



CUSTOMER BEHAVIOUR ANALYSIS

DR. GANGADHAR G HUGAR

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By:

Dr. Gangadhar G Hugar

Formerly Director - MBA Department & Dean of Faculty of Commerce and
Management, UKA TARSADIA UNIVERSITY, Bardoli, GUJARAT

And

Director of Department of Management Studies at Laxmi Institute of Management, LVS
Campus, Sarigam, Valsad, GUJARAT

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PREFACE

FMCG refers to those retail goods that are generally replaced or fully used over a short period of days, weeks, or months, and within one year. They include both the durables and non-durable goods like pharmaceuticals, consumer electronics, packaged food items, drinks, detergents etc. Earlier there was a monopoly of a few major FMCG players but now the condition is changed. The competition among the FMCG players is rapidly increasing so investment in FMCG industry is also increasing, especially in India, where FMCG industry is regarded as the fourth largest sector with total market size of US \$ 13.1 billion. FMCG will be witnessing more than 50% of growth in its rural and Semi-Urban segments by 2012. Rural India accounts for more than 40% consumption in major FMCG categories such as personal care, fabric care, and hot beverages. In urban areas, home and personal care category, including skin care, household care and feminine hygiene, will keep growing at relatively attractive rates. Within the foods segment, it is estimated that processed foods, bakery, and dairy are long-term growth categories in both rural and urban areas. Also, this industry is a stable, diverse, challenging and high profile industry providing a wide range of job categories like sales, supply chain, finance, marketing, operations, purchasing, human resources, product development, and general management. Some of the well known FMCG companies are Sara Lee, Nestle, Reckitt Benckiser, Unilever, Procter and Gamble, Coca-Cola, Carlsberg, Kleenex, General Mills, Pepsi and Mars etc. With the growing market scenario players like ITC have already been very successful with initiatives like e-Choupal, HUL's Project Shakti and DCM Hariyali Bazaar.

Advantages to the sector include Governmental Policies, Central and State Initiatives, foreign direct investment, vast rural market, labor availability and good sectoral opportunities. Company prospects of major giants have been discussed like HUL, P and G, Nestle. This deals with the origin, growth, products launched and successful in India, availability and performance. Also, the strategies and policies used by them are

discussed. For example: HUL's lowering its expenditure on packaging of products, and their impact on growth and profit of the companies.

Marketing of FMCG goods has also been discussed with the definitions given by Kotler, Dibbs and the Chartered Institute of Marketing (CIM). What is clearly seen through all of these definitions is that marketing is a 'way of thinking' or more rightly put a 'concept' for running a business. Types of marketing are production-oriented marketing, Sales-Oriented Marketing which happens when production exceeds the demand so producers have to push their goods with different marketing styles, market-oriented marketing and positioning and branding to consolidate competitive advantage.

Nowadays, businesses have recognized that in order to be successful they must concentrate on customer needs and that they have to satisfy those needs better than their competitors. A marketing-orientated business will have the customer at their heart of both its business and marketing plans by creating customer value and building a marketing orientated culture.

The future of marketing entails that consumers are gaining increasing control over what they get like customized products. Blogs and social media spread word about products and companies fast. Companies are taking increasing interest in communicating directly with consumers through the same media. Marketing strategies have various benefits like developing brand recognition, long-term vision of the right techniques you need to use to reach your target audience, stop reactionary marketing & spend less money.

Thus marketing defines and measures the magnitude of the target market that the organization can best serve. It also decides an appropriate product, services and programs to serve these markets. The company's marketing effectiveness is reflected in the degree of which it exhibits the five major attributes of a marketing orientation are customer philosophy, operational efficiency, strategic orientation, adequate marketing information and integrated marketing organization. It is the effectiveness of the marketing strategies and practices of an organization. The marketing effectiveness is the knowledge essential to successful practices the relevant information, tools,

frameworks and ideas. The report investigates about the nature and character or marketing effectiveness and its relationship with business performance in the fast moving consumer goods industry. This study contributes to the sparse empirical evidence within the industry regarding an association between these constructs. This provides further insight from an Indian fast moving consumer goods industry perspective.

The overall analysis of socio economic and ethical aspects of marketing reveals that public and corporate is highly critical of social aspect and highly appreciative of economic contribution of marketing and strategy formulations towards a better economy.

Though comparative advertising or marketing is not a negative aspect, however proper legal restrictions should be imposed upon the way advertisements marketing should be presented and public policy makers should take a cue on: Social Responsibility, Ethics and Marketing, from it while framing the media laws in India. Depending upon the public opinion about the social, economic and ethical aspects of advertising, the marketers and the public policy makers should take different stances on how advertising should be treated.

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This work is a Tribute to My Father's conviction that I can be a good Researcher, Academician & Administrator. Though, a doctoral research is just a step forward, yet I dedicate my work to my parents and my family members for their inspiration throughout my research journey.

My tryst with research would not have seen the light of the day, had it not been for my guide – Prof: M. R. Patil, Ex Professor & Director {Research Centre}, Dnyan Prasarak Mandal's College & Research Center, Assagaon, Bardez, GOA. His research acumen, academic discipline and the emotional connect with the scholars do not make him a usual supervisor, but a real 'guru' and a role model for a beginner academic like me. I am highly indebted to him, not just for his expert guidance and relentless support, but also for teaching me how to enjoy doing research. I gratefully acknowledge his contribution in making me a confident researcher that I am today.

I extend my heartfelt gratitude to all the respondents of my main questionnaire – generally, who spared time from their busy schedule to share their perspectives and information which formed the very basis of this research.

My academic and research pursuit has been largely an outcome of My wife – Shilpa's unconditional support and encouragement throughout. Without her by my side, I would not have endured the ebbs and tides of both, my life and my research. My kids Om and Teertha has shown exemplary patience and maturity, not just by bearing my absence but by being more responsible and independent in their chores, which really helped me to concentrate on my work. I take this opportunity to gratefully acknowledge their love and support in my academic career. My Father & Mother's consistent check on my progress and their earnest prayers helped me sail through thick and thin. Both were the spirit behind all my endeavours and success. I am particularly grateful to My Father-in-law and Mother-in-law for their unflinching support and for taking care of me and the family when I was neck deep in my research. I am also thankful to My Brothers

Sri. Ravindra Kumar Hugar, Dr. Jayaprakash Hugar & My Sister Nayana Suneel Kuravinakop and their family members for bearing with me and my lesser availability during my research work. I am also thankful to all my friends for extending support in whatever way possible.

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Dr. Gangadhar G Hugar

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ABOUT THE AUTHOR



Dr Gangadhar G Hugar

PhD in Management from Dravidian University, Kuppam, Andhra Pradesh, M.Phil in Management from Alagappa University, Karaikudi, Tamil Nadu, MBA – Newport University, California – South Asia Chapter, Bangalore, MBA - Alagappa University, Karaikudi, Tamil Nadu, M.Com in Personnel Management & Industrial Relations, PG Diploma in Marketing Management from KSOU, Mysore.

Dr Gangadhar G Hugar is Presently working as a Director of Department of Management Studies at Laxmi Institute of Management, LVS Campus, Sarigam, Valsad, GUJARAT.

Formerly he was Director & Dean of Commerce & Management, Uka Tarsadia University, Bardoli. He has also served in various reputed B-Schools / Institutions in Karnataka, Maharashtra & Gujarat.

He has been in Teaching & Administration Profession from last 26 years in Management Education Field as Lecturer, Assistant Professor, Associate Professor, Academic Co-ordinator, Joint Director, Controller of Examinations, In charge Director, Director & Dean in different Institutions / Universities. He has written several National & International Research Papers, Articles and attended various National and International Conferences, Seminars, Workshops and also Member of various Management Associations. He has also taken part in various summits as Panel Speaker in the field of Management Education. He has been honoured with "SHIKSHA GOURAV PURASKAR" Award, "Excellence Teacher" Award, "Director – MBA of the Year 2023" & "Visionary Edu Leader Award - 2023", Award.

ABOUT THE BOOK

This book throws light on Fast Moving Consumer Goods Origin and Overview on Household, Personal, Goods & Beverages growth and prospectus, Market and Sectoral Opportunities of different renowned companies with their SWOT Analysis and effective marketing strategies. Further, Marketing Strategies towards socio economic development focusing towards Mumbai Metropolitan area, Role of Relationship Marketing in Competitive Marketing Strategy for their Customer Satisfaction. Top 10 different fast moving consumer goods manufacturing companies and their future in India is also touched upon by using different tools and techniques of statistics in enhancing sales and marketing applied in Mumbai Metropolitan area.

It also explains the increasing influence of technology on marketing strategies across all companies. Consumers, today, are increasingly impacted by the growing influence of new media. Consumer Behaviour continues to address this influence by providing students with new and extensive coverage of the use of new media in creating more effective targeting strategies. This book focuses on understanding the relevance of Global and Indian level consumer responses towards different brands fast moving consumer goods scenario. Throughout the text demonstrating the importance of cultural differences in both domestic and multinational marketing strategies to attract potential consumers. Global perspective - A comprehensive coverage of cross-cultural analysis, charts depicting consumers' spending of disposable income in several countries, web purchases made online in countries in the Asia-Pacific region.

The Indian adaptation of Consumer Behaviour Analysis the book that has set the standard for consumer behaviour study, offers a comprehensive view of the rise in development made towards the predestined creation of media, entertainment content and marketing. It explores how the examination and application of consumer behaviour is central to the planning, development and implementation of marketing strategies. Several brands of fast moving consumer goods like CP{I}L, Dabur, Himalaya, HUL, ITC, Wipro, Godrej, Nirma, Society, Tata, Cadbury, Patanjali, P&G, Nestle etc., of different categories such as Toothpaste, Bath Soaps, Detergents, Shampoo, Tea Powder and Health drinks have been included to enrich the learning experience of students throughout this edition.



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