EFFECTIVENESS OF FMCG'S ADVERTISEMENT WITH SPECIAL REFERENCE TO PUDUKKOTTAI DISTRICT OF TAMILNADU

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ABSTRACT

As customers, we buy millions of products every year. And just like us, these products have a life cycle. Any product that is introduced into a market has a shelf life; this can be overcome easily by making or purchasing new products. Older, long-established products eventually become less popular, while in contrast, the demand for new, more modern goods usually increases quite rapidly after they are launched. A product in general has a product life cycle; usually it goes through four major stages in its lifecycle. FMCG. Products or fast moving consumer goods have a long product life cycle; people continue to buy the product for a number of years as long as it is in stock. Over the years people have observed many products are no longer available in the markets that they go to, this usually happens when the product has completed its lifecycle. This article is an attempt focusing upon the different opinion of customer that a fast moving consumer product has to pass through and it also makes an effort to highlight the purchasing strategies that can be adopted in the various opinion of the life cycle of the product.

Keywords: FMCG, Effectiveness of Advertisements.

INTRODUCTION

In every Industry, various types of functions are being performed like manufacturing, research, storage, transportation, marketing human resource and public relations. Marketing is one of the important function through this the products and services reach to the end users.(customers). It is an important activity in a business through which gets its return from business efforts. According to **Bartle, "**Marketing is the process whereby society, to supply its consumption needs, evolves distributive systems composed of participants, who, interacting under constraints-technical (economic) and ethical (social)-create the transactions or flows which resolve market separations and result in exchange and consumption**".** Further **Kotler** defined, **"**Marketing is the social process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others". **Peter Druker** opined that, **"**Marketing is not only much broader than selling, it is not a specialized activity at all, it encompasses the entire business. It is the whole business seen from the point of view of the final result, that is, from the

customer's point of view. Concern and responsibility for marketing must therefore permit all areas of the enterprise". The main elements of marketing are:-

➢ Marketing focuses on the satisfaction of customer needs, wants and requirements.

➢ The philosophy of marketing needs to be owned by everyone within the organization.

➢ Future needs have to be identified and anticipated.

➢ There is normally a focus upon profitability, especially in the corporate sector. However, as public sector organizations and non-profit organizations adopt the concept of marketing, this need not always is the case.

➢ More recent definitions recognize the influence of marketing upon society.

Advertising is a very important communication tool, highly visible and more effective. It helps to create awareness, remind, persuade to buy and retain the existing customers. People in markets feel that is the need of the time for business. We may like or not but advertisements are visible everywhere in our surrounding. It is very difficult to live in isolation without noticing advertisement in present time. It has become part of our social, economic, cultural and business environment. It is the indicator of advancement and progress of human civilization. Advertisements have affected our life style to a great extent.

Advertising has been defined by experts as follows:

"Advertising is any paid form, non-personal presentation of ideas products and services by an identified sponsor". – **American Marketing Association.**

"Advertising is the non-personal communication of marketing related information to a target audience, usually paid for by the advertiser and delivered through mass media in order to achieve the specific objectives of the sponsor". – **J.J. Burnett.**

SCOPE OF THE STUDY

The study is relating to advertisement of business in FMCG sector in India. It covers the important attributes while purchase of FMCG. Products and the advertising as tool of promotion which influences purchasing decisions. It will study the relation of advertising and media planning and its impact on effectiveness of promotion activities. In brief Brand Ambassador, major decision area media selection and known factors in advertising the accomplishes audience persuasion in reference to FMCG advertising and effectiveness in leading companies in Indian market.

STATEMENT OF THE PROBLEM

In this fast and technological world, advertisement plays a vital role in the mind of the consumers. There are many advertisements we come across daily through different medias but only few we remember that is why this study is to be undertaken which advertisement is effectiveness. As there are many industries which gives lot of advertisement in many Medias whereas this research is only focusing on FMCG. (Fast Moving Consumer Goods) industry as now-a-days FMCG. are mandatory in our everyday life. It also closely related to nation's economic growth and income level. FMCG ads are channelized in many medias

but the researcher has concentrated only on few medias such as TV, Radio, Press and outdoor advertising because now a day's these becomes a comfortable item where once upon a time these medias was considered as luxury item. Everywhere in the world even in the remote places also one's having a Television set. People spent 40% of their time to watch programs in the TV. That is why researcher is keen to know about FMCG's advertisement effectiveness whether the ad makes the people to buy the product, in what way how, when and why. This research study deals with various issues like impact of advertisement on rural consumer's behavior whether the FMCG advertisements telecasted creates the desire in the mind of rural consumer to purchase. The rural consumers use FMCG in daily routine and demand uniqueness and variety among them that is why the researcher focused heavily to judge psyche of rural consumers. What they like in the advertisement, why they like and what will be appreciable in FMCG products.

NEED FOR THE STUDY

In present scenario across the global market, tough competition is being faced. Even for MNCs, it has become very import to communicate to target rural customers regarding their products and service feature. Advertising is a tool of marketing communication or promotion. It created awareness, reminds, persuades and retains the existing customers. It helps to increase the new customers and retain the existing customers. It contributes in growth of the business. Further, if advertising is done with proper media planning the communication effectiveness will be higher. Therefore, the advertising and strategic media planning is of great significance for promotion of the business in present competitive situation. Due to its greater importance this topic has been selected to research study.

REVIEW OF RELATED LITERATURE

Studies relating to the effectiveness of FMCG advertisement in consumer sales promotion on consumer behavior, sales, profit, market share etc., are included in this section.

Anderson, T.Eric and Simester I. Duncan (2004)[1] Invested how the depth of a current price promotion affect future purchasing of first time and established customers based on three large scale field experiments on durable goods and through a direct male catalogue. The findings reveal different effect for first-time and established customers. Deeper price discounts in the current period increased future purchases by the first time customers (a positive long-run effect) but reduced future purchases by established customers (a negative long-run effect).

Kumar, V. and Swaminathan (2005)[2] studied the impact of coupons on brand sale and how that impact decays over the life of the coupon. The authors use an econometric model to demonstrate the coupon effect in terms of equivalent price reduction, account for coupon effect over time, allow inference of coupon effects when retailers decide to double or triple the coupon value and provide both self-coupon and cross-coupon elasticity's at different levels of aggregation. Results indicate that the effect of doubling the face value of coupon result in more than a proportionate increase in elasticity and both self and cross-coupon elasticity's are much smaller in magnitude than the average self-cross price elasticity.

Laroche, Michel et.al., (2005)[3] studied the effect of coupons on consumer's brand categorization and choice process using fast-food restaurants in china. Results suggest that there are both direct and cross-advertising effects i.e., the presence of a coupon for a focal brand has an impact on consumer's attitudes and intentions towards that brand.

Lewis, Michel (2004)[4] developed an approach for simultaneous measurement of the influence of a dynamic loyalty programme and more traditional short-term promotions. They argue that the loyalty programmes under examination successfully alter behavior and increase retention rates. E-mail based coupons; shipping fee general price levels all significantly affect customers purchase decisions.

Ndubisi, Oly, Nelson and Moi, Tung, Chiew (2005)[5] in their study evaluated the impact of sales promotional tools, namely coupon, price discount, free sample, bonus pack, and in-store display, on product trial and repurchase behavior of consumers. The moderation role of fear of losing face on the relationship between the sales promotional tools and product trial was also examined. The results of study show that price discounts, free samples, bonus packs, and in-store display are associated with product trial. Coupon does not have any significant effect on product trial. Trial determines repurchase behavior and also mediated in the relationship between sales promotions and repurchase. Fear of losing face significantly moderates the relationship between in-store display and product trial.

Vecchio, Del Devon et.al. (2006)[6] report the results of the study, which examined the effect of sales promotion on brand preference through Meta analysis. Results of 51 studies had been integrated. As per the study sales promotions do not affect post promotion brand preferences in general. But depending upon characteristics of sales promotion and the promoted product, product can either increase or decrease preference for a brand.

OBJECTIVES OF THE STUDY

The main objectives studies are

- ➢ To study the important attributes considered while purchase of FMCG products.
- ➢ To analyze the key areas for effective FMCG advertisement that affects and influence the purchasing decisions of the common people.
- ➢ To find the suitable and applicable Brand Ambassador for FMCG products.
- ➢ To identify known factors in advertising that accomplishes audience persuasion in reference to FMCG advertising.
- ➢ To study the various dimensions of factors influencing the selection of media for FMCG product advertising.

RESEARCH METHODOLOGY

A good research work requires a clear scientific methodology because only through the application of correct methodology in selection of sampling techniques, appropriate tools of data collection etc., so that well founded conclusion can be drawn on the phenomenon under consideration. The validity of a research

depends upon the method of collecting the data and analyzing the same. In the present study, extensive use of both primary and secondary data was collected systematically.

Data Collection

The study was based on survey method. Taking the objective in account to this study, the information and data was totally collected from both primary and secondary sources.

Primary Data

In order to fulfill the objectives set out, a sample study was undertaken using well-framed questionnaire and got it duly filled in by the sampled respondents. Respondents of varying nature were selected based on the important aspects of their Gender, Age, Education, Income, Occupation and schedule were pre-tested and suitable modifications were carried out later.

Secondary Data

The primary data were supplemented by enough secondary sources of data. The secondary data pertaining to the study were gathered from company profile, newspapers, magazines, journals, periodicals, reports, books, web portals and well-equipped universities libraries at Bangalore, Chennai, Coimbatore, Pondicherry and Trichy. They were utilized to get the necessary past and latest information required for the study.

Period of the Study

The research has been conducted during the period from 2015 onwards. The data collected from primary sources and secondary sources, the researcher tries level best to obtain the recent reviews also.

Sample Size

Samples were collected from respondents to find the effects of advertisements on FMCG products from both male and female respondents. The sample sizes are totally 1000.

Sampling Design and Area of Sampling

Sample design is determined before data is collected. There are many sampling designs from which the researcher selected systematic sampling design method in which sample members from a larger population are selected according to a random starting point and a fixed, periodic interval. This interval, called the sampling interval (k), is calculated by dividing the population size (N) by the desired sample size (n), is

$$K = N/n$$

The totals of 1000 samples were collected from respondents in selected five taluks in the districts of Tamilnadu and are clearly mentioned in the following Table 1

Table 1 Area of Sampling

Sl. No.	Sampled Area	Total Number of Respondents
1.	Alangudi	200

2.	Pudukkottai	200
3.	Ponnamaravathi	200
4.	Tirumayam	200
5.	Iluppur	200
6.	**Total**	**1000**

Source: Primary Data

Table 2 CUSTOMER OPINION OF PURCHASING DECISIONS FMCG'S PRODUCT

Sl. No.	Table No.	Variables	Characteristics	PUDUKKOTTAI DISTRICT – TYPE OF TALUKAS									
				Alangudi		Pudukkottai		Ponnamaravathi		Tirumayam		Iluppur	
				Respon.	%	Respon.	%	Respon.	%	Respon.	%	Respon.	%
1.	1.1	**Gender**	Male	081	40.5	056	28	077	38.5	098	49	032	16
			Female	119	59.5	144	72	123	61.5	102	51	168	84
			Total	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**
2.	1.2	**Age**	Below 20	099	49.5	093	46.5	107	53.5	067	33.5	081	40.5
			20-50	074	37.0	058	29.0	069	34.5	048	24.0	056	28.0
			Above 50	027	13.5	049	24.5	024	12.0	085	42.5	063	31.5
			Total	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**
3.	1.3	**Occupation**	Farmer	095	47.5	026	13.0	111	55.5	087	43.5	107	53.5
			Private Employee	067	33.5	077	38.5	057	28.5	069	34.5	052	26.0
			Govt. Employee	038	19.0	097	48.5	032	16.0	044	22.0	041	20.5
			Total	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**

4.	1.4	**Educational Background**	Below SSLC.	088	44.0	074	37.0	064	32.0	082	41.0	094	47
			UG/Technical	093	46.5	069	34.5	087	43.5	091	45.5	072	36
			PG/Tech/Above	019	9.5	057	28.5	049	24.5	027	13.5	034	17
			Total	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**
5.	1.5	**Annual Income**	Below Rs.15000	073	36.5	091	45.5	099	49.5	088	44.0	103	51.5
			Rs.15000-50000	089	44.5	074	37.0	062	31.0	057	28.5	068	34.0
			Above Rs.50000	038	19.0	035	17.5	039	19.5	055	27.5	029	14.5
			Total	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**	**200**	**100**

Source: Field Survey

i. From the above table (1.1) it is clear that the Female customer high level attitude using the FMCG products in the districts of Alangudi (59.5%), Pudukkottai (72%), Ponnamaravathi (61.5%), Tirumayam (51%) and Iluppur (84%).

ii. The above table (1.2) Age is a vital factor in human beings life, because age determines the individual taste and preference. It is inference that the below 20 high level of preference using the FMCG products (i.e) 49.5% of Alangudi, 46.5% of Pudukkottai, 33.5% of Tirumayam, and 40.5% Iluppur taluks.

iii. The table (1.3) Occupation of the customer is different types of characteristics such as Farmer, Private and Government Employee. The high range of Government employee utilized of the FMCG product is 48.5% in the taluks of Pudukkottai. The low using the product of 13% in the same place.

iv. The table (1.4) inference that clearly educational background is three type of classified (i.e) Below SSLC, UG/Technical, PG/Technical and above. The customer attitude high level of 47% of the Iluppur taluk then the lower attitude of the purchasing behavior of PG/Technical and above category is 9.5% of Alangudi taluk.

v. The final table (1.5) the customer level of Annual Income is three categories such as Below Rs.15000, Rs.15000-Rs.50000, Above Rs.50000. The high level attitude is 51.5% of Iluppur taluk in the category under below Rs.15000. The mostly using the FMCG product is rural consumer in the taluk of Iluppur.

Chi-Square Test Chi-Square test is used to test if the two variables are statistically associated with each other significantly. The degree of influence of the following independent variables is pertaining to attribute considered while purchasing of FMCG. The variables are respondents Gender, Age, Occupation, Educational background and Annual Income.

H_0 : There is no significance relationship between Sex, Age, Occupation, and Educational

Background and Annual Income and the using the FMCG products through the

Advertisements.

H_1 : There is significance relationship between the Sex, Age, Occupation, and Educational

Background and Annual Income and the using the FMCG products through the

Advertisements.

Table 3 STATISTICAL ANALYSIS OF CHI-SQUARE TEST

Sl. No.	Variables	Characteristics	LEVEL OF CHI-SQUARE TESTS			
			Computed Value	df.	Significance Value	Inference
1.	Gender	Male	68.599	04	9.488	Rejected
		Female				
2.	Age	Below 20	573.343	08	15.507	Rejected
		20-50				
		Above 50				
3.	Occupation	Farmer	294.830	08	15.507	Rejected
		Private Employee				
		Govt. Employee				
4.	Educational Background	Below SSLC	281.793	08	15.507	Rejected
		UG/Technical				
		PG/Technical and Above				
5.	Annual Income	Below Rs.15000	579.511	08	15.507	Rejected
		Rs.15000-Rs.5000				
		Above Rs.50000				

Hence the table value of χ^2 test for 8 degree of freedom at 5 per cent level significance is 9.488, 15.507. The calculated value Chi square is much higher than the table value and hence the result of the experiment does not support hypothesis. We can draw the inference that Gender, Age, Occupation, Educational Background, and Annual Income of the customer using the FMCG products through watch the advertisement.

LIMITATIONS OF THE STUDY

- ✓ Few of the sampled respondents neglected in sharing information because of their bus schedule of business and work.

- ✓ To overcome the expected difficulties and to complete the study, sincere and timely efforts have been put.

- ✓ Sample size may be less representative of whole universe. The survey was limited to some parts of central Tamilnadu state only which covers selected district of Pudukkottai only.

- ✓ Few of the respondents in certain class are neglected the request answering the survey questionnaire. The feeling of insecurity due to some unknown reasons may have prompted the people to alter some information.

FINDINGS

(i)   Different sales promotional schemes changes with change in income, Gender and Education, Occupation are more deal prone than male.

(ii) Cash discount is preferred to free gifts as sales promotion schemes by middle class consumers. The female considers cash discount as best sales promotion scheme of advertisements.

(iii) The media are not equally preferred. Television is the most preferred than all other and point of purchase material is least preferred.

(iv) Income and education affects brand equity female have highly for brand loyalty and brand awareness while male have rated highly to perceived quality.

RECOMMENDATIONS

(i)   Cash Discount preferred most than Free Gift, hence, marketer should offer attractive cash discounts.

(ii) Immediate benefits consider better than delayed benefits, so, marketer should offer sales promotions considering this as well.

(iii) Cash discount if most preferred, so, company should think more on cash discount/ price of than gift or value added.

(iv) Television is most preferred knowledge source and it reaches mass level, so, this medium should be considered as very effective medium to reach to customers.

(v)   Females are Brand Loyal and they are Deal Prone than Males, so, this category should cater promptly.

(vi) Research shows below SSLC standard educated prefer cash discount very much, so, there is a scope of promotional scheme customization for rural area.

(vii) Middle class consumers' purchasing power is growing and over the years this class would be big chunk of the Indian population, so, by the years business will much depend on

this class. This fact will attract International players to India and Domestic players should cater this class very efficiently, so that they will face less competition by International companies.

CONCLUSION

Product management is a middle level management function that can be used to manage a product life cycle and enables a company to take all the decisions needed during each phase of a product life cycle. We can conclude that the business strategies of firms vary depending on the corresponding stage of the product, where each phase inherently requires a different, innovative business strategy. It can be noted that different ways of overcoming growing complexity of the environment manifest as a need for different, innovative business strategies. Each of the phases in the industry life cycle requires an appropriate business strategy, which in turn demands innovative knowledge of relationships that link the past, the present and the future of the firm and/or its parts. In managing a firm this implies that, due to increasing complexity of the globalised environment, there is constant need for more interdisciplinary knowledge.

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