. Hence the study focuses on the influence of demographic factors on the Consumers' Awareness of FMCG products.

The study is very significant due to lack of studies that identify the influence of demographic factors on the consumers' awareness. To achieve the stated objective a self administered questionnaire was designed and developed to measure the consumers' awareness level of the FMCG customers. There are 150 samples of respondents; responses were collected from

the FMCG consumers of Krishnagiri district. Convenience sampling technique was applied to collect the data. Retail stores in the city and nearby villages were selected to collect the responses from the respondents who are the consumers of FMCG products from the geographic study area Krishnagiri District of Tamilnadu state. The collected data were properly edited coded and computed in excel sheet. Statistical tests such as mean, standard deviation, ANOVA were executed using Ms-office excel data analysis tool. The results have indicated clearly that the consumer awareness level is influenced by the age and income level of the customers.

Keywords: Fast moving consumer goods (FMCG), Gender, Age, Education, Income, Awareness Level

I. INTRODUCTION:

Fast moving consumer goods (FMCG) sector is vital and predominant to vibrant economy because it does not have a saturated point since consumers consume the goods continuously over a period of time interval. Either the growth or the decline in this sector it has major impact on a country's economy. According to a IBEF report (2020) FMCG sector is the fourth largest sector in the Indian Economy. Its' market size was valued 52.75 billion US dollars in the year 2018 and

projected to be 220 billion dollars in the year 2025 (Statista Research Department, 2020). The statistics mentioned shows the importance of FMCG sector in the Indian economy. The profits from FMCG products though less, the large volume of business make the FMCG sector as important one than that of any other sector (Vibhuti, Ajay Kumar Tyagi and Vivek Pandey, 2014). The growth or decline of FMCG market depends on various macro as well as micro factors. When considering the macro factors economic conditions, international competition, living standards of individuals etc are the remarkable factors that influence FMCG market. When considering the micro factors families' disposable income, the taste and preferences of individuals, customers' awareness and their loyalty towards a particular store and brand etc are predominant factors that influence FMCG market. The Indian FMCG players found a tough competition because of many number of players in the market (Patil, P. 2016). Hence FMCG companies might focus on building up their brands which is a powerful tool to compete the rivalries (UK Essays, 2018). Not only establishing a good brand but advertising its existence is another key important role of a marketer. In other words, their targeted customers should be made aware about the brand products. Bin Latif, Wasib & Islam, Md. Aminul & Mdnor, Idris. (2014) stated that to create competitive advantage making strong brand awareness among the customers is an effective way in the marketplace. To accomplish this role, the marketers eventually should understand and analyse the segments of the targeted group. To identify and stretch their marketing efforts companies need demographics (Hilal, Omnia, 2018). Because different segments of customers based on socio demographics may be attracted by different means and tools of promotions of the marketers. Hence understanding the influential factors in

reaching the customers is as important to the marketers as that of their planning. Hence this study focuses on the influence of socio demographics i.e age, gender, education and income of the customers on their awareness level. It will help the companies to strategise their marketing promotional plans according to their target customers.

II. LITERATURE REVIEW:

Non durable products that are consumed in a faster manner relatively than other products can be categorised as Fast Moving Consumer Goods (FMCG). They can further be classified as home care products, personal care products, food & beverages, alcohol & cigarettes and the products that are sold Over the Counter-OTC (Lakshya Goyal, 2020). Hygiene products, toiletries, detergents, cosmetics, packaged food products and soft drinks, batteries, pharmaceuticals, stationary products, consumer electronics generally come under FMCG. There is a stiff competition existing among the players in FMCG market (Rahman, M. 2017). Promotional Strategies (Sun, B., Neslin, S., Srinivasan, Kannan 2003), Pricing Strategies (Dudu, O.F. & Agwu, M.E, 2014) and Globalised competition (Oraman, Y., Azabagaoglu, M.O. and Inan, I.H. 2011) are some of the reasons for such competition. Some of the other significant reasons are customer attributes (Ramshitha, & K, Manikandan, 2013: Saleh, M., Althonayan, A., Alhabib, A., Alrasheedi, E., Alqahtani, G. & Saleh, A. 2015) and performance of the brands (Halim, Rizal 2006). As Ramshitha and Manikandan (2013) noted customer attributes have the influence over the awareness of customers. Katiyar & Katiyar (2014) confirmed that the consumer awareness is one among important the factors affecting consumer preference. That is why making customers aware a company brand is almost important. Brand recognition and brand recall

performances are the two important components of brand awareness Keller (2003). Brand recognition is defined as the consumers' ability to authenticate earlier revelation while brand recall is consumers' ability to recoup the brand from memory (Keller, 2003). Hence Brand awareness is the degree to which consumers precisely associate the brand. Alnazer (2013), in his attempt to investigate the impact of promotional schemes on the awareness, found price discount is effective and also found brand awareness plays important role in backward support of promotional activities for the products and enhancing buying intention and preference. Mukherjee et al. (2012) studied brand consciousness and brand awareness of customers and found availability of products and their quality influence the buying decision. They also found demographical factors and the awareness level of the customers vary according to the location in India. Advertisement appeal and effectiveness of advertisement and thereby customer awareness are found to be positively related by Rahman (2012). Rasool et al.(2012) studied the impact of income, gender, income and advertisement on behavior of customers in Lahore city regarding dental products and found association among them. Thanigachalam & Vijayarani (2014) emphasized in their study that demographic variables influence purchase decisions of the customers. To companies to reach customers though differentiating product is difficult branding is an effective tool to make customer awareness and preferences (Kohli and LaBahn, 1997). Pappas IO, Kourouthanassis PE, Giannakos MN, Lekakos G. (2017) investigated the effect of demographic variables on the purchase behaviour and found and found demographic variables have considerable impact on the purchase behaviour. Jarvenpaa et al. (2000) found demographic variables such as gender, age,

education and work experience have impact on the reputation of the online merchant. Lin (2002) based on the outcome of his research suggest to use multi segmentation variable to divide the market into several sub market and interpret their brand preference for satisfying consumer demands which will lead to sustainable competitive advantages for any organization. When focusing on how the brand awareness there are many scholars have contributed to this aspect. Surveys and tracking studies are used to measure Brand awareness (Hoffman Fodor, 2010). However, there are a number of ways applied in modern days. Social listening, Website traffic and Search volume are also important tools to do it (Aleh Barysevich, 2020). According to Černikovaite (2011) brand awareness is a prerequisite to buy any product. The various studies conducted across the world shows the importance, influence and the role of awareness on the purchase and marketing. There are studies focused on the relationship between demographic variables and marketing effectiveness. But the association between awareness and demographics is rarely found. In modern days due to the social media and smart phoned demography play a vital role in making awareness. Hence this study focuses on the influence of the demographic variables on the customers awareness level of FMCG customers in the Krishnagiri District of Tamil Nadu.

MODEL:

The study has attempted to investigate the relationship and association between the socio demographic factors and the awareness level of the customers. Gender, age, gender, education, and income are the factors that represent socio demographics. The awareness levels of the customers are measured using a self designed questionnaire with a help of mentioned literatures in the previous section.

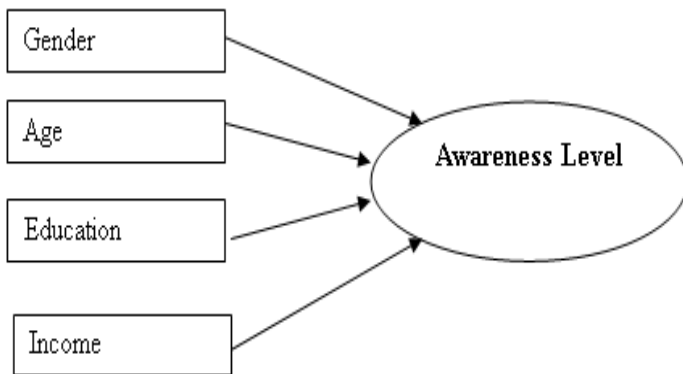


Figure 1: Socio Demographics and Brand Awareness

The reviewed literatures pointed out the scope for doing a new research on awareness level of the consumers in the specific FMCG segment in Krishnagiri district of Tamilnadu state, India. It is found significant since no research has been carried on the specific dimensions mentioned.

Hypotheses:

H1: The awareness level of FMCG customers differs according to the Gender of the customers

H2: The awareness level of FMCG customers differs according to the Age of the customers

H3: The awareness level of FMCG customers differs according to the Education level of the customers

H4: The awareness level of FMCG customers differs according to the Income level of the customers

Scope and Limitations:

Though there are many factors affecting the awareness level of the consumers, this study limited its coverage to socio demographic variables such as age, gender, education and income excluding the other macro factors like economic conditions, market conditions and marketing efforts etc, due to the vast nature of the study. The study has used convenience sampling with confined geographic area and

hence the results can not be generalised. However, the findings will help the companies to formulate their marketing strategies according to the socio demographic profile of their customers.

III. METHODOLOGY:

The study has followed empirical analysis in order to find the influence of socio demographic factors towards the customer awareness level of the FMCG customers. Hence it is by nature a descriptive research. The instrument for data collection is a self designed questionnaire which was used to collect the required primary data. The sample size was 176. Convenience sampling was adapted. The study area is Krishnagiri district. Customers of the retail stores in the Krishnagiri district and nearby villages are the targeted respondents. The instrument was given to them. They were asked to respond to the questions included in the instrument. The variables (as seen in the proposed model) age, and income are continuous variables; gender and education level are categorical data which were computed in the excel sheet and transferred to SPSS data sheet. The brand awareness is measured through ten variables which are derived from the previous studies using Likert five-point scale. The statements used are given below in Table 1. The collected data were coded, computed in excel sheet then transferred to SPSS data sheet. First of all, the reliability of the itemised scale variables were tested with reliability analysis using Cronbach alpha and found all are above 0.8 and confirmed that the data collected are reliable. To test the stated hypotheses Independent sample test and one-way ANOVA are used i.e. the significance of the factors age, gender, education and income are tested with brand awareness by means of ANOVA (analysis of variance) and the results are detailed further below in the discussion part.

IV. RESULTS AND DISCUSSIONS

The results are presented in the following manner. First the socio demographic profile is presented. The significance of the factors on brand awareness is tested with ANOVA and the results are presented in the consecutive tables and discussed.

Socio - Demographics of the Respondents:

Gender, Age, Education and Income are considered as the predominant socio demographic factors in this study. The socio demographic characteristics of the respondents are presented in Table 1.

Table 1 Socio - Demographics of the respondents

S.No	Characteristics	Category	Frequency	Percent
1	Gender	Male	84	47.73
		Female	92	52.27
2	Age in Years	Above 45	42	23.86
		Between 36-45	70	39.77
		Below 36	64	36.36
3	Level of Education	Hr Sec	34	19.32
		Under Graduate	89	50.57
		Post Graduate	53	30.11
4	Monthly Income in INR	Above 40000	42	23.86
		Below 25000 - 40000	63	35.80
		Below 25000	71	40.34
Total Frequency 176				

In the samples female customers (47.73 percent) are little more than the male (52.27 percent). The reason may be the sample collection method i.e since the samples were collected the door steps of retail store the female customer's arrivals are more. The proportions of different age segments are naturally distributed evenly which is understood by the statistics that there are

23.86 percent respondents in the age of above 45 years, 39.77 percent respondents in the age between 36 to 45 years and 36.36 percent respondents in the age below 36 years. When we consider the education data it shows the relatively low level educated people are very less i.e only 11.93 percent are in the higher secondary level category. The statistics may either reflect the situation of the Universe (Krishnagiri District) or the mentioned category customers may be reluctant to come to the retail stores. There are only 33.52 percent respondents at post graduate level where as almost more than half (54.55 percent) are at middle level. So the respondents are at sufficient education level. Economically also the respondents spreaded in the all categories i.e monthly income group above Rs 40000, between Rs 25000-40000 and below RS 25000 are respectively at 23.86 percent, 35.80 percent and 40.34 percent.

Brand Awareness:

Table 2 Brand Awareness Level

S.No	Description	Mean	Std. Deviation
1	Brand Recall	3.65	1.03
2	Brand Recognition	3.12	1.25
3	Brand Identity	3.24	0.99
4	Brand Image	3.68	0.89
5	Brand Trust	3.36	0.87
6	Brand Loyalty	2.6	1.01

Brand awareness level of the customers are measured using a Likert five point scale by the components Brand recall, Brand recognition, Brand identity, Brand Image, Brand image and Brand loyalty. The statistics reveals interesting phenomenon that except brand loyalty (the mean statistics scored as 2.6 out of a maximum score of 5) the customers are well aware of the brands which can be inferred from the other all mean statistics which are above 3 for a maximum score of 5. It shows that due to the customers awareness of

the brands form the various sources like internet, social media, advertisements and other marketing communication tools they are ready to switching over the brands.

Influence of socio demographics on Brand Awareness:

The influence of gender, age, education and income are studied using independent sample test and one way annova. The signifancy of the factors mentioned above on brand loyalty are tested and the results obtained from the excell dat analysis tool are tabled for discussions.

Gender and Brand Awareness of FMCG Consumers:

It is hypothesed (H1) that gender influence the brand awarenss. To test that independent sample test has been executed. Table 3 depicts the important statistics obtained from the test vresults.

Table 3 Gender and Brand Awareness

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	106.7701	1	106.7700542	1.69160165	0.19512	3.895773
Within Groups	10919.37	173	63.11772884			
Total	11026.14	174				
Groups	Count	Sum	Average	Variance		
Male	84	6144	64	70.31578947		
Female	92	5180	65.5696	54.35086011		

When analysing the results of variance among the male and female it almost equal and does not show any critical differences (variance 70.31 for male and 54.35 for female). The P value 0.195 confirms that that gender does not play an imortant role in the awareness level of the customers at 95 percent confidence level. The infrence can be understood from the obtained 'p' value 0.19 which is more than 0.05.

Age and Brand Awareness:

The influence of age on consumers' awareness is analysed by many scholars and experts. This study has conducted one way ANOVA to test significancy of age on brand awareness of FMCG consumers and the result is shown in Table 4.

Table 4 Age and Brand Awareness– ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	57145.52557	1	57145.52557	1085.037	0.00	3.87
Within Groups	18433.40341	350	52.66686688			
Total	75578.92898	351				
Groups	Count	Sum	Average	Variance		
Age	176	6907	39.24431818	42.26568		
Awareness	176	11392	64.72727273	63.06805		

Awareness level has been measured to a maximum score of 100 and thus obtained data os numrical which is analysed with the other numerical data age of the respondents using one way ANOVA. The test is conducted at 5 percent significant level i.e the confidence level of the results are 95 percent. When analysing the variances a huge Mean Square differences is observed The F value is obtained as 1085.03 with the significant 'p' value 0.000. Hence significant diffrence is observed in the level of brand awareness depending on the age. I.e the brand loyalty differs according to the age. Age is a considerable factor in many cases like purchase decisions, loyalty etc. The age makes the people more loyal. It may be because of the experience and exposure.

Education and Brand Awareness:

Education makes people to think and acquire knowledge. The way people think with sufficient information defenetely differ from that those who do not have such information.

That makes education as an important tool for mental development. Thinking makes people either to consistent with certain things or not according to their benefits in general. Hence this study hypothesed H3 that education is a significant factor in brand awareness of FMCG consumers. One way ANOVA is carried out to test the stated hypothesis and the results are given in Table 5.

Table 5. Education and Brand Awareness ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	151.6593	2	75.82966	1.199386	0.303887	3.04852
Within Groups	10874.48	172	63.22371			
Total	11026.14	174				
Groups	Count	Sum	Average	Variance		
H.Sc	34	2192	66.42424	61.18939		
UG	89	5691	63.94382	68.5309		
PG	53	3441	64.92453	55.49419		

The variance statistics is observed for the academic levels of the respondents is analysed firstly. The obtained variances for the tested groups H.Sc level, UG level and PG level repondents are 61.18, 68.53 and 55.49 respectively. Theses variances do not have any huge differences amoong them which depicts the awareness level is not varying with respect to the education level. It is proved by the p statistics which is relatively high (0.3038) when we consider the signifance level at 5 percent. Hence the obtained results show irrelevance between education level and awareness level of the customers.

Income and Brand Awareness:

Table 6. Income and Brand Awareness –ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	102736.8891	1	102736.8891	275.0265	0.000	3.868164
Within Groups	130743.4345	350	373.5526701			
Total	233480.3236	351				
Groups	Count	Sum	Average	Variance		
Income	176	5378.4	30.55909091	684.0373		
Awareness Level	176	11392	64.72727273	63.06805		

The Single factor ANOVA test was conducted to test the dependency of awareness on the income at 5 percent significant level using excel data analysis tool pack. In general high income people use high valued brands whers as it is not so in the case of low income segment. This is reflected in the results too. Observing the variances between the income and the awareness level it can be said that the income has critical influence on Brand awareness since the differences between the varainces (684 for income and 63 for awareness) is considerably large which is also refelcted by the ' p' value 0.000 , consiered as the income is very significant in awareness level of the customers.

V. CONCLUSION:

The study is conducted to find the influence of socio demographic factors such as gender, age, education and income on the brand awareness of FMCG consumers in Krishnagiri district. From the study it can be concluded that brand awareness is highly influenced by education level and income level of the consumers. Customers when go to purchase or search information to buy a partcular product automatically a certain brand will emerge in their mind depending on their income and age. From the company perspectives understanding these facts will help them to formulate their strategies according to the segments or groups to make aware the customers of their brands.

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