Variance in Factors Influencing Buyer Behaviour Across Various Product Categories in FMCGs

** Smitha Siji*

Abstract

FMCGs are not a single product. It is an umbrella term that holds together a number of different products. It includes cosmetics and toiletries, personal care products, household fabric care products, household cleaners, food products, and so forth. They are considered to be a low involvement product category, and all theories and models in consumer behavior are applied to this sector considering it to be as one product category. But is it really like that? Does the customer show the same kind of behavior while buying a perfume and while buying a toilet cleaner? This study attempts to find answers to these questions. A sample size of 537 households was selected for the survey. Hypotheses were derived from the literature reviewed for the study and were tested. The factors identified are price perception, loyalty to local retailers, and purchase decision involvement. Reliability and validity of the instrument were also tested. ANOVA was used to find out the differences among these factors across the various sub-categories in FMCGs. This study is all the more significant in the wake of current developments in the field of retailing. The findings will help in devising appropriate strategies to sell FMCG products to customers.

Keywords: **buyer behaviour, FMCGs, loyalty to local retailers, price perception, purchase decision involvement**

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Products that fall within the category of FMCGs are individually of small value, but together, they form a significant proportion of the consumer's expenditure. Hence, marketers are always interested in finding out about the buyer behavior with reference to FMCGs. It is important to find out what are the purchase motives behind these products. In real-life situations, every market segment for each product has its own purchase motivation. If the product differences are perceived to be too low, the customer may decide to buy the product based on the price of the product and hence, the price becomes an important element. If the customers are unwilling to bear the risk of trying an untried product, they may decide to buy established brands. For a great many products, the point of distribution may be the most important deciding element. Quite often, the final determinant is that of mere habit. Whatever the purpose, it is important to understand the patronage of purchase motives in relation to a specific market segment (Wasson & Shreve, 1975). It is equally important to know whether the influence of these factors is the same across different product categories in FMCGs.

According to a report on the fast moving consumer goods industry published by ISI Analytics (2010), India's FMCG sector was valued at INR 600 billion in 2004 after a growth of 4% during 2003-04. In 2008, India's FMCG sector had a value of INR 860 billion, and analysts projected a growth of 15% in 2010 (2009: 12%) as the economy showed signs of recovery. With a total market size in excess of USD 14.7 billion, India's FMCG industry is the fourth largest sector in its economy and plays a vital role in India's socioeconomic front, with nearly eight million stores selling FMCGs and employing some 25 million people as wholesalers, distributors, and others. Besides that, the FMCG sector purchases nearly INR 96 billion worth of agricultural products and processes them into value-added products, while the sector accounts for nearly 40% of the media industry's revenue. The FMCG sector generates 5% of total factory employment in the country and is creating employment for three million people,

* *Assistant Professor,* Rajagiri Centre for Business Studies, Rajagiri Valley, Kakkanad, Kochi - 682 039, Kerala.
Email: smithasiji4@gmail.com

especially in small towns and rural India.

The Indian Brand Equity Foundation (IBEF) periodically prepares various industry analysis reports and according to the report on fast moving consumer goods, the size of the fabric wash market is estimated to be $1 billion, household cleaners to be $239 million, and the production of synthetic detergents at 2.6 million tonnes. It is reported that the demand for detergents has been growing at an annual growth rate of 10% to 11% during the past 5 years. The size of the personal wash products is estimated at $989 million, hair-care products at $831 million, and oral care products at $537 million. While it is seen that the overall personal wash market is growing at 1%, the premium and middle-end soaps are growing at 10%. The leading players in this market are HLL, Nirma, Godrej Soaps, and Reckitt & Colman. Statistics have revealed that the oral care market, especially toothpastes, remains under penetrated in India (with a penetration level below 45%). The industry is very much competitive both for organized as well as smaller regional players. The Indian skin care and cosmetics market is valued at $ 274 million and is dominated by HLL, Colgate Palmolive, Gillette India, and Godrej Soaps, all of which are big players (IBEF, n.d.).

Thus, the importance of this sector can be quite easily understood and hence, any study in this sector, which can influence in shaping appropriate marketing strategies to promote products categorized under the FMCG sector, is of utmost importance.

Review of Literature

The perusal of already conducted studies on factors influencing buyer behavior reveals that the 4P's model of product, price, place, and promotion is an inherent component of any model in consumer behavior. This study assumes that the consumer may not compromise on the quality of the product, and hence, the buying decision may be swayed because of the influence of price, promotion, and the retail outlet where the product is available given any two products equally qualify the customer's criteria on product specifications. Thus, the factors identified for this study are loyalty to local retailers, price, and promotion. Since FMCGs are considered to be a low involvement product category, purchase decision involvement was also investigated. It is further seen that most of the studies conducted in this context found out the influence of a particular factor in the purchase decision. However, the consumers are rarely under the influence of a single factor. Given any circumstances, there can be a number of factors that may simultaneously affect the customer. Hence, the present study found out the influence of these factors simultaneously on the consumer.

There are a number of studies that have investigated the reasons for store patronage. An exploratory study by Stone (1954) found out the reasons as to why people preferred to shop from local merchants, but being an exploratory study, it lacked a theoretical framework. Another group of studies examined reasons like trust, wait times, retailer brand, and so forth as being the reason for making customers loyal to their local merchants (Grewal, Baker, Levy, & Voss, 2003 ; Hoch, Bradlow, & Wansink, 1999 ; Sirohi, McLaughlin, & Wittink, 1998). It is not necessary that the customers may exhibit loyalty to a particular merchant, and hence, they would be influenced by the merchant's retail mix. It is also quite possible that the customers may split their purchases among a number of retailers located in the same area. Thus, this stream of research investigates the inshopping/ outshopping tendencies of people. It tries to find out whether customers prefer to buy from merchants located in their area, or they prefer to venture outside their area and look for good deals. Dalal, Al-Khatib, DaCosta, and Decker (1994) and Hozier and Stem (1985) focused on this aspect of loyalty to retailers. The scale developed by Hozier and Stem (1985) examines various aspects of contributory factors towards loyalty to local retailers.

Customers who are price conscious would tend to compare the price of the product between various retailers, and the purchase decision would be positively skewed to the retailer who offers the product at the least price. Sirohi et al. (1998) claimed in their study that when consumers believe they have obtained a good value for their money from a retailer, they tend to be more loyal to the retailer.

There are a number of studies which have tried to connect local retailer loyalty with other variables like price, quality, service, and merchandise selection of local retailers (Darden & Perreault, 1976 ; Herrmann & Beik, 1968 ;

Reynolds & Darden, 1972 ; Samli & Uhr, 1974 ; Thompson, 1971 ; Papadopoulos, 1986). The findings of these research studies show that consumer tendency to shop outside their local area is inversely related to the price, quality, service, and merchandise selection of local retail merchants. However, these results are of limited use to measure existing level or predicting the future level of out shopping/in shopping.

It is seen that a number of products come with a coupon attached to it. These coupons may be redeemed either for the same purchase or for a future purchase. In any case, a coupon assures some form of price reduction or value enhancement on their purchase. Studies by Raju and Hastak (1980), and Schindler and Rothaus (1985) argued that price reductions in the form of coupons may produce an increased consumer response than what is expected from an equivalent lower price. Cotton and Babb (1978) also made a similar contention that price reductions in the form of coupons produced a significantly larger increase in sales than an equivalent lower price.

Lichtenstein, Ridgway, and Netemeyer (1993) tried to bring in the distinction between value consciousness and coupon proneness in their work. Value conscious customers are not bothered by the final price of the product. What they are bothered about is whether they are getting value, which is comparable to the price being paid by them for the product.

There is a significant amount of research that proves customers have knowledge of price and hence, price consciousness is considered as an important variable in consumer purchase decision making (Alba, Broniarczyk, Shimp, & Urbany, 1994 ; Campbell, 2007 ; Estelami & Lehman, 2001 ; Evanschitzky, Kenning, & Vogel, 2004 ; Gabor & Granger, 1961 ; Lichtenstein et al., 1993 ; Moon, Russell, & Duvvuri, 2006 ; Niedrich, Sharma, & Wedell, 2001 ; Urbany& Dickson, 1991; Wakefield & Inman, 1993). An important finding according to Ehrenberg, Schriven, and Barnard (1997) is that consumers' price perceptions have effects on their purchase behaviour, they perceive price differently for different products, and have individual price perceptions and buy products that are priced at what they are willing to pay for those products.

There are customers who are willing to wait for the product to be offered on sale so that they would get an additional benefit in the form of reduction in price. Such customers are called deal prone customers, and they are, by definition, those who modify their purchase behaviour so as to bene? t from the temporary incentive offered by a promotion (Wake? eld & Barnes, 1996). The conclusions from research studies carried out in the area of deal proneness traits of customers generally state that deal prone customers are price conscious by nature. But savings are not all, there are also other influences on deal proneness like impulsiveness, shopping enjoyment, innovativeness, and so forth (Martý nez & Montaner, 2006), and there can be other influences as well as customers derive economic as well as hedonic benefits from promotions (Chandon, Wansink, & Laurent, 2000).

Price is also an indicator of quality and higher price signals superior quality of the product. There are a number of studies in the area of price-quality schema, and studies suggest that there is an increased use of price as an indicator of quality when the consumer perceives quality to be different across the various brands in a product category (Leavitt, 1954; Lambert, 1972; Zeithaml, 1988).

Lichtenstein and Burton (1989) suggested that price-quality beliefs are generally stronger for durable goods than for non durable goods. Leavitt (1954) found that price reliance is more likely for product categories that are expensive and purchased infrequently. Price reliance is found to be more likely when quality is difficult to judge because of ambiguous information (Lambert, 1972; Pechmann & Ratneshwar, 1992). It is also seen that a consumer who lacks the ability to judge quality is more likely to rely on price as an indicator of quality than consumers with greater ability (Lambert, 1972; Rao & Monroe, 1988; Zeithaml, 1988). Another aspect is that use of price to judge quality is more likely when brand choice is important to the consumer's self-image (Lambert, 1972) and when the consumer's level of involvement is high (Gotlieb, 1990).

In addition, according to the study by Raju (1977), it was found that the price-perceived quality relationship is dependent on whether a brand is within the consumer's acceptable price range. In other words, consumers have upper and lower threshold prices, where: (a) the quality of a brand is suspect if it is priced below the lower threshold price, and (b) a brand is not considered worth the price if it is priced above the upper threshold. Dodds and Monroe (1985) also found similar results where the positive effect of price on perceived quality was greater between the low-priced and medium-priced brands than it was between the medium-priced and high-priced brands.

While most studies in the price-quality literature have generally found a significant, positive effect of price on perceived quality (Chang & Wildt, 1994), there are some other studies, which found no significant relationship between price and quality (Gardner, 1971). However, none of the studies have examined the effect of price-quality schema vis-à-vis purchase decision involvement, sale proneness, and across the different sub-categories under FMCGs.

Price-quality perceptions and prestige sensitivity are the two constructs used to represent the positive role of price. Some consumers may be motivated to purchase brands by factors related to impression management, and one such factor is prestige sensitivity. Consumers with high prestige sensitivity tend to buy expensive goods not because of quality perceptions per se, but because of the perception that others may perceive them as socially positive because of the high price. A value-conscious consumer can be high or low in prestige sensitivity. Prestige sensitivity is related to socially visible behaviours, whereas price/quality perceptions are influenced by cues that reinforce the validity of using price to imply quality (McGowan & Sternquist, 1998). Prestige sensitivity is usually associated with more socially visible purchase behaviours like shopping for products like car or apparel products (Lichtenstein et al., 1993). There is hardly any study that links prestige sensitivity with FMCG products.

As stated earlier, products falling in the category of FMCGs are considered as low involvement products, and hence, the purchase decision involvement should also be low. However, it is seen that products like cosmetics, which also fall under FMCGs, are considered to be high involvement goods. Hence, it would be of interest to examine whether purchase decision involvement is the same across the various sub categories of FMCGs.

There are very few studies in the Indian context on buying behavior in FMCGs. Kumar and Madhavi (2006) explored the buying behavior of personal care products such as toothpaste, shampoo, and toilet soap. Garga, Ghuman, and Dogra (2009) did a study on marketing of FMCGs in rural Punjab and found that price was the most important factor, and companies should approach rural markets in a phased manner. Quality, price, and "to look appealing" was found to be the most important criterion for buying cosmetics among consumers in South Haryana (Kaushik & Gupta, 2009). Personality, lifestyle, demographic, and behavioural factors were found to be the most influential factors for buying toothpaste (Vani, Babu, & Panchanatham, 2011). Chatterjee (2013) found that demographic variables have an association with consumer buying pattern for synthetic detergents. Prakash and Pathak (2014) studied consumer buying behavior of FMCGs in rural India, and found that price, brand name, quality, availability, packaging, and so forth were important factors affecting consumer's purchase decisions. These studies also focused on a particular product category, and intra-category comparisons of FMCGs were missing.

Given these limitations of the existing literature, the purpose of the present study is to find whether the influences of the factors being considered in this study are same or different across the various product categories.

Hypotheses

The main hypothesis framed is as follows:

➔ **H1:** There is a significant difference in loyalty to local retailers, positive price perception, negative price perception, and purchase decision involvement across various product categories in FMCGs.

In detail, the hypotheses can be stated as follows:

➔ **H1a :** There is a significant difference in loyalty to local retailers across various product categories in FMCGs.

➔ **H1b :** There is a significant difference in value consciousness across various product categories in FMCGs.

➔ **H1c :** There is a significant difference in price consciousness across various product categories in FMCGs.

➔ **H1d :** There is a significant difference in coupon proneness across various product categories in FMCGs.

➔ **H1e :** There is a significant difference in sale proneness across various product categories in FMCGs.

➔ **H1f :** There is a significant difference in price-quality schema across various product categories in FMCGs.

➔ **H1g :** There is a significant difference in prestige sensitivity across various product categories in FMCGs.

➔ **H1h :** There is a significant difference in purchase decision involvement across various product categories in FMCGs.

Research Methodology

The product categories selected under FMCGs were cosmetics and toiletries, personal care products, household fabric care products, and household cleaner products. These kinds of products are majorly used in households, and hence, the sample constituted only of households with two or more members. More than 600 questionnaires were distributed and 537 completely filled, usable questionnaires were received back. The method of sampling adopted was convenience sampling since the population was quite large. The area of study was Kochi Corporation, and the data was collected between September and December 2010.

The scale developed by Lichtenstein, Ridgway, and Netemeyer, (1993), which measures price perception, was adopted for collecting relevant data. This scale measures both the positive as well as the negative role of price. In its negative role, price makes customers value conscious and price conscious, makes them prone to sale and redeeming coupons, and also contributes to price mavenism. In its positive role, price may signal quality of the product or price may enhance the prestige sensitivity of the customers. All the constructs were measured on a 7-point scale, where seven indicates *strongly agree* and one indicates *strongly disagree*. To measure the purchase

Table 1. Reliability Statistics

Variables	Cosmetics	Personal Care	Household Fabric Care	Household Cleaners
Value Consciousness (ValCon)	0.901	0.891	0.741	0.748
Price Consciousness (PricCon)	0.946	0.944	0.763	0.724
Coupon Proneness (CP)	0.956	0.954	0.812	0.852
Sale Proneness (SP)	0.960	0.945	0.718	0.772
Price-quality Schema (PQ)	0.913	0.931	0.707	0.749
Prestige Sensitivity (PS)	0.964	0.910	0.855	0.852
Loyalty to Local Retailers (Loyalty)	0.963	0.960	0.778	0.745
Purchase Decision Involvement (PDI)	0.772	0.782	0.713	0.738

Table 2 . One-Sample Kolmogorov-Smirnov Test : Cosmetics and Toiletries

		Loyalty	ValCon	PricCon	CP	SP	PQ	PS	PDI
N		537	537	537	537	537	537	537	537
Normal Parameters[a, b]	Mean	3.8152	5.5656	4.0771	3.6231	4.2931	4.9763	3.9879	5.5819
	Std. Deviation	.98671	.86666	1.34872	1.40465	1.18528	1.15659	1.40906	1.13595
Most Extreme Differences	Absolute	.062	.100	.077	.082	.055	.149	.069	.144
	Positive	.037	.049	.057	.082	.055	.069	.042	.106
	Negative	-.062	-.100	-.077	-.077	-.052	-.149	-.069	-.144
Kolmogorov-Smirnov *Z*		1.439	2.328	1.779	1.889	1.265	3.448	1.602	3.326
Asymp. Sig. (2-tailed)		.032	.000	.004	.002	.082	.000	.012	.000

a. Test distribution is Normal. b. Calculated from data.

Table 3. One-Sample Kolmogorov-Smirnov Test : Personal Care (PC)

		LoyaltyPC	ValconPC	PriconPC	CPPC	SPPC	PQPC	PSPC	PDIPC
N		537	537	537	537	537	537	537	537
Normal Parameters [a,b]	Mean	3.7325	5.4996	3.9888	3.6034	4.2391	4.6816	3.7870	5.5810
	Std. Deviation	.79320	.90553	1.31785	1.38556	1.20207	1.21407	1.31937	1.03853
Most Extreme Differences	Absolute	.091	.101	.075	.087	.052	.084	.086	.137
	Positive	.056	.049	.069	.078	.039	.051	.046	.086
	Negative	-.091	-.101	-.075	-.087	-.052	-.084	-.086	-.137
Kolmogorov-Smirnov Z		2.115	2.351	1.730	2.020	1.197	1.944	1.983	3.178
Asymp. Sig. (2-tailed)		.000	.000	.005	.001	.114	.001	.001	.000

a. Test distribution is Normal. b. Calculated from data.

Table 4. One-Sample Kolmogorov-Smirnov Test : Household Fabric Care (HF)

		LoyaltyHF	ValConHF	PriconHF	CPHF	SPHF	PQHF	PSHF	PDIHF
N		537	537	537	537	537	537	537	537
Normal Parameters[a, b]	Mean	3.8374	5.4876	4.0112	3.6134	4.3151	4.5405	3.6271	5.1788
	Std. Deviation	.88818	.92812	1.27098	1.31432	1.17013	1.17434	1.23537	.91827
Most Extreme Differences	Absolute	.092	.100	.080	.068	.061	.085	.067	.110
	Positive	.048	.052	.080	.056	.061	.050	.036	.056
	Negative	-.092	-.100	-.072	-.068	-.049	-.085	-.067	-.110
Kolmogorov-Smirnov *Z*		2.136	2.322	1.853	1.578	1.404	1.964	1.561	2.548
Asymp. Sig. (2-tailed)		.000	.000	.002	.014	.039	.001	.015	.000

a. Test distribution is Normal.

b. Calculated from data.

Table 5. One-Sample Kolmogorov-Smirnov Test : Household Cleaners (H)

		loyaltyH	ValConH	PricConH	CRH	SPH	PQH	PSH	PDIH
N		537	537	537	537	537	537	537	537
Normal Parameters [a,b]	Mean	3.9119	5.4358	4.0361	3.6186	4.3553	4.6425	3.5775	4.8087
	Std. Deviation	.93217	.96984	1.22009	1.36828	1.22265	1.16049	1.23669	1.14016
Most Extreme Differences	Absolute	.116	.106	.064	.074	.070	.094	.087	.114
	Positive	.070	.053	.064	.074	.070	.060	.041	.041
	Negative	-.116	-.106	-.053	-.063	-.061	-.094	-.087	-.114
Kolmogorov-Smirnov *Z*		2.698	2.456	1.488	1.704	1.624	2.175	2.007	2.645
Asymp. Sig. (2-tailed)		.000	.000	.024	.006	.010	.000	.001	.000

a. Test distribution is Normal.

b. Calculated from data.

decision involvement, the scale developed by Mittal (1989) on purchase decision involvement was included. In order to investigate the loyalty to local retailers, the scale developed by Hozier and Stem (1985) was used.

A pilot study was initiated to test the validity of the data. The reliability of the data was tested through reliability tests, and the values of Cronbach alpha were found to be very high for all the variables (Table 1). To find out whether the factors were significantly different across various product categories in FMCGs, ANOVA was used.

Table 6. Descriptive Statistics Across Various Product Categories

Factors	Cosmetics & Toiletries		Personal Care Products		Household Fabric Care		Household Cleaners		*N*
	Mean	*SD*	Mean	*SD*	Mean	*SD*	Mean	*SD*	
Loyalty to Local Retailers	3.95	1.56	4.02	1.48	3.86	0.95	3.91	0.94	537
Value Consciousness	5.79	0.95	5.75	0.97	5.49	0.93	5.44	0.97	537
Price Consciousness	4.05	1.61	3.95	1.58	4.01	1.27	4.03	1.22	537
Coupon Proneness	3.55	1.61	3.65	1.59	3.61	1.31	3.62	1.37	537
Sale Proneness	4.17	1.62	4.12	1.59	4.32	1.17	4.36	1.22	537
Price-Quality Schema	5.00	1.30	4.76	1.45	4.54	1.17	4.64	1.16	537
Prestige Sensitivity	4.11	1.65	3.83	1.40	3.63	1.24	3.58	1.24	537
Purchase Decision Involvement	5.58	1.14	5.58	1.04	5.18	0.92	4.81	1.14	537

Before conducting ANOVA, the necessary assumptions must be met. The two assumptions of concern are:

↳ **Population Normality :** Populations from which the samples have been drawn should be normal. This assumption was proved by conducting the one-Sample Kolmogorov-Smirnov test of normality and the results indicate that the test distribution is normal (Tables 2, 3, 4, and 5).

↳ **Homogeneity of Variance :** The scores in each group should have homogenous variance. Levene's test was used to test the homogeneity of variance, but the results of Levene's test are not fatal to ANOVA.

Analysis and Results

The Table 6 exhibits the mean values and standard deviations for all the factors across all the product categories and the mean for loyalty to local retailers is 3.9 for cosmetics and toiletries, 4.01 for personal-care products, 3.86 for fabric care, and 3.95 for household cleaners. The mean values for value consciousness for all the product categories are : 5.79 for cosmetics and toiletries, 5.75 for personal-care products, 5.49 for fabric care, and 5.44 for household cleaners. The mean values for price consciousness across various product categories are : 4.05 for cosmetics, 3.95 for personal-care products, 4.01 for household fabric care, and 4.03 for household cleaners. The mean values for coupon proneness across various product categories according to Table 6 are : 3.55 for cosmetics, 3.65 for personal care, 3.61 for household fabric care, and 3.62 for household cleaners. The mean values for sale proneness for different product categories, as displayed in the Table 6, are : 4.17 for cosmetics, 4.12 for personal-care products, 4.32 for household fabric care, and 4.36 for household cleaners. The mean values for price-quality schema are : 5.00 for cosmetics, 4.76 for personal-care products, 4.54 for household fabric care, and 4.64 for household cleaners. The mean values for prestige sensitivity across various product categories in FMCGs can be seen to be 4.11 for cosmetics, 3.83 for personal-care products, 3.63 for household fabric care, and 3.58 for household cleaners as exhibited in the Table 6. The next factor being compared is purchase decision involvement and the mean values for the same can be seen to be 5.58 for cosmetics and personal-care products, 5.18 for household fabric care, and 4.81 for household cleaners.

The mean values are different, but whether these differences are statistically significant was tested using ANOVA. The Table 7 exhibits the results of ANOVA and the Table 8 shows the results of the post-hoc tests.

Findings

By looking at the significance of F (according to Table 7), it can be seen that $p < 0.05$ for value consciousness, sale proneness, price-quality schema, prestige sensitivity, and purchase decision involvement, and hence, the null

Table 7. ANOVA of Variables Across Product Categories in FMCGs

		Sum of Squares	*df*	Mean Square	*F*	Sig.
LLR_Cos	Between Groups	6.956	3	2.319	1.441	.229
	Within Groups	3450.859	2144	1.610		
	Total	3457.815	2147			
VC_Cos	Between Groups	53.154	3	17.718	19.345	.000*
	Within Groups	1963.683	2144	.916		
	Total	2016.837	2147			
PC_Cos	Between Groups	2.816	3	.939	.458	.712
	Within Groups	4393.184	2144	2.049		
	Total	4396.000	2147			
CP_Cos	Between Groups	2.989	3	.996	.457	.712
	Within Groups	4672.160	2144	2.179		
	Total	4675.149	2147			
SP_Cos	Between Groups	20.324	3	6.775	3.372	.018*
	Within Groups	4307.608	2144	2.009		
	Total	4327.932	2147			
PQ_Cos	Between Groups	62.917	3	20.972	12.881	.000*
	Within Groups	3490.871	2144	1.628		
	Total	3553.788	2147			
PS_Cos	Between Groups	94.988	3	31.663	16.393	.000*
	Within Groups	4141.000	2144	1.931		
	Total	4235.988	2147			
PDI_Cos	Between Groups	222.291	3	74.097	65.687	.000*
	Within Groups	2418.486	2144	1.128		
	Total	2640.777	2147			

*The mean difference is significant at the 0.05 level.

hypotheses are rejected for these variables. Thus, there is significant difference in value consciousness, sale proneness, price-quality schema, prestige sensitivity, and purchase decision involvement across the different product categories in FMCGs. In other words, H1b, H1e, H1f, H1g, and H1h are accepted. H1a, H1c, and H1d are rejected.

The results of the post-hoc tests (Table 8) show that value consciousness in cosmetics is most different from fabric care and household cleaner products. Customers are more value conscious about cosmetics than fabric care and household cleaners. The level of value consciousness in personal-care products is also different from household fabric care products and household cleaners, and the value consciousness is more for personal-care products. The level of value consciousness for fabric care and household cleaner products is less than that of cosmetics and personal-care products.

The level of sale proneness in cosmetics is most different from that of household cleaners, and sale proneness is more for household cleaners. In case of personal-care products, the difference is more when compared to household fabric care products and household cleaners. Again, sale proneness is more for household fabric care products and household cleaners in comparison to personal-care products. Household fabric care is different from personal care, and household cleaners are different from cosmetics and personal-care products.

The level of price - quality schema of cosmetics is significantly different from the rest of the three product categories; personal-care results are different from cosmetics and fabric care; fabric care is different from

Table 8. Multiple Comparisons of Variables Across Product Categories

LSD

Dependent Variable	(I) factor	(J) factor	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
VC_Cos	Cosmetics	Personal care	.04836	.05841	.408	-.0662	.1629
		Fabric care	.30892*	.05841	.000	.1944	.4235
		Household cleaners	.36065*	.05841	.000	.2461	.4752
	Personal care	Cosmetics	-.04836	.05841	.408	-.1629	.0662
		Fabric care	.26056*	.05841	.000	.1460	.3751
		Household cleaners	.31229*	.05841	.000	.1978	.4268
	Fabric care	Cosmetics	-.30892*	.05841	.000	-.4235	-.1944
		Personal care	-.26056*	.05841	.000	-.3751	-.1460
		Household cleaners	.05173	.05841	.376	-.0628	.1663
	Household cleaners	Cosmetics	-.36065*	.05841	.000	-.4752	-.2461
		Personal care	-.31229*	.05841	.000	-.4268	-.1978
		Fabric care	-.05173	.05841	.376	-.1663	.0628
		Fabric care	.02495	.08736	.775	-.1464	.1963
		Fabric care	.00521	.09009	.954	-.1715	.1819
SP_Cos	Cosmetics	Personal care	.04693	.08650	.588	-.1227	.2166
		Fabric care	-.14600	.08650	.092	-.3156	.0236
		Household cleaners	-.18622*	.08650	.031	-.3559	-.0166
	Personal care	Cosmetics	-.04693	.08650	.588	-.2166	.1227
		Fabric care	-.19292*	.08650	.026	-.3626	-.0233
		Household cleaners	-.23315*	.08650	.007	-.4028	-.0635
	Fabric care	Cosmetics	.14600	.08650	.092	-.0236	.3156
		Personal care	.19292*	.08650	.026	.0233	.3626
		Household cleaners	-.04022	.08650	.642	-.2099	.1294
	Household cleaners	Cosmetics	.18622*	.08650	.031	.0166	.3559
		Personal care	.23315*	.08650	.007	.0635	.4028
		Fabric care	.04022	.08650	.642	-.1294	.2099
PQ_Cos	Cosmetics	Personal care	.24162*	.07787	.002	.0889	.3943
		Fabric care	.45950*	.07787	.000	.3068	.6122
		Household cleaners	.35754*	.07787	.000	.2048	.5103
	Personal care	Cosmetics	-.24162*	.07787	.002	-.3943	-.0889
		Fabric care	.21788*	.07787	.005	.0652	.3706
		Household cleaners	.11592	.07787	.137	-.0368	.2686
	Fabric care	Cosmetics	-.45950*	.07787	.000	-.6122	-.3068
		Personal care	-.21788*	.07787	.005	-.3706	-.0652
		Household cleaners	-.10196	.07787	.191	-.2547	.0508
	Household cleaners	Cosmetics	-.35754*	.07787	.000	-.5103	-.2048
		Personal care	-.11592	.07787	.137	-.2686	.0368
		Fabric care	.10196	.07787	.191	-.0508	.2547

PS_Cos	Cosmetics	Personal care	.28350*	.08481	.001	.1172	.4498
		Fabric care	.48479*	.08481	.000	.3185	.6511
		Household cleaners	.53479*	.08481	.000	.3685	.7011
	Personal care	Cosmetics	-.28350*	.08481	.001	-.4498	-.1172
		Fabric care	.20128*	.08481	.018	.0350	.3676
		Household cleaners	.25128*	.08481	.003	.0850	.4176
	Fabric care	Cosmetics	-.48479*	.08481	.000	-.6511	-.3185
		Personal care	-.20128*	.08481	.018	-.3676	-.0350
		Household cleaners	.05000	.08481	.556	-.1163	.2163
	Household cleaners	Cosmetics	-.53479*	.08481	.000	-.7011	-.3685
		Personal care	-.25128*	.08481	.003	-.4176	-.0850
		Fabrice care	-.05000	.08481	.556	-.2163	.1163
PDI_Cos	Cosmetics	Personal care	.00093	.06482	.989	-.1262	.1280
		Fabric care	.40317*	.06482	.000	.2761	.5303
		Household cleaners	.77328*	.06482	.000	.6462	.9004
	Personal care	Cosmetics	-.00093	.06482	.989	-.1280	.1262
		Fabric care	.40223*	.06482	.000	.2751	.5293
		Household cleaners	.77235*	.06482	.000	.6452	.8995
	Fabric care	Cosmetics	-.40317*	.06482	.000	-.5303	-.2761
		Personal care	-.40223*	.06482	.000	-.5293	-.2751
		Household cleaners	.37011*	.06482	.000	.2430	.4972
	Household cleaners	Cosmetics	-.77328*	.06482	.000	-.9004	-.6462
		Personal care	-.77235*	.06482	.000	-.8995	-.6452
		Fabric care	-.37011*	.06482	.000	-.4972	-.2430

Note : * The mean difference is significant at the 0.05 level.

cosmetics and personal care ; and household cleaners are significantly different from cosmetics. The level of price-quality schema is more for cosmetics than it is for rest of the three product categories. The level of price-quality schema of personal-care products is more than household fabric care but is less than that of cosmetics. The level of price-quality schema of household fabric care is less than that of cosmetics and personal-care products and that of household cleaners is less than that of cosmetics.

Prestige sensitivity of cosmetics and personal-care products is different from the rest of the three categories ; fabric care is different from cosmetics and personal-care products ; and household cleaners are different from cosmetics and personal-care products. The level of prestige sensitivity of cosmetics is higher than rest of the three product categories; prestige sensitivity of personal-care products is less than that of cosmetics but is more than that of household fabric care and household cleaner products. Prestige sensitivity of household fabric care and household cleaners is less than that of cosmetics and personal-care products.

Purchase decision involvement of cosmetics and personal-care products is significantly different from that of household fabric care products and household cleaners and the level of involvement is higher for cosmetics and personal-care products. The involvement for household fabric care products is less than that of cosmetics and personal-care products, but is more than that of household cleaners, and the PDI for household cleaners is less than it is for all three product categories.

Discussion

According to this study, value consciousness, sale proneness, price-quality schema, prestige sensitivity, and purchase decision involvement are found to be different across the different product categories in FMCGs ; whereas, loyalty to local retailers, price consciousness, and coupon proneness are not different across various product categories. Bawa and Shoemaker (1987) also concluded that coupon proneness was not different across various product classes. Smith and Chinna Natesan (1999) studied how and when consumers' belief about price and quality was different for different product categories. The results of the present study are also similar to Smith and Chinna Natesan's study. Thus, this study indicates that the variables considered do not show similar influence across the different product categories. I was able to deduce that customers feel more value conscious about cosmetics and personal-care products. Thus, here, they may be ready to pay a higher price provided the marketer can convince them of a higher value. In contrast to the above, sale proneness is found to be more for household fabric care products and household cleaners. Thus, for products like these, the customers may be prone to buy the brands which are on sale.

Price quality schema is highest for cosmetics followed by personal-care products, household fabric care products, and household cleaners. Thus, higher price signals higher quality and indicates a higher value for the customer. Prestige sensitivity is seen to be the highest for cosmetics. Earlier studies done on prestige sensitivity are all related to products, which are expensive, or products which show the visible purchase behavior of the customers. Thus, this study proves that cosmetics cannot be treated the way the other three product categories in FMCGs are treated by marketers, and academicians also need to investigate this product category separately. Purchase decision involvement also shows similar results to that of prestige sensitivity. Customers show higher involvement while buying products like cosmetics, and their involvement is low for the other three product categories in FMCGs.

Thus, most of the variables included in the study behave differently for different product categories in FMCGs, and thus, my contention that the product categories in FMCGs should be dealt separately is proved correct.

Managerial Implications

This study provides a good insight about some important variables as far as managers are concerned. It was found that customers are more value conscious than price conscious, which is good news for practitioners. Often, it is seen that the knee-jerk reaction of managers, whenever they have to boost sales, is to drop prices. Nobody is benefited by this strategy as a price drop by one player forces others to follow suit and eventually, nobody gains. The study shows that customers are not price conscious, but value conscious, and hence, what managers should do is to communicate about the value of the product. Customers were found to be more sale prone for products like household fabric care and household cleaners and thus, some kind of sales promotion is a good tool to increase the brand sales of this product category. The age-old theory of higher price indicating higher quality still holds true. Hence, marketers need not compromise on price if they are sure of the quality of their product.

Limitations of the Study and Scope for Future Research

This study involved the four product categories of FMCGs, and the results will be hence applicable to these product categories only. Only married consumers with families were included in the study, and hence, the results will not be applicable to singles, widows, and widowers, and so forth. This study focused on the subjects' responses to the statements included in the questionnaire depicting various dimensions of the variables being considered in the study, and it may not be their actual behaviour while shopping for FMCGs in the retail stores.

The Indian retail industry is evolving fast, and the share of the organized retail is on the rise. Thus, the influence of organized retail format can be included in further studies. Only two forms of sales promotion – sale proneness and coupon proneness were included in this study. There are different ways of sales promotions being done by

marketers, which can also be included in further studies to get a more comprehensive picture of the influence of promotional strategies by companies.

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