CHAPTER 5

RESULTS AND DISCUSSION

“Nothing is good or bad but by comparison”
- Thomas filler

In this chapter the key findings and conclusions of this research are recapitulated. Based on these findings few suggestions have been proposed for improving effective FMCG advertisement by pointing out the suitable measures and expectation of FMCG users.

5.1 FINDINGS

5.1.1 Findings from Analysis and Interpretation

1. The general demographic details of the sampled respondents are, a high of 70% of the sampled respondents belongs to male gender because mostly they are earning people - deciding and decision authority of brand of FMCG products, regarding marital status 73.5% of them married, majority of the respondents have the age category of 21-30 years (33%), then in the next segment i.e., family size a high of (47.5%) of them having the members of 5-6. Next regarding the occupation of sampled respondents a major of 33.5% of them are employed. In case of educational qualification, under graduation has the highest at (56.5%) and finally regarding annual income a high of (41.5%) of them having the annual income level between Rs.100001 – 150000.
2. Weighted average technique was used to find out the total for each category of respondents over several attribute considered during purchase of FMCG to know their level of preference and consideration towards the price, quality and technology, well known design, brand, usage pattern. From the analysis the researcher found that the most important consideration such as price and usage pattern ranked as I and II with the total score of 796 and 792.

3. In practice customers may go for changing their FMCG product because of their purchasing power, preference and buying habits, motivation from influencers and problem faced with their existing FMCG product. From survey the researcher found that regarding the duration of changing FMCG product a high of (65.1\%) of the respondents change their FMCG product above five years once because they adopted with existing brands and their usage practice – periodically the manufacturer introduce the changes according to the preference and expectation of the end user.

4. After identifying the importance of advertising in creating a success of a product, the advertiser’s next task is to choose key areas for effective FMCG advertisement that affect the purchasing decisions. The researcher found from the analysis by using Henry Garrett ranking method, repetition of advertisement for FMCG and product knowledge ranked as I and II with the total score of 527.4 and 519.4.

5. The researcher found that regarding the role of advertisement, mostly a very high of 37\% of the respondents
and 30% of them consider that advertisement is compulsory for growth and sale of FMCG products in the highly competitive world. Finally a low of 8.9% and 5.6% of the respondents supports and view advertisement as very low influence on success of FMCG products because, they are having some faith on sales promotion which will provide the immediate offer at the time of purchase and at the same time offer a direct incentive to buy more in the short term. They are designed to stimulate quicker and greater purchase of particular products by consumers or the trade.

6. It is noted from the Table no:-4.7 that the calculated Chi-square value is greater than the table value (943.66 > 26.30) and the result is significant at 5% level. Hence, the hypothesis “Age level and role of advertisement in success of FMCG product are closely associated”.

7. It is noted from the Table no:-9 that the calculated Chi-square value is greater than the table value (756.42 > 26.30) and respondent’s opinion on role of advertisement on success of FMCG product at 5% significant level. Hence, the hypothesis “Educational level and role of advertisement on success of FMCG product before purchasing FMCG are closely associated”.

8. It is noted from the Table no:-4.11 that the calculated Chi-square value is greater than the table value (931.42 > 26.30) and respondent’s opinion on role of advertisement on success of FMCG product at 5% significant level. Hence, the hypothesis “Occupation level and role of advertisement on
success of FMCG product before purchasing FMCG are closely associated’.

9. It is noted from the Table no:-4.13 that the calculated Chi-square value is greater than the table value (945.78 > 26.30) and respondent’s opinion on role of advertisement on success of FMCG product at 5% significant level. Hence, the hypothesis “Annual income level and role of advertisement on success of FMCG product before purchasing FMCG are closely associated”.

10. From analysis and interpretation, the researcher find regarding respondent’s interest and wish towards the brand ambassador for advertising FMCG Product’s brand. Most of the respondents are having the interest and wish in preferring ‘Sports stars’ which ranked as first by them with scored as 60075 points. The second and third brand ambassadors for advertising FMCG Product’s brand are ‘Film stars’ and ‘Models’ with Garrett scored as 52686 and 52125 points.

11. The researcher had estimated the known factors in advertising that accomplishes audience persuasion in reference to message, rational appeal and emotional for each variance. This is the proportion of variance that each item has in common with other factors. For example ‘Influence of regional language’ has 88.53% communality or shared relationship with other factors. “Remembering Advertisement while Purchasing geared to the consumer market has the highest communality of 88.5%, while ‘Durability adverts
with 88.3% and ‘Favourable price’ have the least communality with others of 65.6%.

12. The researcher used Kaiser Normalization Criterion, which allows for the extraction of components that have an Eigen value greater than 1. The principal component analysis was used and eight factors were extracted. As the table shows, these eight factors explain 76.2% of the total variation. Factor 1 contributed the highest variation of 24.7%. The contributions decrease as one move from one factor to the other up to factor.

13. Factor Analysis - Exploratory factor analysis is used in order to identify constructs and investigate relationships among key interval scaled questions regarding reasons for choosing to buy FMCG products from 1000 respondents. To test, the following steps were taken:

13.1 The correlation metrics were computed. It revealed that there is enough correlation to go ahead for factor analysis.

13.2 Kaiser-Meyer-Olkin measures of sampling adequacy for individual variance were studied. It found sufficient correlation for all the variables (refer Table No.-4.15.2).

13.3 To test the sampling adequacy, Kaiser-Meyer-Olkin measure of sampling adequacy was computed and was found to be 0.558. It includes that the sample is good enough for sampling.
13.4 The overall significance of correlation matrices was tested with Bartlett’s test of sphericity providing support for the validity of the factor analysis of the data set. (refer Table No.-4.15.2)

13.5 After the standard indicated that the data are suitable for factor analysis, principal component analysis was employed for extracting the data, which allowed determining the factor underlying the relationship between numbers of variables. The total variable explained suggests that it extracts one factor which account for 76.626 percent of the variance of the relationship between variable (refer Table No.- 4.15.3).

14. It is noted from the table no.-4.16 that regarding factors influencing the selection of media for FMCG advertising includes the media such as TV, Radio, Press (Newspaper, Journal, & Magazine) and Outdoor advertising. There are eight factors taken for consideration of selection of media such as preferable, expensive, clear visibility, believable and information, purchasing decision, building brand and company image, stimulating buying and supporting selling effort. A high of with a mean score between 4.79 to 4.02 involve the media selection factors with media such as expensive with TV, press(newspaper, journal, & magazine) and outdoor advertising with mean of 4.79, 4.22 and 4.36 respectively and with a F – Value of 25.9. Next regarding clear visibility stands with a mean of 4.53 of TV which has the F-Value at 65.9. in continuation to the same TV media in respect of believable and information has the mean value of 4.05, regarding purchase decision factors with media
selection stands at 4.92 for TV, 4.34 for radio and 4.22 for press (news paper, journal, & magazine) respectively.

15. In addition to the above findings, the media selection factor building brand and company image – TV, press and outdoor advertising more or less equally sharing their importance of mean of 4.06, 4.18 and 4.03 with F-Value of 22.8. Finally the factor stimulating buying averagely stands comparatively better with common mean score between 4.03 to 4.66 covering all Media such as TV, radio, press and outdoor advertising with F-Value of 29.2.

5.1.2 Findings from Other Sources (Journal, Magazines, Newspaper, Periodicals, Research Thesis and Websites)

16. All the customers contacted have come across advertisements regarding FMCG products.

17. Television and newspaper are main media through which customers come across advertisements.

18. Televisions, newspapers, magazines and journals are top rankers in media viewed/read by customers.

19. Medium of advertising are liked by the customers due to high quality of audio, video, clarity of message and cost involved.

20. Messages are conveyed to customers mainly regarding attributes, uses, occasions and methods of use of the products.

21. Main objective of advertising are to create awareness, remind persuade, retain customers and neutralize competition effect.
22. Shorter and frequent advertisements have seen mainly on electronic media, print media, trade fairs and exhibitions.

23. Television, radio and newspapers are more effective media respectively to communicate to customers.

24. Advertising of FMCG sector in India, HUL, P&G and Colgate are top three ranked companies by planners.

25. Media planners have evaluated the effectiveness of strategic planning for advertising good and very good.

26. To be more effective in advertising the companies are going for strategic planning and spending on affordable basis.

27. While preparing message the planners pay attention mainly on meaningful message, understanding target audience and uniqueness of products.

28. Most preferred media for advertising are TV, newspapers and radio mainly according to planners.

29. For selection of media the factors considered by planners are cost, coverage, effectiveness and availability of media.

30. Main elements in media strategy of planners are media mix, use of media, geographical allocation and scheduling strategy.

31. Basis for fixing advertising budget is combination method is used by majority of media planners.
5.2 SUGGESTIONS

1. Customer’s awareness regarding advertising is very high, so the televisions and newspapers must be used by the company to reach the maximum number of viewers/readers.

2. TV Media are liked by customers due to their positive features. These points of high quality of audio, video, clarity of message and cost involved should be taken care of especially in advertising campaign.

3. Readers read newspapers mainly in morning and evening in a day. Media planners should focus on morning and evening both editions of the newspapers to reach the more readers with messages.

4. Tough competition is being faced by companies in market therefore media planners should be more careful in giving message to the customers.

5. Effectiveness in advertising campaign is highly expected to achieve this, planners should have proper media strategic planning and spend according to capacity.

6. Media selection factors must be proper and these should be focused more carefully by media planners. Proper selection of media would give satisfactory results.

7. Importance of measuring advertising effectiveness is known to planners. In future it should be measured periodically with proper attention.
8. It is suggested that while designing the advertising programme, age of the target customer must be given due consideration.

9. In order to make the advertising more effective all the three factors i.e., accessibility, nature of liking and convenient timing of seeing programmes, must be given due consideration.

10. It is suggested that in order to make advertising more effective, opinion of general public regarding the benefits derived from the products must be incorporated in the advertising of the products.

11. It is suggested that income, age and education qualification of the respondents must be given due consideration in designing advertising strategy for such products.

12. It is suggested that advertiser must incorporate certain social issues while designing the advertising strategies for any products.

13. It is suggested that advertisement should be framed in an effective manner. Because it highlights instantaneous feelings of the respondents due to which consumers become ready to purchase the product.

14. The advertisement should be reliable because it presents different attributes of the products, fairness and responsive claims to be made consumers totally depend upon an advertisement for buying products.
15. The study recommends that for Fast Moving Consumer Goods (FMCG) companies need to embrace innovativeness and the use of aggressive advertising. This can lead to increased brand awareness and purchase intention, hence increased sales.

5.3 CONCLUSION

Changes in lifestyle, rising incomes and a focus on value are pushing up growth for different product categories in the rural areas. Indications of larger disposable income and a perceptible shift in consumption priority in the urban and rural sector also appear to be favouring the FMCG organizations. Since the FMCG sector is expected to grow several folds in the coming years, advertising in this sector will prove to be fruitful for any company. Sales are the lifeblood of any business. Without sales there would be no business. Therefore it is very important that if a business wants to succeed, it should have good sales. Advertising helps in increasing the sales of any product. It is important to study the consumer behavior and their choices especially in FMCG industry. The sector which could make the industry cheer the most would be FMCG.

FMCG was able to maintain hold its top rank providing quality product at reasonable price to consumer. Quality is the main motivating factor for the consumer to buy the product of FMCG. Introduction of new products in the market to satisfy the consumer is also an importance reason for FMCGs to hold the top in the consumer market. FMCG goods that are generally used short period of days, weeks, or months, and within one year. FMCG have a short life, either as a result of high consumer demand and the product deteriorates rapidly. Purchasing of FMCG products involves many buying behavior patterns. Better understanding of consumer perception towards FMCG products will make high profits to the supermarkets. The suggestions were
given to the concern to focus its attention mainly on delighting the customer and to fulfill the requirements and expectation toward the products. Thus, in this study the researcher had made an attempt to find out the customers’ view on important attributes considered while purchase of FMCG Products, FMCG advertisement factors influencing the purchasing decisions, various dimensions of factors influencing the selection of suitable media, applicable Brand Ambassador and known factors in advertising that accomplishes audience persuasion. The study also concludes that there were various factors that influenced the choice of television as a medium of advertising by FMCG manufactures in India. These factors were products geared to the consumer market, originality of Brands, products with unique attributes, product characteristics, and cost of TV adverts and products backed by adequate advertising budget. Television advertising is a successful tool increasing sales when for nondurable products with unique attributes, geared to the consumer market and backed by adequate financial resources and when features in unique and creative message.

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 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 consumer’s 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.

From the findings, we can arrive at a conclusion that TV ads of FMCG have influence on the purchase decision making of the respondents. Television advertisements have brought a paradigm shift in the arena of advertising. This is mainly due to the fact that it is being considered as a mode through which buying decision may be made collectively as opposed to other media of advertisement where the influence upon the buyer is restrictively individual. Television ads, especially those which are telecasted at the prime time, are strategic tools of mobilizing potential customers. However, in the globalized era, the impact and influence of promotional tools like advertisements over the masses in general and societal classes in particular has redefined the entire ambience of marketing.

5.5 SCOPE FOR FURTHER RESEARCH

1. More research needs to be carried out on other types of Consumer goods apart from FMCG.

2. In addition, more study needs to be carried out on other mediums of advertising such as Web or Internet, Social and as well as Mobile advertising.

3. Further research can be conducted at the national level as this research has been conducted at the Tamilnadu state level.

4. In future, extension of this research can also be conducted by considering the various popular categories of FMCG products in connection to decision making based on advertising effects.