

BRAND AWARENESS TOWARDS FAST MOVING CONSUMER GOODS (FMCG)

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ABSTRACT

The challenge of building a strong brand across FMCG sector has long remained a matter of intense research and analysis. Brands in FMCG sector are essential to distinguish and differentiate the goods and service of one manufacturer from another. The brands in FMCG sector (Nijssen, 1999) are more prone to competition than the other sectors like telephony, nutrition and automobiles. Unlike other sectors, FMCG or fast-moving consumer goods sector incorporates the consumer-packaged goods that are meant for one time consumption. These goods classify as non-durable household goods that could identify as wither cosmetics, toiletries, beverages, packaged foods, candies, over the counter drugs or consumables with lesser shelf life. From consumer perspective (Celen, 2005), these entail frequent and repetitive purchases, shorter shelf life, low cost, lesser engagement and rampant consumption tendency. As per Deloitte study, these goods possess immense potential for mass branding and consistent innovation by product line extensions.

The core aim of this research is to explore the factors that shape the “brand awareness for FMCG products” To study the Brand Awareness of Fast-Moving consumers Goods.

The research objectives explore the aspects or the factors that shape the consumer-based brand awareness regarding fast moving consumer goods in urban localities across Punjab perspective.

Key words: Consumer Goods, FMCG sector, repetitive purchases, brand awareness.

INTRODUCTION

The challenge of building a strong brand across FMCG sector has long remained a matter of intense research and analysis. Brands in FMCG sector are essential to distinguish and differentiate the goods and service of one manufacturer from another. The brands in FMCG sector (Nijssen, 1999) are more prone to competition than the other sectors like telephony, nutrition and automobiles. Unlike other sectors, FMCG or fast-moving consumer goods sector incorporates the consumer-packaged goods that are meant for one time consumption. These goods classify as non-durable household goods that could identify as wither cosmetics, toiletries, beverages, packaged foods, candies, over the counter drugs or consumables with lesser shelf life. From consumer perspective (Celen, 2005), these entail frequent and repetitive purchases, shorter shelf life, low cost, lesser engagement and rampant consumption tendency. As per Deloitte study, these goods possess immense potential for mass branding and consistent innovation by product line extensions.

Brand awareness seems to possess a concurrent relationship with brand equity. The term brand equity represents the market-based assets or identities, logos or jingles that provide separate identity to a brand in focus. In simpler terms this is tantamount to saying that identity of a brand and distinct image of a branded product in FMCG sector, borrows from the differences as projected across logo, packaging, ingredients, product extensions or associations.

Review of Literature

A plethora of studies (Ghorbanian, 2020) points toward the 'brand experience' as reliant on emotions and affections that brand seeks to harness across customer's mindsets. The review of literature on subject emphasizes the individual differences as central in pushing or restraining the brand identity conceptualization.

Another study (Bairrada, 2019) on FMCG based brand building underlined the personal characteristics and sensitivities as crucial in shaping the overall brand push across mass markets. The study-based outcomes upheld the notion that the FMCG brands derive strength from the personal characteristics and attributes across individual customers.

A study (Mohan, 2016) across 820 regular FMCG buyers in Bangalore revealed the incidence of customer affections, emotions and customer equity as shaping the brand equity and operational performance in Indian FMCG industry. The study further pointed towards the prevalence of the impact of socio-demographic differences in purchasing intentions, frequency and quantity. The study deployed factor analysis methodology to reach across these conclusions. The quantification of consumer perspectives and need for empirical investigation of the factors shaping consumer' stimulus to engage in brand equity development vis a vis FMCG products was achieved with aid of factor operationalization and like rt scaling.

METHODOLOGY

Research Instrument

The research primarily seeks the achievement of the conceptual and functional model to understand and reflect upon the individual perceptions and contextual forces as shaping retail customer's liking for FMCG products in urban areas across Punjab geography.

The study setting involves the incorporation of the perceptions across local retail customers in urban localities across select cities of Punjab; as shaping the brand awareness for FMCG awareness and sustainable demand. The study relied on random sampling for the collection of responses and every walking consumer making a purchase of 500 INR or more was chosen for the research.

The current academic research was conducted across the time ranging from January 2019 to December 2019 across the urban FMCG customers across retail stores in Jalandhar, Amritsar and Hosiarpur.

The sample for the research study comprised the store walk in retail FMCG customers in urban households comprising one to five family members.

DISCUSSION AND RESULTS

1. Study of brand awareness

The question with regard to awareness of branded FMCG products revealed that significant numbers of respondents (77 per cent) are well aware with regard to existence of such products in region wide FMCG industry. In response to question with regard to usage of such packaged FMCG products, the respondents nodded to significant usage of of such FMCG products in their daily lives.

Correlation assessment

The study evaluated the correlation across factors ‘brand awareness’ and ‘demand’. The study leveraged SPSS for statistical assessment. As illustrated in the table below, the correlation coefficient for factors ‘brand awareness’ and ‘demand’ is 0.278 which stands for satisfactory outcomes. The observed p-value for the aforesaid correlation coefficient is .000 represents statistically significant relationship between factors ‘brand awareness’ and ‘demand’. The relationship-based outcomes predict that there is a linear component of association between two continuous variables.

Table 1.1: Analysis of Correlation

Correlations			
		BRAND_AWA R ENESS	SUSTAINABL E _DEMAND
BRAND_AWARENESS	Pearson Correlation	1	.278**
	Sig. (2-tailed)		.000
N		438	438
SUSTAINABLE_DEMAND	Pearson Correlation	.278**	1
	Sig. (2-tailed)	.000	
N		438	438

a. Factors affecting the Brand Awareness across Fast Moving Consumers Goods

The factors affecting brand awareness development were quantified with aid of likert scale. The data as collected was examined for reliability (internal consistency) and dimensional validity as mentioned in sections below. The sub scale factors as considered for analysis and interpretation are summarized here:

Table 1.2: Factors as considered for research

Construct	Factor based sub scales
Perceptions regarding Customer derived aspects	Factor One: Affective Aspects Factor Two: Promotion Orientation Factor Three: Brand Equity Factor Four: Personal Characteristics
Perceptions regarding store behavior	Factor Five: Retailer Advise Factor Six: Store Display
Perceptions regarding brand	Factor Seven: Brand Awareness Factor Eight: Sustained Demand

The study operationalized four factors for measuring the customer bound influences, two factors for measuring the store derived influences on ‘brand awareness’ in regional prospects and consequences for demand for FMCG products in state perspective. The respective factors were chosen from across existing literature and pre-validated scales were leveraged form the earlier published studies on subject matter.

The research study incorporated the standard research tool of ‘cronbach alpha’ assessment in SPSS platform for reliability assessment to ascertain the “internal reliability and respective consistency” of the primary data hence collected via like rt scale-based questionnaire.

Table 1.7: Communalities assessment for variance judgment

Sub scale Dimensions	Item	Initial	Extraction
The brand connects well with my emotions and affections	AA1	1.000	.642
The brand ownership makes me feel good	AA3	1.000	.655
The brand usage makes me feel secure	AA4	1.000	.602
The brand usage gives me pleasure	AA5	1.000	.702
During consumption of this brand, I feel delighted	AA7	1.000	.715
If a product is on sale, that can be a reason for me to buy it	PP1	1.000	.720
When I buy a brand that is on sale, I feel that I am getting a good deal	PP2	1.000	.667
One should try to buy a brand that is on sale	PP4	1.000	.713
I am more likely to buy brands that are on sale	PP5	1.000	.682

Compared to most people, I am more likely to buy brands that are on sale	BE1	1.000	.664
The quality of this brand is consistent	BE2	1.000	.719
The brand is worth purchasing as it provides value for money	BE3	1.000	.724
I think that the brand incorporates quality ingredients	BE4	1.000	.710
The company that markets this brand really cares about its customers	BE5	1.000	.706
This brand echoes well with my personality	PER1	1.000	.710
This brand truly reflects my values, aims and aspirations in life	PER2	1.000	.698
This brand represents my character and complements it	PER3	1.000	.782
This brand fits well within my life	PER5	1.000	.729
The store manager makes efforts to increase regular customer loyalty	RA1	1.000	.739
The store management makes various efforts to improve its tie with the regular customers	RA2	1.000	.784
The store really cares about keeping regular customers	RA3	1.000	.748
The store rewards the regular customers for their patronage	RA4	1.000	.698
The store makes various efforts to improve its ties with me	RA6	1.000	.721
The store offers me products and services that satisfy my specific grocery needs	RA7	1.000	.763
This store offers products and services that I could not find in another store	RA8	1.000	.789
The current store manages product categories as individual brands	SD1	1.000	.776
The current store customizes the category brands on store to store basis to satisfy local consumer needs and aspirations	SD2	1.000	.685
The store has empowered the front line managers to decide with regard to private label positioning, point of focus and pricing on day to day basis to create unique shopping experiences	SD5	1.000	.682
Store display offer value for my money	SD8	1.000	.637

I am fairly aware of this brand	BA1	1.000	.697
I am quite familiar with this FMCG brand	BA2	1.000	.585
I have heard a lot about this brand	BA3	1.000	.675
I can easily recognize this brand among other brands	BA4	1.000	.673
I can recall the merits of this FMCG brand	BA6	1.000	.622
I project a consistent consumption of this FMCG brand	DM2	1.000	.589
I could have adequate supply of this product in near future	DM3	1.000	.687
I can assess regular consumption patterns for this brand	DM4	1.000	.693

Table 1.8: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1= Retailer Advise	8.521	18.935	18.935	8.521	18.935	18.935	5.297	11.770	11.770
2=Promotion	5.215	11.590	30.525	5.215	11.590	30.525	4.092	9.094	20.864
3=Affective	3.769	8.375	38.900	3.769	8.375	38.900	3.936	8.748	29.612
4=Brand Awareness	3.512	7.805	46.705	3.512	7.805	46.705	3.789	8.419	38.031
5=Brand Equity	3.240	7.200	53.905	3.240	7.200	53.905	3.622	8.048	46.079
6=Personal	2.863	6.362	60.267	2.863	6.362	60.267	3.614	8.031	54.110
7=Store Display	2.163	4.806	65.073	2.163	4.806	65.073	3.407	7.572	61.682
8=Demand	1.833	4.073	69.146	1.833	4.073	69.146	3.359	7.464	69.146

The “extractive factor analysis” was deemed essential to ascertain the dimensions that appropriately represent the factor in question. This study hence leveraged “Principal component analysis” technique; to ascertain lateral supporting variables and inter-item correlation in order to explain “factor structure”. The following illustration shows the pattern matrices as derived for the ascertainment of dimensional validity of scale-based factors. The loadings are in range 0.5 to 0.99 and loading across the same factor in question.

Table 1.9: Pattern Matrices: Loading sub scale dimensions across extractive factor analysis

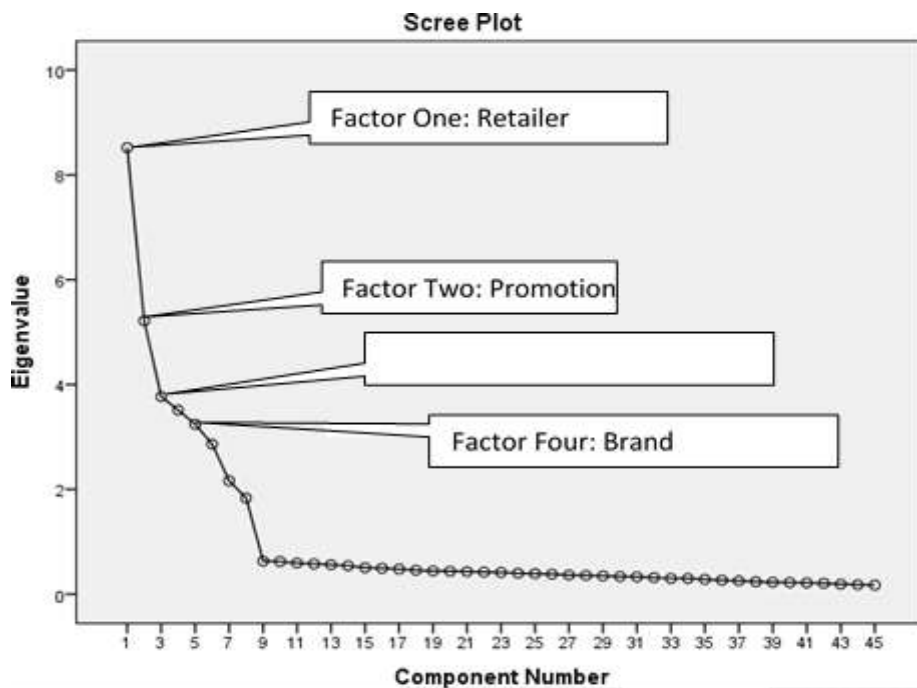
Sub Scale Dimension	Item	F1	F2	F3	F4	F5	F6	F8
Factor:								
The brand connects well with my emotions and affections	AA1			.796				
The brand ownership makes me feel good	AA3			.800				
The brand usage makes me feel secure	AA4			.758				
The brand usage gives me pleasure	AA5			.824				
During consumption of this brand, I feel delighted	AA7			.838				
If a product is on sale, that can be a reason for me to buy it	PP1		.836					
When I buy a brand that is on sale, I feel that I am getting a good deal	PP2		.798					
One should try to buy a brand that is on sale	PP4		.824					
I am more likely to buy brands that are on sale	PP5		.790					
Compared to most people, I am more likely to buy brands that are on sale	PP6		.804					
The quality of this brand is consistent	BE1					.814		
The brand is worth purchasing as it provides value for money	BE2					.802		
I think that the brand incorporates quality ingredients	BE3					.811		

The company that markets this brand really cares about its customers	BE4					.807		
Over the years, the company has maintained record of quality and value	BE5					.800		
This brand echoes well with my personality	PER1					.781		
This brand truly reflects my values, aims and aspirations in life	PER2					.819		
This brand represents my character and complements it	PER3					.835		
This brand fits well within my life	PER5					.804		
The store manager makes efforts to increase regular customer loyalty	RA1	.876						
The store management makes various efforts to improve its tie with the regular customers	RA2	.861						
The store really cares about keeping regular customers	RA3	.824						
The store rewards the regular customers for their patronage	RA4	.844						
The store makes various efforts to improve its ties with me	RA6	.870						
The store offers me products and services that satisfy my specific grocery needs	RA7	.882						

This store offers products and services that I could not find in another store	RA8	.875						
The current store manages product categories as individual brands	SD1						.807	
The current store customizes the category brands on store to store basis to satisfy local consumer needs and Aspirations	SD2						.805	
The store has empowered the front line managers to decide with regard to private label positioning, point of focus and pricing on day to day basis to create unique shopping experiences	SD5						.775	
Store display offer value for my money	SD8						.818	
I am fairly aware of this brand	BA1					.708		
I am quite familiar with this FMCG brand	BA2					.775		
I have heard a lot about this brand	BA3					.752		
I can easily recognize this brand among other brands	BA4					.711		
I can recall the merits of this FMCG brand	BA6					.705		
I project a consistent consumption of this FMCG brand	DM2						.822	
I could have adequate supply of this product in near future	DM3						.815	
I can assess regular consumption patterns for this brand	DM4						.822	

Factor extraction

The factor extraction is accomplished on basis of “variance examination” which established the factor wide variations. The factor-based variations as observed across data are illustrated in the Scree plot (mentioned in sections below). The first factor “the factor “retailer advise” exhibiting maximum variance amounting to nearly 18.9 per cent is mentioned at top left of the graphic, which was followed by the factor “promotion orientation” exhibiting 18 per cent variance (mentioned at second order in graphic below).



The detailed factor-based item loadings are mentioned in sections below:

Factor One: Retailer's Advice

The first factor “retailer’s advice” exhibited a variance amounting to nearly 18.9 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘The store manager makes efforts to increase regular customer loyalty and management makes various efforts to improve its tie with the regular customers’ or really cares about keeping regular customers’.

Factor Two: Promotion Orientation

The second factor “promotion orientation” exhibited a variance amounting to nearly 11.5 per cent illustrating maximum weightage being assigned. The data were classified as ‘If a product is on sale, that can be a reason for customer to buy it’, ‘When they buy a brand that is on sale, they feel that they are getting a good deal’.

Factor Three: Affective (Emotional) Aspects

The third factor “affective aspects” exhibited a variance amounting to nearly 8.3 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘The brand connects well with my emotions and affections’, ‘The brand offers me comfort and peace of mind’.

Factor Four: Brand Awareness

The fourth factor “brand awareness” exhibited a variance amounting to nearly 7.8 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘I am fairly aware of this brand’, ‘I am quite familiar with this FMCG brand’, ‘I have heard a lot about this brand’.

Factor Five: Brand Equity

The fifth factor “brand equity” exhibited a variance amounting to nearly 7.2 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘The quality of this brand is consistent’, ‘The brand is worth purchasing as it provides value for money’.

Factor Six: Personal Characteristics

The sixth factor “personal characteristics” exhibited a variance amounting to nearly 6.3 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘This brand echoes well with my personality’, ‘This brand truly reflects my values, aims and aspirations in life’.

Factor Seven: Store Display

The seventh factor “personal characteristics” exhibited a variance amounting to nearly 4.8 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘The current store manages product categories as individual brands ‘it stores customizes the category brands on store-to-store basis to satisfy local consumer needs and aspirations.

Factor Eight: Demand

The eighth factor “demand” exhibited a variance amounting to nearly 4.0 per cent illustrating maximum weightage being assigned. The loading sub scale dimensions in regional perspective were classified as ‘I foresee a sustainable demand for this FMCG product’, ‘I could have adequate supply of this product in near future’,

Conclusion

The general conclusion of these studies is that the data was affected by the multiplicity of factors. However, the most valuable factors that affect the whole data were eight that provide the relevant knowledge about the object that was taken into consideration for research purposes. Hence, the factor analysis evaluates these eight factors separately signified good fit according to the field related to enquiry which illustrate the variance of nearly 18.9% related with retailers’ efforts to make customer loyal while the eight factor exhibits the variance nearly to 40% related with dimension of demand for FMCG products. All the factors loading are good or above +0.55 or close to that which confirms the accuracy and effectiveness of result and evaluation.

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