

Study of Consumer Perception towards Online Shopping of FMCG

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Abstract :

In the recent era, shopping has become a trend. People prefer retail shopping but also are switching to online shopping. Online shopping has become an important platform for purchasing the FMCG. As a large range of FMCG products are available at just a click away. It has become convenient for the customer to examine as per their criteria and has become competitive for e-commerce sites to withstand the loyalty of customers. With the fast growing pace of technology, new inventions to cosiness customers are keeping coming in market. Customer perception towards these FMCG decides the future of the product. As market has turned virtual these days, a customer analyses his needs, desire to purchase latest updated products on these online sites. This paper focuses on the consumer perception towards online shopping of FMCG.

Keywords : FMCG, consumer, online shopping

Introduction :

The role of e-commerce had revolutionised the world in the recent times. The internet era mostly contributes to the development of electronic commerce, as now a day thousands of businesses are selling goods and services over the internet. Earlier people did shopping when there was a requirement, some function or when they were outing. But in recent times, online shopping has got place in the life of people. Earlier shopping was need based but in today it is mood based. Market experts predict that e-commerce is showing the growing pie of all the commerce pie and is also expected to increase in near future. As shopping is so handy that just an application away acquisition of product is done. As things are turning so convenient, it becomes significant to understand the perception of the customer while he is making a purchase online. Customer perception and customer behaviour helps us to comprehend the challenges faced by the marketers in comprehending the consumer mind. What exactly goes in the mind of the customer and what are the processes in the mind of consumer that inspirations him or her in buying different products or services. A different study about the behavior of consumer does not distinguish on a specific category. It aims to investigate factor that impact the intention of customers while buying electronics online and find out how they differ from Flipkart to Amazon. Along with the development of e-commerce, there is an thrilling increase in the competition between different e-commerce sites to attract customers and become the market leader. In order to become the market leader, it is important Flipkart or Amazon to know how consumers make their choice choice and therefore, try to gather insights about the inner psychology and various factors that influence this process.

This study helps these online sellers to improve their marketing strategies by understanding various

issues such as the following:

1. How consumers think, feel, motive and select among different alternatives?
2. How consumers are prejudiced by their environment?
3. How marketers can adapt and improve their marketing campaigns or policies to quickly penetrate into the market.

It implies the attitude towards buying of FMCG products online, subjective norm, perceived behavioral control, attitude toward using online stores when buying FMCG, and cultural environment of trust influence intention to FMCG in an online store. It is believed that consumer perceives Flipkart and Amazon in their own way and takes choices based on their perception rather than objective reality. In today's cut throat competition, to differentiate one's brand, each marketer tries to create an image of his own in the minds of the Customer. These online sellers communicate their key consumer benefits instead of importance few product features leading to fulfilling's of target segment of Customer.

Consumer Buying Behaviors

The Business Dictionary defines consumer perception as a “marketing concept that encompasses a customer's impression, awareness or consciousness about a company or its offerings. Typically, customer perception is affected by advertising, reviews, public relations, social media, personal experiences, and other channels.”

The truth is that everything affects customer perception, from the way you position your product vertically and horizontally on a shelf, to the colors and shapes you use in creating your logo. Even things outside of your control, which may seem innocuous, such as the time of the day when your customer interacts with your brand - even this will affect consumer perception. Your customers might have a positive perception of you if they come across your products and your niche during a certain time of the day, but they may hold a negative perception at another time of day. This dual perception might not have anything to do with you; some people are not morning people, and the worst time to try to sell 'not-morning' people is in the morning hours, especially before they've had breakfast and coffee. You would do better to catch them right after dinner, when they're relaxed. Other people simply can't concentrate on anything in the evening, and would rather that you had caught their attention in the morning. Others are somewhere in between, preferring that you reach them during the main part of the day. So, as you can see, something as harmless as calling at the wrong hour or showing a potential customer the right color at the wrong time and at the wrong place, might reward you with a significant number of customers in at one time of day but a disappointing result at a different time of day.

Perception theory begins from a simple premise: that all our senses and the inputs that go into them must be categorized and studied. Perception is simply the moment when we become aware of something via our senses. When we perceive something, we either react to it via our instincts or via the faculty of decision. We can either react toward a perceived opportunity or a perceived threat, or we can ignore the perceived phenomena and continue with our merry lives. A subset of this theory is self-perception theory, which deals with an individual's perception of himself within the context of his surroundings.

FMCG

Products which have a fast turnover, and relatively low cost are known as Fast Moving Consumer Goods (FMCG). FMCG products are those that get substituted within a year. Examples of FMCG generally include a wide variety of frequently purchased consumer products such as toiletries, soap, cosmetics, tooth cleaning products, shaving products and detergents, as well as other non-durables such as glassware, bulbs, batteries, paper products, and plastic goods. FMCG may also include pharmaceuticals, consumer electronics, packaged food products, soft drinks, tissue paper, and chocolate bars. Subsets of FMCGs are Fast Moving Consumer Electronics which include innovative electronic products such as mobile phones, MP3 players, digital cameras, GPS Systems and Laptops. These are replaced more frequently than other electronic products. White goods in FMCG refer to household electronic items such as Refrigerators, T.Vs, Music Systems, etc.

Fast Moving Consumer Goods (FMCG) market in India has been expanding day by day. Because, these products are sold at a rapid pace and at a comparatively low cost, the craze for these products are more in the market. The rising demand for Fast-moving consumer goods can be felt by the fact that the sector is considered to be the fourth biggest sector in the Indian economy. Changes in lifestyle of Indian youth, increase in awareness level and easy access etc are considered as significant drivers to the growth of the sector in the country. FMCG sector in India is contributing heavily to the GDP of the country's economy. It is quite prominent from the fact that the middle-class families in India are the dominant consumer of FMCG products and they are sold over 73% of the FMCG products (Srivastava and Kumar, 2013). That makes the Indian market as a profitable destination for selling FMCG. Liberalization in Indian economy propels the global brands to enter into Indian market (Yuvarani, 2013). And that is the reason why today we can witness a lot of brands of FMCG items in the Indian market. A brand is a name that influences buyers"- (J.N. Kapferer.) Brands that cost lesser without hampering the quality get upper hand in the market. Especially in terms of FMCG, it is very hard on the part of marketer to satisfy the customers. "Satisfaction is a parameter to judge how effectively the products or services have performed compared to what has been expected by the consumers." (Armstrong & Kotler, 1996). Customer satisfaction generally gives an indication as to what extent customers are actually satisfied with the goods or services they have consumed. According to Zamazalová (Zamazalová, 2008), there are important factors that have an effect on customer satisfaction.

All these factors can also be utilized to judge customer satisfaction. These factors are the product (in regard to quality, availability etc.); price (in regard to convenience in the payment mechanism); services; distribution; and image of a product. Companies need to maintain a minimum standard of their product (product quality) and must be able to deliver the products to the ultimate users at an effectively (service quality) with an affordable price (financial benefit) and if they are able to match up the preconceived expectation (perceived value) of the customers, only then they can sense customers' satisfaction.

Online Shopping of FMCG

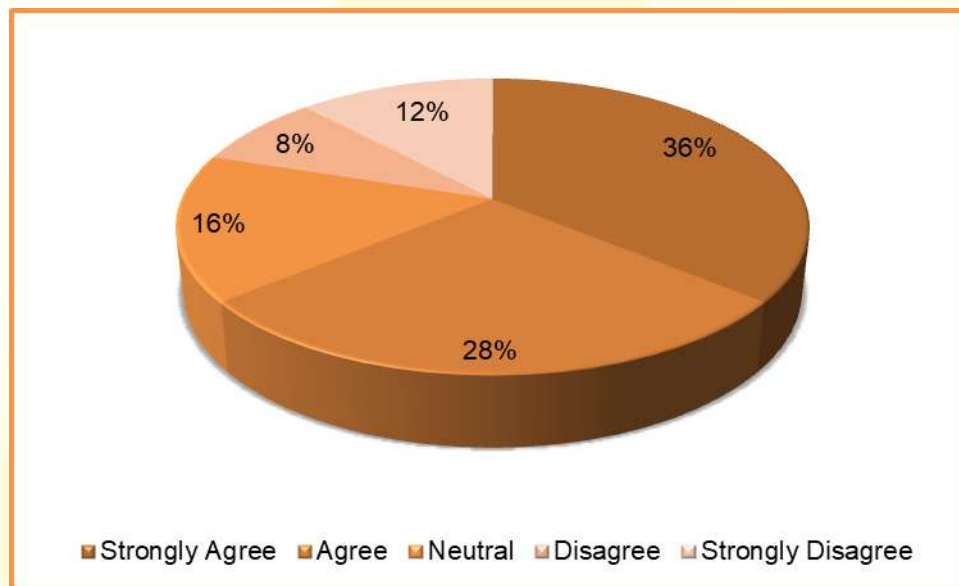
Products which have a quick turnover, and relatively low cost are known as Fast Moving Consumer Goods (FMCG). FMCG products are those that get replaced within a year. Examples of FMCG

generally include a wide range of frequently purchased consumer products such as toiletries, soap, cosmetics, tooth cleaning products, shaving products and detergents, as well as other non-durables such as glassware, bulbs, batteries, paper products, and plastic goods. FMCG may also include pharmaceuticals, consumer electronics, packaged food products, soft drinks, tissue paper, and chocolate bars. Subsets of FMCGs are Fast Moving Consumer Electronics which include innovative electronic products such as mobile phones, MP3 players, digital cameras, GPS Systems and Laptops. These are replaced more frequently than other electronic products. White goods in FMCG refer to household electronic items such as Refrigerators, T.Vs, Music Systems, etc.

Table : There is significant relationship between consumer perception and digital marketing of FMCG

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
9	7	4	2	3

Graph : There is significant relationship between consumer perception and digital marketing of FMCG



From the above graph, it is found that out of 25 respondents, 36% are strongly agree with the statement ‘There is significant relationship between consumer perception and digital marketing of FMCG’ while 28% are agree with the statement, 16% are neutral with the statement, 8% are disagree with the statement and 12% are strongly disagree with the statement.

That means majority respondents feels that there is significant relationship between consumer perception and digital marketing of FMCG.

Consumer Perception towards Online Shopping of FMCG

The idea of perception theory is often capitalized by haunted houses and amusement parks. The visitors are forced to walk into a dark are, which is pretty small and claustrophobic. Visitors are led to a panoply of attractions that look and and sound like like monsters, rodents, and so on. All this to overwhelm our senses. The idea is to stimulate an adrenaline rush, which would then surge through the patrons as they are forced to face their fears. The people who enjoy these things usually love the idea of conquering their fears, and they often find this experience exhilarating. However, this can be turned on its head. If you're in the wrong neighborhood, attractions in a haunted house could easily attract customers to a haunted house but could easily chase customers away from your storefront.

As a business owner, you want to maximize the amount of time that customers spend in your store. You want them to purchase an item on a whim, and to then go on a spree of impulse buying. You want them to browse your shelves, and walk through your aisles, discovering and exploring with each step. Whether your store is a brick-and-mortar store or an online store, you want them to browse and buy, so that you increase your sales.

As a business owner, you should seek to improve their experience and give them the right perception, no matter what.

So to get customer perception right, you should look into what turns your consumers on, so to speak, and then to use it to your advantage when you want to attract them. If you wish to attract high-end customers, then make a play on such things as quality, cleanliness and hygiene, lighting, packaging, and general details in the way you present your products and services. Segment your customers into the different consumer groups they fall into, and use these groups to figure what is important to each group and what to show to different categories of customers.

When you make an effort to improve consumer perception of your products, your bottom line will quickly reflect your hard-won effort. You will also make your customers and your community feel as if they are part of your family - and there is no better recipe for brand loyalty than family.

Conclusion

The study covers all the aspects of major e-commerce players in India, including Flipkart and Amazon. How they are performing and how they are manipulating the behaviour of customer in the competitive world has been explained. The ground-breaking thinking, offers and advertisement of them are helping to reach more and more consumers is appreciable. They increased their network to understand the perception of consumers and make strategies accordingly. They made consumers work more easy and contented. But like every consumer base, in the cut throat competition, there would be one leader on the market. Based upon consumer's survey, it was found that in India Amazon is the market leader in electronics too. Being an international company it understood Indians behaviour and made its roots sturdier in India. Flipkart and Amazon are comparatively doing well in the India. Majority of youngsters are buying FMCG products through online mode. there is significant relationship between consumer perception and digital marketing of FMCG

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