

A STUDY ON EFFECTIVENESS OF ADVERTISING STRATEGIES TOOLS ON CUSTOMER SATISFACTION IN SELECTED AREAS OF TAMILNADU

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Abstract: The study was conducted with an objective to find out the advertisement effectiveness on the behavior of the consumers towards fast moving consumer goods in selected areas of Tamilnadu. The sample for study chosen was 200. A questionnaire was thoroughly prepared to measure the advertisement effectiveness. The study aimed to generate the perception and awareness of people about the (FMCG) brand products. For a better analysis correlation and regression test was used. The results proposed that people change their brand for to try the new brand. Results are also proposed that consumer behavior changed to the type of income and male were more receptive to advertisement in comparison to female. The behavior of the consumer can be changed through advertisement.

Keywords: Advertisement, FMCG, Branded Products

1.1 INTRODUCTION

Marketing of Fast-Moving Consumer Goods (FMCG) is a subject that has not received the attention it deserves. While there are several good books and articles on the subject that largely concentrates either on the marketing of industrial goods or on the marketing of durable goods likes T.V., Car and Scooter etc. In India, specific studies on brand choice for consumable non-durable goods have received little attention from researchers. It is a general term indicating efforts at mass appeal. As personal stimulation of demand for a product service or business unit by planting commercially significant news about it in a published medium or obtaining favorable presentation of it upon video television or stage that is not paid for by the sponsor. On the other hand, advertising denotes a specific attempt to popularize a specific product or service at a certain cost. It is a method of publicity. It always intentional openly sponsored by the sponsor and involves certain cost and hence is paid for. It is a common form of non- personal communication about an organization and or its products idea service etc. that is transmitted to a target audience through a mass medium. So, while reviewing the literature, interest is entirely focused on studies conducted in India and abroad dealing not only with product under study and/or other consumer non-durables, but to generate some understanding of analogous nature. It was essential to present a review of literature in order to formulate the research problem succinctly and to highlight the importance of undertaking this study. Conceptual framework and some empirical studies on the topic have a direct or indirect bearing on the present study.

Srivastava and Kumar (2013) analyzed that FMCG sector is a vital contributor to India's Gross Domestic Product. It has been contributing to the demand of lower and middle-income groups in India. Over 73% of FMCG products are sold to middle class households in which over 52% is in rural India. Rural marketing has become the hottest marketing arena for most of the FMCG

companies. The rural India market is huge and the opportunities are unlimited. After saturation and cutthroat competition in urban areas, now many FMCG companies are moving towards the rural market and are making new strategies for targeting the rural consumer. The Indian FMCG companies are now busy in formulating new competitive strategies for this untapped potential market. Therefore, a comparative study is made on growth, opportunity, and challenges of FMCG companies in rural market. One of the most attractive reasons for companies to tap rural consumers is that an individual's income is rising in rural areas and purchasing power of lower- and middle-income groups is also rising and they are eager to spend money to improve their lifestyle. This research paper provides detailed analysis about the contribution of FMCG industry in growth of Indian market and aims to discuss about customer attitude towards better purchasing decision for FMCG products in rural market with growing awareness and brand consciousness among people across various socio-economic classes in market.

1.2 REVIEW OF LITERATURE

Nandagopal and Chinnaiyan (2003) studied that the level of awareness among rural consumers about the brands of soft drinks was high, which was indicated by the purchase of soft drinks by "Brand Name". The major source of brand awareness was word of mouth followed by advertisements, family members, relatives and friends. Yee and Young (2001) aimed to create awareness of high fat content of pies, and thus studied consumer and producer awareness about nutrition labeling on packaging. For this, seven leading pie brands were analyzed for fat content and were arranged from 7.10 to 19.20 percent fat. Potato topped and cottage pies had the lowest fat content (7.10 -9.20% fat). Most pies did not have nutritional labeling on packaging. Over half of the consumers (52.00%) who responded to the survey (42.00% response rate) were aware of the campaign. 36 The study was successful at raising consumer awareness about the high fat content of pies and influencing the food environment with a greater availability of lower fat pies. It is possible to produce acceptable lower fat pies; food companies should be encouraged to make small changes to the fat content of food products like pies. Potato topped pies are lower in fat and are widely available. Regular pie eaters could be encouraged to select these as a lower fat option.

Beverland (2001) studied the level of brand awareness within the New Zealand market for ZESPRI kiwi fruit; the effectiveness of their branding strategy was studied. The implications of the findings for agribusiness in general using the data collected from surveys of kiwi fruit consumers (n=106) outside three major super market chains in Auckland, New Zealand suggested that the level of brand awareness for ZESPRI is low among consumers. It is indicated that brand awareness could be increased through a relationship- making programmes involving targeted marketing campaigns and strong supply chain management. Brown et al. (2000) reported that the need for effective nutritional education for young consumers has become increasingly apparent. Given their general food habits, their behaviour (particularly during adolescence) was analyzed.

The interaction between young consumers' food preferences and their nutritional awareness behaviour within three environments (home, school and social interaction) appears to be somewhat overshadowed by young consumers while developing an independence trait, particularly, during the adolescent years. The authors suggested that food preferences are often for a 'fast food' type and consequently the food habits of many young consumers may fuel the consumption of poorly

nutritionally balanced meals. While young consumers were aware of healthy eating, but their food preference behaviour did not always appear to reflect such knowledge, particularly within the school and social environments.

Aggarwal (2014) suggested that Consumer behaviour research is the scientific study of the process's consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can satisfy those needs only to the extent they understand their customers. The main objective of this paper is to study the demographic differences in consumers 'buying behaviour of persons living in Madhya Pradesh and when they buy FMCG products. To attain this objective a survey was developed and administered across some part of Madhya Pradesh. The findings confirm the factors influencing consumer buying behaviour for tooth paste brands available in the market.

Sulekha and Kiran (2013) concluded that in India more than 72% population lives in villages and FMCG companies are famous for selling their products to the middleclass households; it implies that rural India is a profitable and potential market for FMCG producers. Rural consumers 'incomes are rising and now they are more willing to buy products which improve their lifestyle. Producers of FMCG have to craft unique marketing strategies exclusively for rural consumers. In this process they need to understand the rural consumer buying behaviour which may differ geographically. The present study focuses on understanding the rural consumer buying behaviour for FMCG in Haryana. The study emphasizes on the factors which influence the purchasing pattern of rural consumers. The study was conducted in four districts of Haryana namely Panipat, Jind, Kuruksetra and Gurgaon.

Yuvarani (2013) analysed that liberalization of the Indian economy had far reaching consequences, which led to the free entry of global brands in Indian markets. Earlier companies focused their marketing efforts towards the urban markets targeting the educated consumer. However, with the saturation of markets in the urban sector, many companies focused their attention towards the fast-growing rural sector. Since the buying behaviour of rural consumers has become the hot topic for discussion because rural India, in recent days, is enthusiastically consuming everything from shampoo to motor cycles and this —rural predilectionl is being considered as one of the significant topics for market analysis. The study focuses mainly on the rural consumer behaviour towards selected FMCG products, but with the prevailing trend it is necessary to focus on the essence and emergence of vibrant rural marketing efforts of FMCG companies. Thus, with a greater number of companies entering into the rural market, with a variety of products, it is must for companies to study the rural consumer behaviour over FMCG products.

Deliya, 2012 studied the importance of packaging design as a vehicle for communication for packaged FMCG products. This research utilized a focus group methodology to understand consumer behaviour towards such products. The challenge for researchers is to integrate packaging into an effective purchasing decision model, by understanding Consumer 's behaviour towards the packaging of FMCG products. When consumers search for the process information in-store, the product's package can contain relevant and useful information for the consumer. Product packaging forms the end of the 'promotion-chain' and is close in time to the actual purchase and may therefore play an important role in predicting consumer outcomes. Packages also deliver brand identification and label information like usage instructions, contents, and list of ingredients or raw materials,

warnings for use and directives for care of product. Tauseef, 2011 attempted to find the variables/factors that affect customer impulsive buying behaviour in FMCG sector considering retail market in India.

The impact of various impulse buying factors like sales and promotions, placement of products, window merchandising, effective price strategy etc., on customer buying behaviour have been analyzed. A hypothetical model was created in this paper, which had been taken into consideration for our research work on impulse buying behaviour of consumers. The study is based on the primary data collected from Shopping malls, Handlooms and marts from the area of jodhpur with the help of structured questionnaire on Likert scale. Data analysis has been done using SPSS software. The statistical analysis method employed in this study was Factor Analysis. After the thorough analysis of the available data it was found that since income of each individual is increasing and more and more people are moving towards western culture in dressing sense, in eating etc., so the purchasing power of people has really gone up and thus the impulsive buying of commodities is on a high trend mainly due to pricing strategies of retail players and full festival offers throughout the year.

Garga, Ghuman, and Dogra, 2009 done the one study among the 300 consumers in 3 districts of Punjab found that, rural consumers prefer to buy the goods in 39 small packets at lower price. They want the more products at reasonable price, in other words value for money. He also explains the importance of promotional tools in rural areas. He suggested that FMCG companies must enter and tap the rural market in phase manner.

Hireken chanagoudar, 2008 examined the buying behaviour of ready-to-eat food products by consumers of Hubli and Dharwad. A total sample of 200 respondents was selected for the study. Majority of respondents were aware of Parle-G, Lays, Frooti and Amul brands in case of biscuits, chips fruit juice and ice creams respectively. Television was the major source for getting information about various brands in all the four products. Biscuits were consumed by all the respondents because of their convenience to use as snacks. About 92 per cent, 93 per cent and 94 per cent of the respondents consumed chips, fruit juice and ice creams respectively. Taste was the main driving force for purchase of chips, fruit juice and ice creams. Health consciousness was the main factor for not purchasing chips among the respondents. Majority of the respondents were not purchasing fruit juice because they preferred home made products. Dislike towards the product was the main reason for not purchasing ice creams. The average monthly expenditure on ready-to-eat food products was found to be highest in case of high-income group. Planned purchase was common among majority of the respondents for biscuits and fruit juice. However, most of the respondents did impulsive buying for chips and ice creams.

Parle-G, Lays, Maaza and Amul brands were highly preferred brands of biscuits, chips, fruit juice and ice creams respectively. The main factors influencing brand preference for biscuits, chips, fruit juice and ice creams were quality, taste and reasonable price. Most of the respondents would go to other shops if preferred brand in all the four products was not available. Thus, the study revealed that the younger generation preferred more ready-to-eat food products than the other age groups. The consumer behaviour also varies from product to product.

1.3 OBJECTIVES

- 1) To measure the effectiveness of FMCG Advertisements towards creating responsiveness.
- 2) To evaluate the Quality of FMCG Advertisements.
- 3) To assess the response of the consumers towards FMCG advertisements based on Gender and Age
- 4) To offer suggestions for improving the standards of FMCG Advertisements in creating responsiveness

1.4 METHODOLOGY

Both Primary and Secondary sources of data were utilized for the study. Primary data was collected by means of administering a questionnaire to the customers and advertising manager. Secondary data had been collected from various publications, periodicals, journals, etc.

1.5 SAMPLING METHOD

Convenience sampling technique was used for the survey. Questionnaire filled by the selected respondents. Sample Size To represent every segment of the universe the sample size included sufficient in number. For higher accuracy of the data very small and large sample sizes are avoided. The sample size selected is 200. Large sample size has been avoided due to its difficult to manage and small size of sample is avoided due to improper representation of the universe and one-sided result.

1.6 DATA ANALYSIS

The social demographic profile of the respondents. It is clear from the table that 56% of the respondents were male and 44% of the respondents were female. It is noticed that 57% of the respondents were belong to 26-30 age and 26% of the respondents were belong to above 35. Around 14% of the respondents were below 25 age and 3% of the respondents were aged 31-35. It is clear from the table that 57% of the respondents were graduated and 29% of the respondents were post graduated. Around 5% of the respondents had professional educational qualification and 9% of the respondent's other educational qualifications.

It is noticed from the table that 38% of the respondents had self-employment and 33% of the respondents had professional job. Around 29% of the respondents were home makers. It is clear that 49% of the respondents had Rs. 20001 to 25000 of monthly income and 41% of the respondents had Rs. 15001 to 20000. Around 5% of the respondents had above 25000 as monthly income and remaining 4% of the respondents had below Rs. 15000 as monthly income.

Correlation

Correlation tends to be used measures the strength and direction of the linear relationship between demographical variable and with dimensions. The Pearson correlation coefficient measures the strength of the linear association between demographical variable and four major dimensions.

Table 1: Correlation among the variables

	TV	Radio	Newspaper and Magazine	Outdoor	Internet	Emotional	Action	Family Drama	Music and Melody
TV	1								
Radio	.190**	1							
Newspaper and Magazine	.288**	.123**	1						
outdoor	.296**	0.123	0.034	1					
Internet	.172*	0.124	.555**	0.108	1				
Emotional	0.131	.152*	0.108	0.107	0.188	1			
Action	.211**	0.176	0.114	0.231	0.136	0.121	1		
Family drama	.255*	0.113	0.148	.162*	0.147	.282**	0.111	1	
Music and melody	.729**	0.149	.169*	0.101	0.133	.454**	0.146	0.119	1

Source: Output generated from SPSS 21

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

In order to develop further understanding of relationship among media vehicles, advertisements s appeal with all the demographical variables, the Pearson correlation techniques was calculated in the study, numerical values of the correlation coefficient reflect the degree of association between each of the advertisement’s constructs. From table-1, Correlation results show that there is a strong correlation between internet and newspaper and magazine (r=0.729) at 0.01 significant level and between music and melody and outdoor (r=0.101)

Multiple Regressions: Multiple regression analysis is a set of statistical processes for estimating the relationships among variables. It is useful to learn more about the relationship between several independent or predictor variables and a dependent or criterion variable. it helps to understand how the typical value of the dependent variable (or 'criterion variable') changes when any one of the independent variables is varied, while the other independent variables are held fixed. It also helps to determine the overall fit (variance explained) of the model and the relative contribution of each of the predictors to the total variance explained. There is no significant impact of Advertisements on personal demographic factors.

Table 2: Model Summary for Multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.320 ^a	.622	.076	.54730	3.830	.003 ^b

a. Predictors: (Constant), Income in rupees, Gender, Occupation, Age in years, Education

Source: Output generated from SPSS 21

R² value is found to be 0.622, meaning there by that 62% of the variation in dependent variable is explained by predictors. Since the F value is found to be significant because its p-value of 0.015 is larger than 0.05. The coefficient for Internet (.214) is significantly different from 0 because its p-value is 0.000, which is smaller than 0.05.

1.7 CONCLUSION

The FMCG products are Fast Moving Consumer Goods, but the advertisements for such products are not fast moving in creating responses among its consumers. These products which are essential for day to-day life need only little thought while buying. But the variety of brands available makes it a tough decision for the consumer to opt for the FMCG products. The present study which aimed at studying the responses due to FMCG Advertisements, have depicted that advertisements while introducing new products/brands are ineffective in creating responses among the consumers. Also, few consumers do not believe in changing their traditional brand and they consider the FMCG Advertisements as intrusive. A little more effort in terms of the message content, strategies to seize the consumers' attention and high level of creativity is needed to make the FMCG Advertisements more effective in creating responsiveness among its consumer. Although, this is a preliminary work in studying the impact of FMCG Advertisements in creating responsiveness among the consumers, future work by capturing the consumers' responses before and after watching FMCG Advertisements with large sample size can be more appropriate for more valid conclusion.

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