

# A Critical Study on the Brand Awareness Level of the FMCG Customers

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#### **ABSTRACT**

Because there are so many companies selling fast-moving consumer goods (FMCG), competition is fierce. All fast-moving consumer goods are subject to this. But few companies really stick out in consumers' minds. The effectiveness of a marketing campaign is heavily dependent on the company's ability to raise brand awareness. Numerous elements contribute to the public's knowledge of a brand's existence. In general, the elements that impact the degree of customer awareness include the reach of marketing messages, the receptiveness of consumers, and the current customers' role as unpaid ambassadors. Consequently, the major goal of the research is to determine how different demographic characteristics affect customers' knowledge of FMCG products. A total of 195 respondents have been surveyed. To get this information, we used a convenience sampling strategy. Consumers of fast-moving consumer goods (FMCG) were surveyed by visiting retail outlets in the city and neighboring towns. Excel was used to edit, code, and calculate the acquired data. The data analysis tool used was MS-office Excel, and statistical tests including ANOVA, standard deviation, and mean were run. The results show that customers' age and economic level affect their level of consumer awareness.

Keywords: Customers, Marketing, Goods, Sector, Companies.

#### INTRODUCTION

In today's consumer culture, consumers' familiarity with a brand is crucial in shaping their purchasing decisions. Companies aiming to get an advantage in the broad world of Fast-Moving Consumer Goods (FMCG) must comprehend the dynamics of brand recognition. This is because items in this sector are known for having cheap prices and rapid turnover. This critical research dives deep into the complexities that influence consumer perceptions and choices by doing a thorough examination of the degrees of brand awareness among FMCG consumers. Consumer loyalty is often impacted by transient trends and changing market dynamics in the fast-moving consumer goods (FMCG) industry, which is renowned for its varied product offerings including food, drinks, and personal care items. Because shoppers have so many options, building recognition of brands is crucial in the fast-moving consumer goods industry. The level of exposure and familiarity with a brand is crucial in this cutthroat market for influencing consumers' confidence and desire to buy. In order to improve their marketing tactics, increase consumer involvement, and strengthen their market share, companies in this sector must conduct a thorough analysis of the current state of brand awareness. Companies seeking to manage the ever-changing FMCG business must have a comprehensive grasp of brand recognition due to the changing customer preferences, digital revolution, and sustainability concerns.

A multi-faceted strategy is required to investigate FMCG brand awareness, as there are many factors that influence consumers' opinions. Advertising, packaging, product placement, and word-of-mouth all have a role in how well people remember and identify a brand. This analytical research aims to break down these components and assess how they impact the awareness of fast-moving consumer goods (FMCG) buyers. We want to elucidate the efficacy of various media and messages in making long-lasting imprints on customers' brains by exploring the complexities of advertising tactics used by FMCG firms. An increasingly important part of the visual language used to convey brand identity is packaging, which is often regarded as the unsung hero of a company. This research will look at the ways in which product packaging affects both the visual attractiveness and the brand recognition and recall of consumers in a sea of competing brands. Gaining a grasp of how various aspects of packaging, such color schemes, logos, and product information, interact with one another offers vital insights into how consumers make decisions in the fast-moving consumer goods industry. Recognizing the importance of strategic positioning in retail settings, the research will also examine how product placement affects brand recognition. Fast moving consumer goods (FMCG) brands are made more noticeable by factors such as shelf space, aisle prominence, and proximity to related items. To better understand the spatial dynamics at work in the fast-paced fast-moving consumer goods (FMCG) retail industry, it is helpful to examine the relationship between product placement tactics and customer recognition. As with any kind of



communication, word-of-mouth has stood the test of time and continues to have a significant impact on how consumers see brands. Social media and other internet platforms have increased the reach and influence of word-of-mouth beyond its previously perceived limits, giving consumers a greater voice than ever before. In this research, we'll look at how fast-moving consumer goods (FMCG) reviews, social media conversations, and influencer endorsements affect consumers' brand awareness. Brands that want to take advantage of the linked nature of current consumer conversation must comprehend the mechanics of digital word-of-mouth.

The research will also examine the internal dynamics of brand awareness within the FMCG industry, in addition to these external elements. Brand ethos, consumer loyalty programs, and brand consistency across product lines all have a role in how a brand is seen holistically. This critical research intends to provide a thorough review of the elements that lead to prolonged brand recognition in the fast-paced and ever-changing world of fast-moving consumer goods (FMCG) by investigating the internal processes that encourage brand loyalty. The research will also look at how FMCG brand recognition is affected by environmental and ethical concerns, which are becoming more prevalent in consumer minds. Consumers are more likely to be loyal to and make purchases from brands that they see as sharing their beliefs when it comes to social and environmental issues. In a world where corporate responsibility is becoming more important in consumer decisions, the changing expectations of fast-moving consumer goods (FMCG) consumers may be better understood by analyzing the influence of sustainability practices and ethical concerns on brand awareness. This critical research aims to shed light on the many elements that influence customer perceptions and decisions by unraveling the intricacies of brand awareness in the FMCG industry. This research tries to help companies that want to raise their brand's profile by analyzing many aspects such as advertising, packaging, product placement, word-of-mouth, internal brand processes, and the impact of sustainability concerns. Keeping up with the ever-changing fast-moving consumer goods (FMCG) industry is becoming more important for firms that want to succeed in this cutthroat market.

#### **REVIEW OF LITRATURE**

Reddy, R Krishna (2021) Advertising a service is much more challenging than advertising a product. Customers experience services emotionally but physically cannot touch them because of their ethereal nature. Selling communication services relies heavily on service knowledge and perception. Excellent, error-free network coverage, prompt response to client inquiries, accurate invoicing, appealing marketing methods, user-friendliness, etc. are all aspects of high-quality service. The attainment of the many intended aims and purposes is the driving force behind this research. The study's overarching goal was to learn not only what kinds of services individuals anticipate from their chosen telecommunications providers, but also how well-informed and impressionable the general public is about these businesses. The three chosen service providers were Reliance Jio, Airtel, and BSNL. In order to gather data, researchers used a questionnaire and interviews to choose 200 participants from Hyderabad and Secunderabad utilizing a nonprobabilistic, convenient, and judgmental selection technique. The first step was to sort and tabulate the data. Analysis is performed using a simple percentage technique. The people who took the survey saw the price plans as fair, and they saw the service they were using as a dependable supplier. As one would expect from a large and well-respected corporation, its degree of awareness is high. According to the sample population, the service they are now using is superior to its rivals, and many of them have already said that they will continue to use the same service going forward. The study's findings indicate that the sample population's target demographic is knowledgeable about the telecom brand they use and thinks the service is good or about average compared to others. Service providers must fulfill their commitments to preserve a great reputation among clients who use their service, as the research concludes that raising brand awareness definitely results in more sales and customers.

Rajalakshmi, Mrs (2020) The demographics and purchasing habits of the Kancheepuram district of Tamil Nadu's face cream consumers are the primary focus of this article. There is a lot of demand in the local market for fast moving consumer goods, even though these items often have smaller profit margins. As a result, knowing how to increase brand value for consumers is crucial, especially when there are several companies competing for the same product categories. The fast-moving consumer goods (FMCG) industry plays a crucial role in India's gross domestic product (GDP). In every country, it makes up a significant portion of customers' budgets. There is lower penetration, lower operational costs, and lower per capita consumption in the FMCG industry, which is characterized by an established distribution network, fierce rivalry between the organized and unorganized sectors, and lower levels of penetration. Jobs are created in India's fast-moving consumer goods industry. It is anticipated to continue increasing at a high pace, which is now in the double digits. Indian consumers tended to be frugal because of a lack of options and a low level of discretionary income. Consumer demand and FMCG price flexibility might be hit hard by food inflation, which would also reduce consumer spending power and redirect purchases. The research examined the demographics of face cream users and found that most of them are male, between the ages of 36 and 45, married, with a bachelor's degree or less, self-employed, and earning between 10,000 and 15,000 rupees a year. Findings also indicated that advertisements had a significant role in raising brand awareness of face cream. When choosing a face cream brand, pricing was the most important consideration, followed by quality. The results showed that Ponds, Fair & Lovely, and Fairever were the three most popular brands of face cream.



Nguyen, Cuong (2020) In the context of viral marketing in Vietnam, this research aims to examine the elements impacting brand awareness. The study used a quantitative approach with 552 participants using an Exploratory Factor Analysis (EFA) methodology. To ascertain the extent to which each component affects brand recognition, we use a technique known as multivariate linear regression analysis. The results show how businesses and marketers might use the research's conclusions. Social media, communications, attractiveness, legitimacy, entertainment, and influencers are the elements that boost brand awareness in the viral marketing setting, according to the research. Theoretically, this research hopes to add to what is already known about the role of viral marketing in building brand recognition in developing economies. Marketers and businesses may use this study's recommendations for management contributions to gauge the impact of social media, communications, attractiveness, credibility, entertainment, and influencers on viral marketing-related brand awareness. That is why viral marketing technologies are so useful for businesses and marketers in creating successful campaigns.

Prajapati, Kalpesh (2019) Even though the fast-moving consumer goods (FMCG) industry is already very competitive globally, it is a rapidly expanding market in India. In addition to a wide range of items, it places an emphasis on products that are technologically advanced. While expanding the brand in the soap category, this will assist brand specialists and senior management in making decisions about the growth and other impacts, taking into account the current national and global perspectives on subject selection. We have chosen 1021 clients from the Gujarat area from key cities. A standardized questionnaire was used to survey Cholayil Private Limited, which includes key FMCG soap brands like as HUL, ITC, R&B, and Wipro. The acquired data underwent a battery of statistical tests once their validity and reliability were confirmed. Researchers have done enough groundwork to grasp the idea and purpose of brand extensions in order to conduct studies in this area, which relies on knowing how consumers feel about them. He needs to make an effort to comprehend its components, aspects, and effects on brand expansion, all while having defied goals. A number of methods for gathering information have been detailed in this study, including the issue definition, the goals, and the instruments used. He used a systematic questionnaire to get the first-hand information of 1021 buyers. Researchers here use non-probability sampling methods. The researcher has a firm grasp on the sample's attributes, therefore he uses deliberate non-probability sampling to pick it out. In this case, the researcher has clearly defined the entry-level obstacles, and the most appropriate sample strategy for collecting primary data is purposeful non-probability sampling.

Muramalla, Venkata Sai Srinivasa Rao. (2019) When items are branded, it's a conscious effort to engage with brands in both internal and external contexts. The quickening speed of globalization is the primary factor responsible for this surge in demand for powerful brands. The outcome has been a more cutthroat environment in several markets. Nowadays, it takes more than just a great product to ensure sales. Product lifespans have been drastically reduced due to the rapidity of both technical advancement and the proliferation of knockoffs. As a result, advantages in product quality run the danger of becoming requirements for success in the market. Companies are seeking out alternative, more long-lasting competitive instruments, like branding, because of this. A consumer who has a positive experience with Pillsbury biscuits is more inclined to try other items from the same brand, such chocolate chip cookies, because of the customer's confidence in the brand. Thorough brand management aims to ensure that the product or service is meaningful to the intended consumers. Customers should see brands as more than just the markup on a product's price; brands stand for all the positive aspects of a product that the buyer values. Brand preferences and loyalty among fast-moving consumer goods (FMCG) customers, particularly women in urban and rural markets, are therefore the subject of this article.

Patil, Pramod. (2017) Branded items are widely eaten by people from all walks of life these days. When a vendor uses a brand name, it's a promise to customers that the services will be of high quality. The decision-making process is simplified and buyer risk is reduced. Customers choose to stick with well-known brands in order to feel more comfortable. Therefore, becoming familiar with the brand is the first and most important step in developing a liking for it. Since FMCGs are widely consumed, the connection between brand preference and brand awareness, two aspects of brand equity, can be clearly defined and comprehended. In all, sixteen fast-moving consumer goods (FMCG) brands from eight distinct product categories were considered for the research. There is a statistically significant correlation between the two variables for each of the sixteen fast-moving consumer goods brands.

Jha, Mridanish. (2013) Researching customer preferences in the fast-moving consumer goods sector as well as brand recognition in rural Bihar is the main goal of this article. The buying power, brand awareness, and consumption pattern of rural Bihar have all shown significant improvements throughout the years. A multitude of products and services are finding a sizable audience in rural Bihar. Among rural consumers, fast-moving consumer goods have recently grown in importance. Over the last several years, the rural market for fast-moving consumer products has grown at a faster rate than the urban sector. Maintaining a constant flow of customers is essential to any successful company. A lack of consistency in groups that are demographically homogenous in age, profession, education, and income makes consumer behavior in the rural market perplexing. Hence, it is critical for firms to comprehend important matters about customer behavior in rural areas. With regard to FMCG, this article emphasizes the brand choice and awareness of rural customers.



S., Jeevananda. (2011) The retail sector ranks high among India's most important economic sectors. A research released in June 2010 by the US consulting firm AT Kearney ranked India as the third most appealing retail market for worldwide retailers out of the thirty biggest rising nations. In 2011, total retail sales in India were \$395.96 billion.

By 2015, that number will have risen to \$785.12 billion, according to the BMI India Retail report for three months 2011. Branding of fast-moving consumer items is now deeply ingrained in people's lives. Customers are spoiled with choice since they are constantly bombarded with hundreds of brands.

The study set out to answer the question, "How well do customers' and store managers' perspectives on fast-moving consumer goods align to build brand equity in Bangalore, India?" by looking at retail chain outlets in the city. To do this, we first identified the most important elements, which included things like quality, price, packaging, and promotions.

The study's foundation was the effect these factors had on the views of Indian retail shop managers and customers. Brand recognition and product quality are the two most important factors in influencing customer purchases, according to the study's participants and shop managers.

#### RESEARCH METHODOLOGY

The research used empirical analysis to determine the impact of socio-demographic characteristics on FMCG consumers' degree of awareness. Therefore, it is descriptive research in its purest form. A self-designed questionnaire served as the data collecting tool for the necessary primary data. We used a sample size of 195. Adaptation of convenience sampling was made. Someone handed them the instrument. The questions that were part of the survey were sent to them.

After being calculated in Excel and imported into SPSS, the following variables were considered: age, income, and education level, all of which are continuous variables according to the suggested model. Using a Likert-scale with five points, 10 factors developed from prior research are used to assess brand awareness. After the data was obtained, it was coded and calculated in Excel. Then, it was uploaded to SPSS. First, we used cranbach's alpha to check the itemized scale variables' reliability; we discovered that they were all above 0.8, thus we know for sure that our data is accurate. We use an independent sample test and one-way analysis of variance (ANOVA) to check whether the hypothesized factors—brand awareness—are significantly different when we control for demographic variables like age, gender, education level, and income. We go into more depth about the findings in the discussion section below.

### DATA ANALYSIS AND INTERPRETATION

Table 1 Demographic profile of the respondents

S.No	Characteristics	Category	Percent
1	Gender	Male	48.0
		Female	52.0
2	Agein Years	Above45	24.0
		Between36-45	40.0
		Below36	36.0
3	LevelofEducation	Hr.Sec	20.0
		UnderGraduate	51.0
		PostGraduate	29.0

There are somewhat more female consumers (48 percent) than male customers (52.27 percent) in the samples. This could be due to the fact that the samples were taken just outside the business, which means that there are more female consumers. Statistics show that there is a naturally distributed equal distribution of proportions across age groups, with 24% of respondents being beyond the age of 45, 40% being between the ages of 36 and 45, and 36% being under the age of 36. Within a surveyed population, the data shows the distribution of educational attainment. Twenty percent of the population has at least a high school diploma or equivalent, indicating that they have finished some secondary education. A substantial emphasis on postsecondary education is indicated by the majority, which stands at 51.0%, having pursued and finished their Undergraduate degrees. In addition, a significant fraction of the studied population has earned advanced academic credentials, with 29.0% having attained postgraduate qualifications.



**Table2: Brand Awareness Level** 

S.No	Description	Mean	Std.Deviation
1	BrandRecall	3.65	1.03
2	BrandRecognition	3.12	1.25
3	BrandIdentity	3.24	0.99
4	BrandImage	3.68	0.89
5	BrandTrust	3.36	0.87
6	BrandLoyalty	2.6	1.01

Customers' degree of brand awareness is assessed using a Likert scale that includes the following items: brand recall, brand recognition, brand identification, brand image, and brand loyalty. It is important to note that, with the exception of brand loyalty, all of the other mean statistics are above 3, with a maximum score of 5, indicating that consumers are well-informed about the brands. This data demonstrates that consumers are prepared to transfer brands as a result of their familiarity with these companies via commercials, social media, and the internet.

### Relationship between demographic profile and awareness level

### GenderandBrandAwarenessofFMCGConsumers

**Table 3 Gender and Brand Awareness** 

SourceofVariation	SS	MS	F	P-value	F crit
BetweenGroups	106.7706	106.7700538			
Within Groups	10919.41	63.11772887		0.40.44	3.895768
Total	11026.07		1.69160168	0.19612	
Groups	Sum	Average	Variance		
Male	6144	64	70.29578947		
Female	5180	65.5696	54.38086011		

There are no significant differences between the sexes when looking at the variance data; the male sample had a variance of 70.29 and the female sample 54.38. Statistically, there is no significant relationship between gender and consumers' degree of knowledge (P = 0.196, 95% CI). The reason for the conclusion is clear from the 'p' value of 0.19, which is more than 0.05.

### • Ageand Brand Awareness

Numerous researchers and professionals have examined the impact of customers' age on their level of awareness. As indicated in Table 4, this research used a one-way ANOVA to determine if there is a significant relationship between the age of FMCG customers and their brand awareness.

Table4AgeandBrandAwareness-ANOVA

SourceofVariation	SS	MS	F	P-value	F crit
BetweenGroups	57145.52561	57145.52561			
Within Groups	18433.40336	52.66686691			
Total	75578.92889		1090.041	0.00	3.93
Groups	Sum	Average	Variance		
Age	6907	39.24431821	42.26568		
Awareness	11392	64.72727268	63.06805		

Using one-way ANOVA, we compare the numerical data we acquired from measuring awareness level with the other numerical data we obtained from the respondents' ages. There is a 95% confidence interval around the findings, meaning that the test is significant at the 5% level. There is a significant Mean Square difference when looking at the variances. A 'p' value of 0.000 indicates statistical significance, leading to a F value of 1090.04. Consequently, there is a considerable age gap in terms of brand awareness. In other words, brand loyalty varies with age. When it comes to loyalty, purchasing choices, and many other things, age is a major impact. As individuals mature, they become more loyal. The exposure and experience could be to blame.



#### EducationandBrandAwareness

Getting a good education encourages individuals to learn and reflect. There is little doubt that individuals who have access to adequate knowledge think differently than those who do not. Because of this, education is a powerful instrument for cognitive growth. A person's way of thinking determines whether they are consistent with certain things or not, and whether this is for their advantage or not. Accordingly, H3 of this research postulates that consumers' level of education significantly influences their brand awareness among FMCG products. To test the hypothesis, a one-way analysis of variance (ANOVA) was performed, and the findings can be seen in Table 5.

Source of Variation SS MS P-value F crit Between Groups 151.6593 75.82966 63.22371 10874.48 Within Groups 1.201386 0.304587 3.04849 11026.14 Total Groups Sum Variance Average 2192 66.42424 61.20939 H. Sc UG 5691 63.94382 68.4809 PG 3441 64.92453 55.52419

Table 5 Education and Brand Awareness-ANOVA

The first step is to examine the variance statistics for the respondents' academic levels. The tested groups' variances are 61.20 for H. Sc level, 68.48 for UG level, and 55.52 for PG level respondents. There is little variation in these variations, suggesting that awareness does not change as a function of education level. When we evaluate the significance threshold at 5%, the p-statistic, which is pretty high (0.3045), proves it. As a consequence, the data demonstrate that there is no correlation between consumers' levels of education and awareness.

### **CONCLUSION**

Finally, the fast-moving consumer goods industry's dynamic and competitive environment has been illuminated by the important research on FMCG consumers' brand awareness level. The importance of brand awareness in shaping customer tastes and spending habits has been highlighted by the study. This research has added to our knowledge of the processes that promote brand recognition in the fast-moving consumer goods (FMCG) industry by conducting a thorough investigation of several elements, such as advertising techniques, social media presence, and customer attitudes. In order to stay competitive in a market where customer tastes change at a quick pace, the results highlight the need of establishing and sustaining a strong brand presence.

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