

# **A Study of Impact of Social Media on Purchase Decision of Consumer Behaviour With Reference to FMCG Products in rural area of Indore District**

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## **ABSTRACT**

Presently the social medial is very popular in society; everybody are the massive busy on the social networking side. People are interacting to each others on the social medial. It means them using social networking side on digital plate form. They are sharing experience and need on the networking. On the social networking side, everything is available like information, education, marketing, entertainment. Therefore, social medial has become versatile. Mostly in Indian society Whatsapp, twitter, Instagram, face book, LinkedIn are very popular Network. The users of these networks are increasing very fast. This is very positive sign for marketing Company. The FMCG sector also does not remains from social networking. Consumers are adopting these trends very simple and enjoying application of technology. The following research study conducted in Indore district and data has collected from 30 respondents of rural area of Indore district

**Keywords:** Social Media, Social Networking, FMCG, Marketing Decision, Buying Behaviour, Consumer Behaviour, Online Activity, Digital Platform, Segment, communication .

## **I. INTRODUCTION:**

Recent years users of social media are increasing very fast. Behind it the popularity of smart phones, easily availability of internet services with a low price, government motivation digital networking policies. The result of this, there are emerging many digital social networking sides with the wide feature. Therefore, the role of social networking has changed

it is not only for communication. It has converted into the commercial right now in India most popular social networking side are whatsapp, twitter, face book, LinkedIn and some other social networking website, mobile apps, it means the availability of social networking sources are very broad, therefore, users are free to choose it according to their choice the social networking sides are being selected by them according need and they are creating separate digital society on the digital networks. The characteristics of digital network are as given.

1. It is very easy to access.
2. It is very fast.
3. It is Unlimited.
4. Very Economical.

All these properties of social media are helping the marketing activity. Marketing companies are taking commercial advantages, and trying to grape consumer on social networking by marketing activity. Companies are sharing, product, new product, information, new offers, payment system to consumers. It is being accepted very easily by consumers.

The social media is affecting the consumer's psychology. This is affecting the consumers buying behaviour. For the marketing companies, it very necessary to understand for new age of business, to stay in the market . Without use of social networking and digital technology the imagination of product marketing uncompleted. Social medial has changed into digital marketing networks. Due to fast updating, and product innovation, and for target marketing digital plate form is being become very useful. This research study conducted in rural area of Indore district Madhya Pradesh.

## **II. INTRODUCTION OF FMCG**

India is big country it has large population everyone have different cast, custom, income. It is very difficult to maintain the demand of the commodity and other things. Due to lack of resources networking but all this things has Maintained, because of, this is time of the FMCG Company. The FMCG companies now have acquired the Indian market. They are working without any barrier. The result of this, the many MNC FMCG and Domestic Company are existing in Indian market within different segment. FMCG companies are developing the network among urban and rural area customers in India, some time before it was depended on the distributors, wholesaler, and retailers. Due to this business channels the communication

between companies and customer not easily possible. Therefore, companies were not getting proper feedback from users. The result consumers are switching towards other products. But development of technology this problem solved up to some level. FMCG companies decided to use digital technology for marketing and activity. They got success Digital technology is very popular tool in India. Therefore, many FMCG Companies are using websites, social networking, Ecommerce site for their brand promotions and awareness program. They are getting good response and sharing products experience with other users the result of this the Consumers are changing buying decision and behaviour also.

**The Main FMCG Companies in India are listed.**

1. Hindustan Unilever Limited (HUL)
2. ITC Limited.
3. Dabur India Ltd.
4. Britannia Industries
5. Godrej Consumer Products Limited (GCPL)
6. Parle Agro.
7. Amul India.
8. Pidilite Industries.
9. Patanjali Ayurved.
10. Haldiram's.

**HUL** is biggest FMCG Company in the India. It has the large network working with more than 300 products in the different segment. The growth of the company is 16% . This makes the market leader in the India. Especially company has good position in personal care, grocery product, house hold market segments. Tooth pest, toilet cleaner, soap, detergent are very popular in rural and urban area.

**ITC** Company is known as Indian Tobacco Company since 2001 in India. The head quarter of the Company at Calcutta in India. Company turn over 52,035 crore in 2019. The market growth of company is 29.03%.

**Dabur** ltd is very old FMCG Company in India. Dabur ltd is an Indian FMCG company and fighting with multinational company, working in many countries. Especially company is

known by AYURVED brand but according to demand of users company has changed shape and came in many segments. The popular products of Dabur are toothpaste, RED Manjan, baby oil, hair oil, Dabur chawanprash, many ayurvedic base personal cares, cosmetic products.

Dabur has different identified among the Indian customer and Indian market. Dabur Company touches Indian tradition and culture by its culture. Dabur India ltd has Market growth in FMCG sector 5.6 % and turnovers US\$ 1.22 billion.

**Britannia** is most trusted FMCG company in food segment .Good day, Tiger, Nutri choice are very popular brands among the Indian. Company's dairy product and Beverages also very are liked by Indian. The Company is more

Focused on biscuits chocolate, b read, milk product, cake, etc . The company believes on taste of trust. Therefore British company has completed 100 years. The market growth of **Britannia** company 11.82%and turnover 294.42 corer.

**Godrej Consumer Products Limited** godrej is most trustful brand in FMCG sector especially in detergent, liquid soap, soap, hair colour, "shikakai soap" room freshener, car freshener, toilet cleaner, mosquito repellents, many more product come in the market .Godrej is the oldest well-known brand for Indians. Indian has faith on company's products. The market growth of godrej FMCG sectors is11 % and turnover Rs 445 corer.

**Parle Agro Parle** is very oldest Indian company in FMCG sector. The brand of company Parle G is very popular. The parle is pointier of Indian beverage. Frooti is most leading brand Frooti is making the different image from Pepsi and coco cola in Indian market. Market growth is 6.4 % and Rs turnover 9,030 corer.

**Amul India** is an Indian 74 year old company. Amul is working in milk and milk product. The company is known "taste of india" the Amul India market growth is 13 % and turn Rs 33,150 crore.

**Pidilite Industries** pidilite is most popular company in adhesive and civil sector. The fevicol and fevistick, feviquick are well-known brands. The pidilite market growth and turn over are 9.3%, Rs6, 078 crore.

**Patanjali** fast growing company in FMCG sector .the basic thought of this company is Ayurved and Swadeshi. The company is founded in 2006. The Company has large product

and working in many segments in FMCG Sector. The Company turnover 3,562 crore and market growth are 10%.

**Haldiram** is basically Nagpur base FMCG Company. The Company was established in 1937. The Company is mainly focus in food sector, Sev, Bhujia, Mithai, etc. The turnover and market growth of company is 5,532 crore,7-10%.

### **Types of FMCG Segments**

1. Personal care products
2. House Hold products
3. Branded and packed food Beverages

### **Characteristic of FMCG product**

1. They are packed product.
2. They are branded.
3. They are easily available in Market.
4. They are highly promoted.

The market growth of FMCG sector in India is expected 14.6% and turnover US\$100 billion by 2020.

### **III. Consumer Behaviour**

Consumer buying behaviour: Action and reaction of the consumer at time of purchase goods and services. It is very important to understand for marketing activity. Why they purchase particular product why they reject a particular product. What are factors responsible for making purchase decision how they are influence. It means that, it has detail study of consumers action and reaction.

### **IV. Review of Literature**

**Dr Ranjan Yadav (2014)** In This study found that digital technology is a step towards understanding role of Digital Media as a channel for brand and consumer interactions, with the objective of digitally engaging the customer. It provides a frame work which recognizes Digital Network as an emerging tool in customer engagement practices.

**Ujjwal Dave (2016)** Social media marketing is a very powerful tool of marketing which is yet to meet its full potential in Indian FMCG market. Today's business is more about customer orientation and customer feedback and social media can be the channel to

communicate with the customers. It is important to build a social relationship rather than a transactional relationship. Majority of the respondents check sponsored ads, share ads, like/comment on photos, videos, blog's of FMCG but hesitate to participate in social media campaigns of FMCG yet buy FMCG under the influence of ads available on network.

**Dr. Arpana P.Goyal** (2016) The impact of increasing trend of online marketing communications on consumer buying behaviour and perception towards FMCG sector brands in Indian scenario, I have come to the conclusion where I strongly consider that the above generated factors are very much responsible for influencing the consumers for trusting online or social media platforms before considering to buy an FMCG products. These factors also have a substantial impact on the perception of the customers towards FMCG brands as it has come out that customers consider companies using online marketing strategies as more innovative and reputed than others.

## **V. Objective of Study**

1. To understand the effect of social media on consumer buying behaviour for FMCG products.
2. TO Study of buying pattern of the consumers for FMCG products by social media.
3. TO understand social media users habit for purchasing FMCG products.

## **Hypothesis Testing**

**Null Hypothesis Ho1:** There is no significant difference of between social media users.

**Null Hypothesis Ho2:** There is no significant difference for purchasing of FMCG product by Social Media.

**Null Hypothesis Ho3:** There is no significant difference between social media users for number of times purchase FMCG products by social media.

## **VI Research Methodology**

This study is based on descriptive research, the source of data from both primary & secondary sources where primary data has collected through the questionnaire by 30 respondents from the rural area of Indore district (Madhya Pradesh) and secondary data has collected from various journals & websites. The random sampling method has selected for survey .The present survey conducted in Indore city, to understand the effect of social media on consumer buying behaviour. It has been analysis by latest version of the SPSS 25 and used

t test for hypothesis testing tasted at 5 percent level of significant and compare with p value 0.05.

### VII. Data Analysis and Interpretation

Table 1.

User Gender				
	Frequency	Percent	Valid Percent	Cumulative Percent
Female	21	70.0	70.0	70.0
Male	9	30.0	30.0	100.0
Total	30	100.0	100.0	

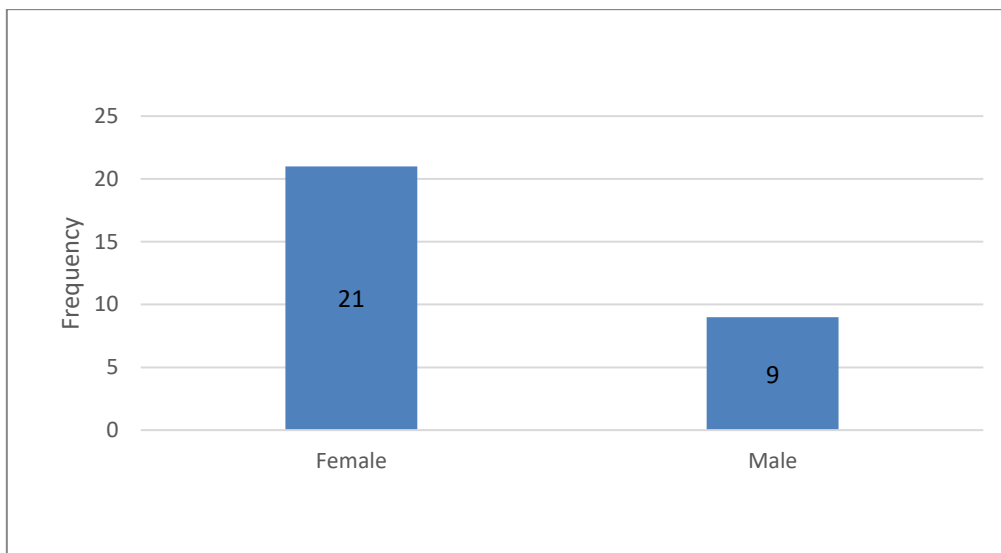


Figure 1. User Gender

In the following study conducted among the 30 respondents the percentage of Male respondent is 30% and Female respondent percent 70%.The female respondents are more than from male respondents. This is shown by figure 1 .

Table 2

Age Group of user					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10-20 Age	3	10.0	10.0	10.0
	20-30 Age	21	70.0	70.0	80.0
	30-40Age	6	20.0	20.0	100.0
	Total	30	100.0	100.0	

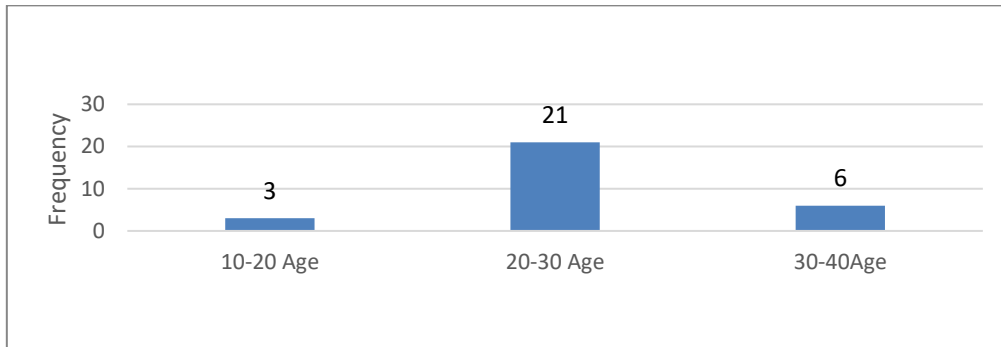


Figure 2. Age Group of user

In the following study conducted among the 30 respondents the percentage of 10-20 Age group respondent is 10% and 20-30 age group respondent percent 70%.30-40age group percentage is 20% respondents.20-30age group is higher percentage from other age group of respondents. This is shown by figure 2 .

Table 3

User occupation					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Service	14	46.7	46.7	46.7
	Business	7	23.3	23.3	70.0
	House wife	9	30.0	30.0	100.0
	Total	30	100.0	100.0	

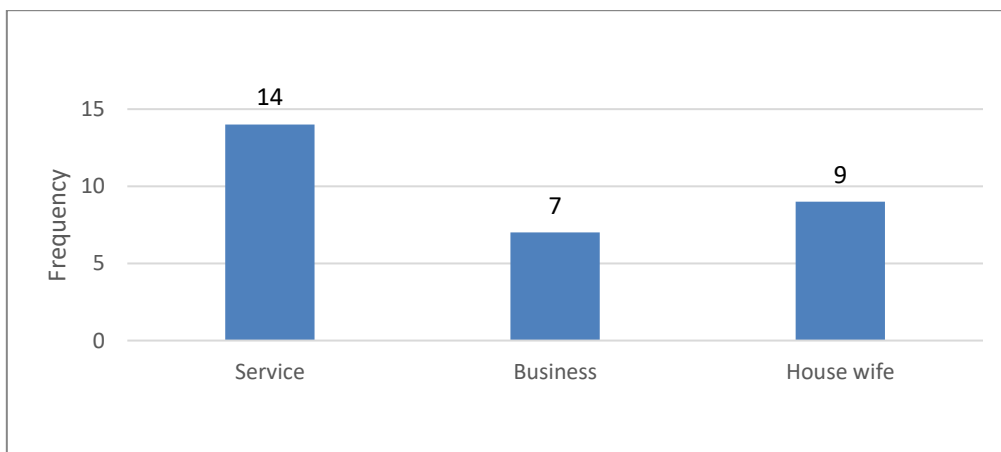


Figure 3. User occupation

In the following study conducted among the 30 respondents, the percentage of service class is 46.6% business class group percentage is 23.3% and House wife group respondent percent



30%.service class group percentage is higher than from other group of respondents. This is shown by figure 3.

Table 4

User Education					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	12th	5	16.7	16.7	16.7
	Graduation	13	43.3	43.3	60.0
	Post Graduation	9	30.0	30.0	90.0
	Professional	3	10.0	10.0	100.0
	Total	30	100.0	100.0	

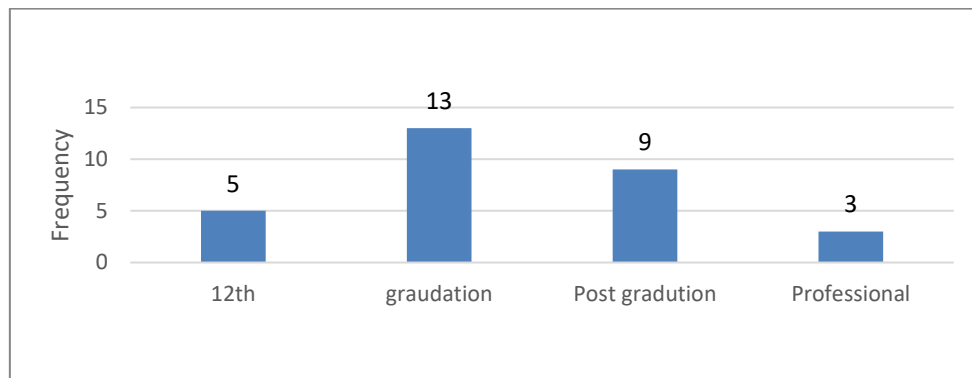


Figure 4 User Education

In the following study conducted among the 30 respondents the percentage of 12<sup>th</sup> is 16.7% graduation group percentage is 43.3% and post graduation group respondent percent 30%.profession group percentage is 10% .graduation group percentage is higher than from other group of respondents. This is shown by figure 4.

Table 5 .

Class of income					
		Frequency	Percent	Valid Percent	Cumulative Percent
Middle class		27	90.0	90.0	90.0
Upper Class		3	10.0	10.0	100.0
Total		30	100.0	100.0	

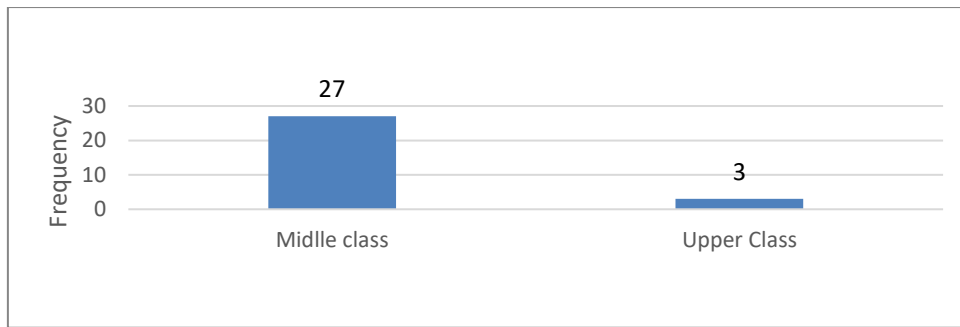


Figure 5 Class of income

In the following study conducted among the 30 respondents the percentage of Middle Class is 90%.upper class group percentage is 10% Middle Class group percentage is higher than from other group of respondents. This is shown by figure 5.

Table 6

Do You Use Social Media.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	30	100.0	100.0	100.0

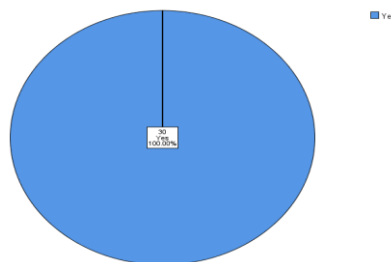
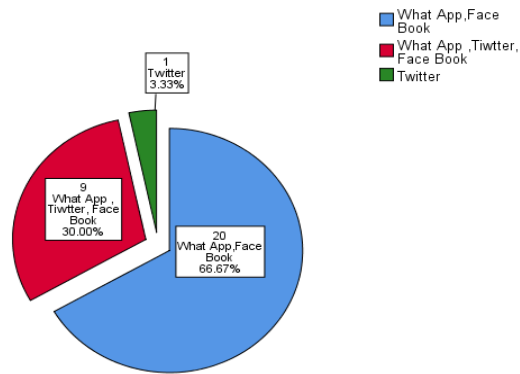


Figure6. Do you use social Media.

In the following study conducted among the 30 respondents the percentage of social Media Users are 100%.This is shown by figure 6.

Table 7

Which Social Media Are Used Most.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Whatsapp, Face Book	20	66.7	66.7	66.7
	Whatsapp ,Twitter, Face Book	9	30.0	30.0	96.7
	Twitter	1	3.3	3.3	100.0
	Total	30	100.0	100.0	

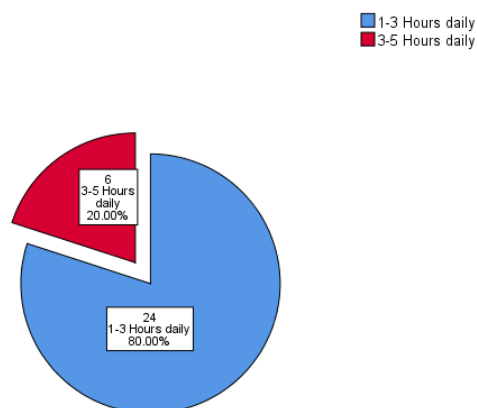


**Figure 7 which social media are used Most.**

In the following study conducted among the 30 respondents the percentage of whatsapp, face book user is 66.67%. Whatapp, Twitter, Face book user group percentage is 30% only Twitter Class group percentage is 3.33%. Whatsapp, face book, users are higher than from other group of respondents. This is shown by figure 7.

**Table 8**

<b>How Much Time Spend On Social Networking.</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3 Hours daily	24	80.0	80.0	80.0
	3-5 Hours daily	6	20.0	20.0	100.0
	Total	30	100.0	100.0	



**Figure 8 How much Time spend on social networking.**

In the following study conducted among the 30 respondents the percentage of 1-3 hours daily user is 80%.3-5 hours daily user group percentage is 20% group percentage 1-3 hours daily is higher than from other group of respondents. This is shown by figure8.

Table 9

How Many Groups Of Membership Do You Have With Other Social Media Group .					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-10 Groups	20	66.7	66.7	66.7
	10-20 Groups	7	23.3	23.3	90.0
	20-30 Groups	3	10.0	10.0	100.0
	Total	30	100.0	100.0	

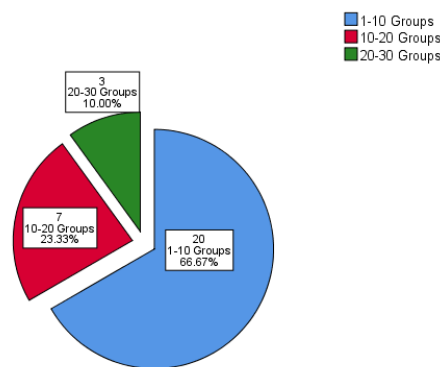


Figure9 How many groups of membership do you have with other social media group .

In the following study conducted among the 30 respondents the percentage of 1-10 group membership user is 66.67%.10-20 group of membership user percentage is 23.33% 20-30 group membership percentage is 10%.1-10 group membership higher than from other group of respondents. This is shown by figure 9 .

Table 10

Which Activity Do You Perform Most On Social Media.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chatting, sharing	26	86.7	86.7	86.7
	Sharing	1	3.3	3.3	90.0
	Listening	3	10.0	10.0	100.0
	Total	30	100.0	100.0	

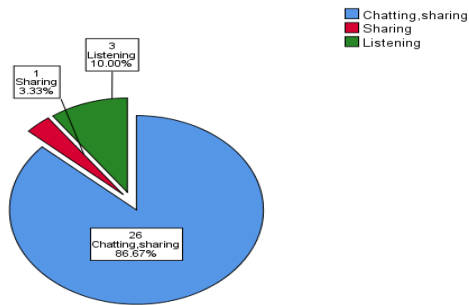


Figure10 which activities do you perform most on social media.

In the following study conducted among the 30 respondents the percentage of Cheating, Sharing Activity group user is 86.67%.only listening group of user percentage is 10% sharing group user percentage is 3.33, Cheating, Sharing group user higher than from other group of respondents. This is shown by figure10.

Table11

Are You Motivated By the Social Media.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	27	90.0	90.0	90.0
	I Don't Know	3	10.0	10.0	100.0
	Total	30	100.0	100.0	

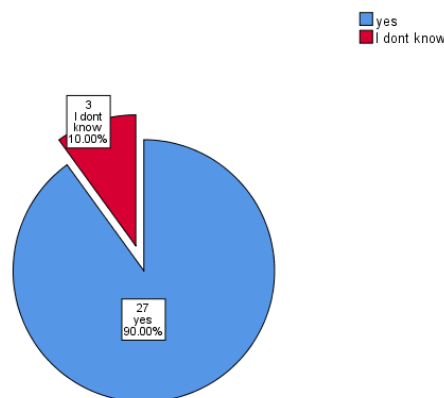


Figure11 Are you motivated by the social media.

In the following study conducted among the 30 respondents the percentage of Motivated users are 90%.only 10% user not motivated from social media. Motivated user percentage is more than other. This is shown by figure11.

Table12

Were You Get Motivate To Purchase FMCG Goods On Social Media .					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	29	96.7	96.7	96.7
	No	1	3.3	3.3	100.0
	Total	30	100.0	100.0	

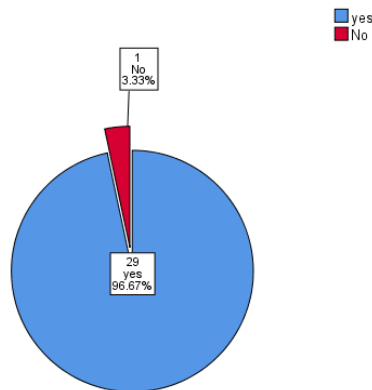


Figure12 were you get motivate to purchase FMCG Goods on social media.

In the following study conducted among the 30 respondents the percentage of user said YES is 90%.only 10% user said NO from social media. YES user percentage is more than other. This is shown by figure12.

Table 13

In Which Types Of Segment Do You Purchase By Social Media					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Personal Care	14	46.7	46.7	46.7
	House Hold	5	16.7	16.7	63.3
	Durable	10	33.3	33.3	96.7
	Non Durable	1	3.3	3.3	100.0
	Total	30	100.0	100.0	

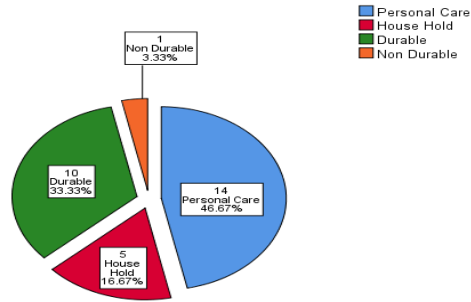


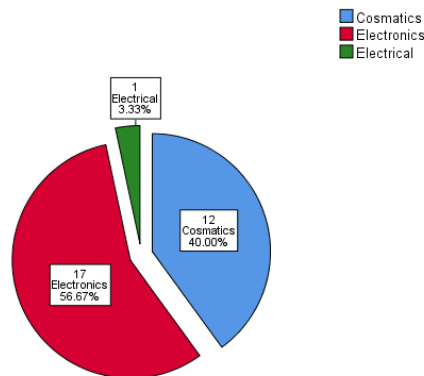
Figure13 In Which Types of Segment do you purchase by social media

In the following study conducted among the 30 respondents .the 46.67% Respondents user said they purchase Personal care product by social media and 33.33% user is purchase Durable goods ,16.67% user purchase House hold goods,3.33 % user purchase non Durable goods. Personal care products more purchased by users then from other. this is shown by figure13

Table14

Which Types Of Product Do You Purchase By Social Media.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cosmetics	12	40.0	40.0	40.0
	Electronics	17	56.7	56.7	96.7
	Electrical	1	3.3	3.3	100.0
	Total	30	100.0	100.0	

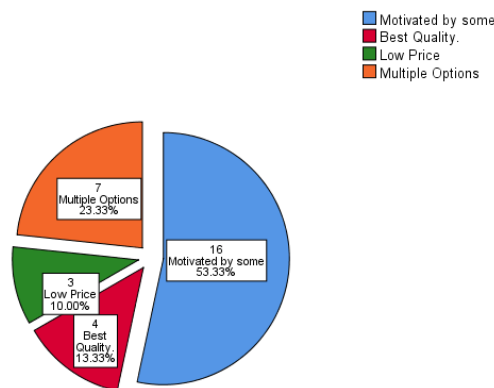


**Figure 14 Which Types of product do you purchase by social media.**

In the following study conducted among the 30 respondents .the 56.67% Respondents user said they purchase Electronics product by social media and 40% user is purchase Cosmetic product ,3.37% user purchase Electrical goods Electronics product more purchased by users then from other. This is shown by figure14.

**Why Do You Purchase By Social Media.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Motivated by some	16	53.3	53.3	53.3
	Best Quality.	4	13.3	13.3	66.7
	Low Price	3	10.0	10.0	76.7
	Multiple Options	7	23.3	23.3	100.0
	Total	30	100.0	100.0	



**Figure 15 why do you Purchase by social media.**

In the following study conducted among the 30 respondents .the 53.37% Respondents user said they purchase product by social media because they motivated by some .and 23.33% user said due to Multiple option, 13.33% user said they purchase product due to Best quality, 10% user said they purchase product due to low cost .Motivated by some users percentage more than other. This is shown by figure15.



Table 16

**Do You Share Your Product Experience With Others On Social Media.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	28	93.3	93.3	93.3
	No	2	6.7	6.7	100.0
	Total	30	100.0	100.0	

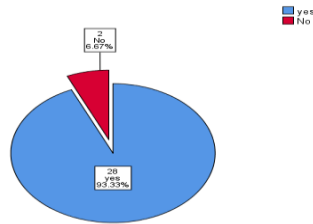


Figure 16 Do you Share your product Experience with others on social media.

In the following study conducted among the 30 respondents .the 93.37% Respondents user said YES they share product experience with other and 6.67% user said NO. The percentage of YES users are more than others. This is shown in figure 16.

Table 17

**How Many Times Do You Purchase By Social Media In A Month.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 Times	16	53.3	53.3	53.3
	2 Times	13	43.3	43.3	96.7
	3- 5 Times	1	3.3	3.3	100.0
	Total	30	100.0	100.0	

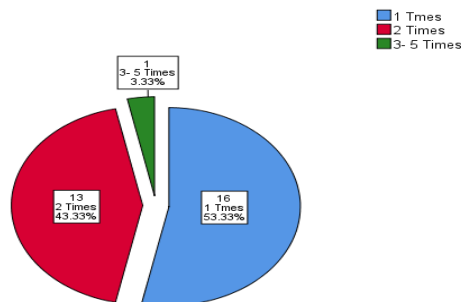


Figure 17 How many times do you purchase by social media in a month.

In the following study conducted among the 30 respondents .the 53.33% Respondents user said they purchase product 1 times in month. 43.33 users said they purchase product 2 times in month 3.33 % user said they purchase product 3-5 times in a month .1 times user percentage is more than other which is shown in figure17

### VIII. Hypothesis Testing

**Table 18**  
**One-Sample T Test**

	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Which Social Media Are Used Most	13.462	29	.000	1.36667	1.1590	1.5743
In Which Types Of Segment Do You Purchase By Social Media	10.802	29	.000	1.93333	1.5673	2.2994
Which Types Of Product Do You Purchase By Social Media	16.699	29	.000	1.66667	1.4625	1.8708
How Many Times Do You Purchase By Social Media In A Month.	14.355	29	.000	1.50000	1.2863	1.7137

For testing of the hypothesis  $H_{01}$ ,  $H_{02}$ ,  $H_{03}$  has been used t one sample test the result of hypothesis testing has been compared with 0.05 for taking the decision of acceptance /rejection null hypothesis. We found all significant values less than 0.05 therefore  $H_{01}$ ,  $H_{02}$ ,  $H_{03}$  are rejected and Alternative Hypothesis are accepted it means that, there is significant difference social media users, and significant difference for purchasing pattern of social media users, significant difference between users for purchasing FMCG products in a month.

### VIII. Conclusion

In above survey we found that, whatsapp and face book are more used by users. User purchase more products which were suggested by some on social media. Social media used for Chatting and sharing purpose. They purchased Electronics and cosmetic product more .and share the product experience with other group also. The average user time is on social

media 1-3 hours daily. It means consumer buying behaviour has changed. If some once share the product's experience on social media then they purchase. They are motivated by product experience. FMCG Company should focus product on following factors quality, services.

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- [WWW.ITC](http://WWW.ITC)
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