

## COMPARATIVE ANALYSIS OF E-COMMERCE ON FAST MOVING CONSUMER GOOD WITH SPECIAL REFERENCE CONSUMER PROSPECTIVE

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### ABSTRACT

Using a sample of 250 respondents, this study examines customer preferences and awareness trends in the Fast-Moving consumer Goods (FMCG) industry. Gender distribution, age-related changes, brand preferences between Procter & Gamble (P&G) and Unilever, as well as sources that impact awareness, are all covered in the research. The main conclusions show that P&G brands are preferred, there is a substantial presence of the 20–25 age group, and gender representation is balanced. The main source of awareness turned out to be advertisements, with friends and neighbours playing significant roles. These findings have important strategic ramifications for FMCG businesses looking to improve their marketing approaches and connect with consumers.

**Keywords:** Procter & Gamble (P&G), Unilever, consumer preferences, fast-moving consumer goods (FMCG), brand awareness.

### 1. INTRODUCTION

E-commerce is the use of the web and the Internet for commercial and business transactions. These transactions usually entail the exchange of value, such as money, across organisational or personal boundaries in exchange for goods and services. [1] Our focus is on business transactions between individuals and organisations that are made possible by digital means. E-business apps precisely become e-commerce when there is a value transaction. All transactions that take place via the Internet and web and are mediated by digital technology and platforms are considered digitally enabled transactions.[2] Therefore, all "commerce" done over the Internet is included in e-commerce, of which e-tailing is a subset. It alludes to the portion of e-commerce that deals with the selling of goods rather than services, such as job websites, airline tickets, and train tickets. Any type of business transaction including the movement of information via the internet is referred to as electronic commerce, or e-commerce. [3] By definition, it includes a wide range of commercial endeavours that utilise the internet as a medium for the exchange of information, financial transactions, or occasionally both. Consider the sheer volume of consumer brand retail websites, such as Amazon.com and Flipkart.com, which often offer product information in addition to facilitating online financial transactions. Given that the fast-growing sector is FMCG. As a result, a lot of people look for opportunities to invest in the stock market. However, due of the stock market's volatility, investing in it is not

always simple. Investors can view the company's financial documents and conduct online research on the company, but they do not have comprehensive knowledge of the shifting market conditions. Investors were always faced with a difficulty while making stock market investments due to a lack of technical analysis. Investors attempt to invest in famous stocks and ask friends and relatives for advice in an attempt to get out of this sticky situation, but these kinds of decisions ultimately backfire.

### **India's Fast-Moving Consumer Goods (FMCG) Sector:**

Products like cosmetics, toiletries, glassware, batteries, bulbs, pharmaceuticals, packaged food items, white goods, house care products, plastic goods, consumer non-durables, etc. are all part of India's Fast-Moving Consumer Goods (FMCG) industry. [4] As one of the main drivers of the Indian FMCG market's growth has been the rise in middle-class income, the FMCG market is heavily concentrated in urban regions. [5] Although the penetration in India's rural areas is still low, there is a great deal of room for growth in these areas through increased market penetration and the implementation of awareness campaigns. [5] Given that India consumes less FMCG products per person than other industrialised nations, there is a lot of room for the FMCG business to grow. The country's western and southern regions are the centres of FMCG manufacture.

The economy of India is among the biggest and fastest-growing in the world. Businesses in India make promises regarding the expansion of the rural sector. The Fast Moving Consumer Goods (FMCG) sector is expanding thanks in part to the rural sector. The government poll indicates that India's FMCG industry is the country's fourth-largest. The Indian FMCG market is anticipated to expand by US\$74 billion in 2018. [6] Some of the key elements propelling this segment's growth are shifting consumer purchase patterns, new economic orders, and changing lifestyles. One of the main drivers of this industry is the generation of demand from the rural sector. The government correlated the expansion of this sector with that of the rural Indian economy. As opposed to the 12% increase from the urban sector, rural areas now make up about 16% of the total growth. Additionally, businesses are attempting to draw in an increasing number of rural customers by designing items that meet their needs. [7] The government is also implementing a number of programmes to enhance rural infrastructure. Similar to how facility accessibility will have a multiplier effect in the FMCG industry. Regarding the urban sector's contribution, urban consumers' demand patterns have changed as their income has increased. Consumer demand for premium products is shifting as a result of their increased purchasing power, and businesses have begun to update their premium product lineup. Another important factor in this sector's growth is digitalization. The main factor contributing to the growing prospect is internet users. The Indian government is likewise working to develop a digital economy. [8] This industry aids in both the GDP growth of the nation and the government's efforts to develop the nation as a whole.

### **India's E-Commerce**

In India, e-commerce has completely changed the way people conduct business. By 2025, the Indian e-commerce market is projected to have grown from US\$ 46.2 billion in 2020 to US\$ 111.40 billion. It is anticipated to reach US\$ 350 billion by 2030. Total e-commerce sales are

predicted to increase from US\$ 52.57 billion in 2020 to US\$ 67–84 billion by 2021. It is projected that the e-commerce market in India will grow from US\$ 111 billion in 2024 to US\$ 200 billion in 2026. [9]The sector has grown significantly as a result of rising internet and smartphone usage. Due in large part to the "Digital India" initiative, there were 784.59 million internet connections in India as of July 2021. Approximately 61% of all internet connections were made in metropolitan areas, and 97% of those connections were wireless. Market Capacity: - With a compound annual growth rate (CAGR) of 57%, the online grocery market in India is projected to reach US\$ 18.2 billion in 2024 from US\$ 1.9 billion in 2019. In the final quarter of 2020, the amount of e-commerce orders placed in India climbed by 36%, with the personal care, beauty, and wellness (PCB&W) sector benefiting the most. India's consumer digital economy is predicted to increase from US\$ 537.5 billion in 2020 to US\$ 800 billion by 2030, primarily due to the country's strong adherence to online services like e-commerce and edtech. By 2025, Grant Thornton projects that India's e-commerce would have a valuation of US\$ 188 billion. India surpassed Canada and France to become the eighth-largest e-commerce market in 2020 with a \$50 billion turnover. [10]

Bohra, Devendra Kumar (2022) Fast-Moving Consumer Goods (FMCG), India's fourth largest industry, affects people's daily life. It might be difficult to predict customer behaviour when marketing rapidly evolving consumer items. This behaviour is lacking for a number of reasons. In the current globalised world, customer preferences are subject to change. Fast-moving consumer goods (FMCG) are essential to India's economy. Therefore, it's critical to monitor shifts in consumer purchasing patterns when it comes to FMCG products. The study concentrated on the product portfolios of these two businesses as well as their respective brand categories. This study compares brand awareness between Products from HUL and ITC. Customers' patterns of consumption and the kinds of products they use also play a role in determining how satisfied they are.[11]

Dhingra Rosy (2018) Wilks' lambda and multiple discriminant function analysis are used to analyse the discriminatory power of financial ratios for the Fast Moving Consumer Goods (FMCG) industry's performance analysis. A sample of eighteen FMCG businesses that are listed on the Bombay Stock Exchange is considered for this purpose. The selection of these companies is based on market capitalization. The twelve-year period for which data is gathered spans from 1 April 2006 to 31 March 2017. In order to apply discriminant analysis effectively, average stock market returns must first be calculated from the yearly stock prices of the chosen companies. These returns are then divided into three categories: "market under-performers," "market average-performers," and "market out-performers." It has been shown that the most significant ratio that influences how well a company does in the market is revenue from operations per share. Dividend payout ratio is the number that has less influence on evaluating a company's stock market performance than debt equity ratio and inventory turnover ratio, which both have a substantial impact.[12]

Pranesh Debnath (2021) Depicting the past, present, and potential future of India's Fast-Moving Consumer Goods (FMCG) sector is the aim of this study. The status of India's FMCG industry and its impact on world demand are covered in this report. According to the survey,

the household and personal care sectors account for half of all FMCG sales, making the FMCG sector India's fourth largest. Rising per capita income, convenience of access, awareness, and changes in lifestyle have all been linked to the expansion of the FMCG industry in India. Roughly half of the revenue generated by the FMCG sector comes from the urban sector, and the other 45% comes from the rural sector. The rural Indian FMCG sector resumed growth at a rate of 10.6 percent in the fourth quarter of 2019–20. The report also pointed out that the Indian FMCG sector can achieve new heights with the assistance and support of various government economic policies because of the market's vast customer base, which accounts for a sizeable portion of worldwide consumption[13].

## 2. MATERIALS AND METHOD

### Kind of Information:

The study only uses primary data that was collected directly from sources.

### Data Gathering Instrument:

The main tool used to collect data was a well-constructed questionnaire. The survey was created as a Google Form with a large number of closed-ended questions and a small number of open-ended questions. The goal of this all-encompassing strategy was to obtain both qualitative and quantitative insights.

### Sampling Method:

To choose study participants, the research used a Non-Probability Convenience Sampling technique. Rather of following a rigid randomization procedure, this strategy selected participants depending on their availability and willingness to participate.

### Sample Size:

Two hundred and fifty (250) people make up the study's sample size (n). The robustness and dependability of the research findings are enhanced by the carefully selected sample size of respondents.

### The study's scope

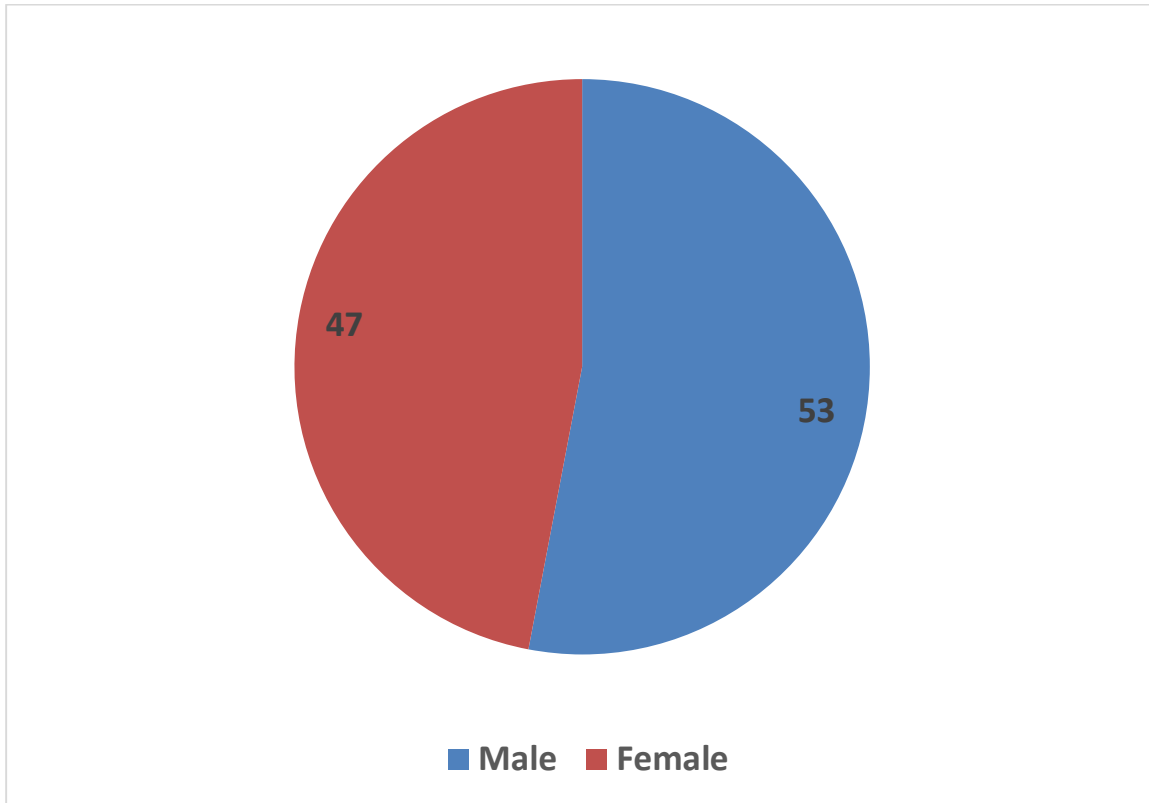
The brands chosen under Procter & Gamble (P&G) and Unilever product categories

Category	Procter & Gamble (P&G)	Unilever
Laundry Detergent	Tide	Surf Excel
Toothpaste	Crest	Closeup
Shampoo	Pantene	Dove
Deodorant	Gillette	Axe
Soap	Olay	Lux
Skincare	Head & Shoulders	Vaseline

## 3.RESULTS

**Table 1. Gender wise classification of respondents.**

Gender	Respondents	Percentage
Male	133	53
Female	117	47
Total	250	100



**Figure 1. Gender wise classification of respondents.**

Table 1 and figure 1 shows the gender-wise distribution of 250 respondents, with 53% males and 47% females.

**Table 2. Age wise classification of respondents**

Age group	Respondents	Percentage
15-20	18	7
20-25	173	69
25-30	35	14
30+	24	10
Total	250	100

Table 2 provides an age-wise classification, where the majority (69%) fall in the 20-25 age group among the 250 respondents.

**Table 3. Which Companies Brands Do You Buy More Often?**

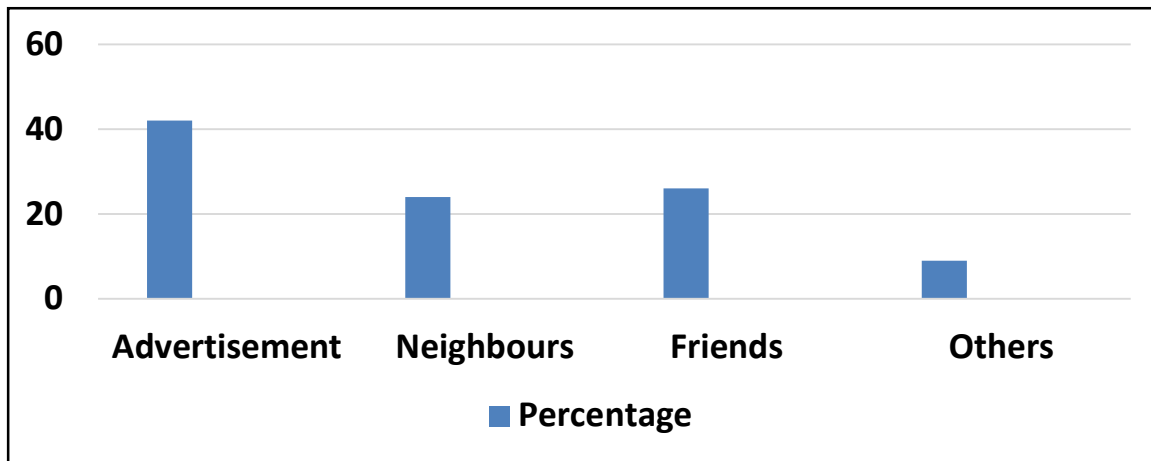
	Procter & Gamble (P&G)	Unilever
Most Frequently	78	32
Frequently	28	19
Neutral	22	33
Rarely	15	16
Very Rare	3	9

Total	250	250
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In a survey of 250 respondents, 78 individuals most frequently buy Procter & Gamble (P&G) brands, while 32 prefer Unilever. The data further reveals varying levels of brand preference, including frequent, neutral, rare, and very rare purchasing patterns for both companies.

**Table 4. Source of Awareness about FMCG Products**

	Respondents	Percentage
Advertisement	105	42
Neighbours	59	24
Friends	64	26
Others	22	9
Total	250	100



**Fig 2. Source of Awareness about FMCG Products**

Of the 250 respondents, the main sources of information about FMCG products were found to be commercials (42%), neighbours (24%), and friends (26%). Furthermore, nine percent said they had come to their awareness through a variety of various methods.

#### 4. DISCUSSIONS

Of the 250 responders, 53% were men and 47% were women, according to the data, indicating a fairly balanced gender representation. This distribution is clearly reinforced by the accompanying figure. Table 2 highlights the importance of this demographic in the study, with the majority of respondents (69%) falling within the 20–25 age range. According to a survey on brand preferences, Procter & Gamble (P&G) brands are most frequently preferred by 78 respondents, whereas Unilever brands are preferred by 32. The table also shows the different brand preference levels for both companies, including regular, neutral, rare, and extremely rare purchasing habits. [14] Table 4 offers information regarding the sources impacting respondents' knowledge of FMCG products. With 42% recognising advertisements as important, neighbours (24%) and friends (26%), are next in line. Furthermore, 9% mention additional sources that

helped raise their awareness. In general, the extensive scope of the survey facilitates a refined comprehension of the demographics of the respondents, their brand inclinations, and the influence of several sources on awareness within the FMCG industry.[15]

## 5. CONCLUSIONS

The study results offer a comprehensive comprehension of the consumer dynamics in the Fast-Moving Consumer Goods (FMCG) industry. The findings are more broadly applicable due to the gender distribution that is balanced, and the importance of the 20–25 age group in influencing consumer behaviour is highlighted by its predominance. Positive brand preference for Procter & Gamble (P&G) indicates a good placement in the market. The range of brand preferences—from most common to extremely uncommon—highlights the heterogeneous consumer base and calls for flexible marketing approaches. The impact of friends, neighbours, and adverts as main sources of information demonstrates the complexity of consumer decision-making. It is critical for FMCG businesses, especially Procter & Gamble, to match their marketing strategies to the tastes of the 20–25 age range and to maximise the impact of word-of-mouth, community influence, and commercials. In the fiercely competitive FMCG sector, the study provides useful data for improving tactics that connect with target audiences and staying abreast of changing consumer trends.

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