

Influence of Consumer Buying Behaviour on GST among FMCG Organic Products in Namakkal District of Tamil Nadu

A.T. Jaganathan¹; M. Sakthivel²

¹Associate Professor in Business Administration, Vivekanandha Arts and Science College for Women, Veerachipalayam, Salem, Tamil Nadu, India.

²Ph.D Research Scholar (Full Time), Department of Management Studies, K.S. Rangasamy College of Arts and Science (Autonomous), Tiruchengode, Namakkal, Tamil Nadu, India.

Abstract

The study an attempt has been made on the influence of consumer buying behaviour on GST among FMCG organic products in Namakkal district of Tamil Nadu. The study has investigated the FMCG organic food products after GST. Data was collected from 240 respondents through a questionnaire. ANOVA was utilised to analyse the data in this study. Aside from examining influence levels, the study discovered a link between demographic characteristics and influence levels regarding FMCG organic food goods after GST. Gender, family income, education, and employment status differentiate consumers of FMCG organic food goods after GST, according to the study.

Key-words: GST, Organic, FMCG Product, Buying Behavior.

1. Introduction

Consumer Packaged Goods (CPG) is another term for fast moving consumer goods (FMCG). This category includes all consumable things that consumers buy on a regular basis. Shampoos, hair oils, bathing soaps, toothpaste, cosmetics, and other common natural organic items use ordinary consumable products. The subjective (individual) tastes of distinct bundles of products, as assessed by utility, are defined as consumer buying behaviour. They allow customers to rank these bundles of items according to the amount of utility they provide.

These are measured in terms of the consumer's level of pleasure after consuming various combinations or bundles of commodities after GST. The goal of the consumer is to select the package of goods that delivers the highest level of satisfaction, as defined by the consumer. Consumers, on the

other hand, are severely limited in their options. The consumer's income and the prices he or she pays for goods after GST define these limits. We will formally introduce the consumer choice model.

2. FMCG

Although customary and widely used, the term "fast-moving consumer goods" (FMCG) lacks a clear definition and is regularly used in India to refer to ordinary products. In general, though, the word refers to things that move quickly and are used directly by the consumer. As a result, there is a major disconnect between the term's widespread use and its conceptual meaning.

FMCGs are critical to the industry since they account for the majority of customer demand and, as a result, expenditure. This is true for every lone state on the planet. The retail and wholesale sectors of the market are the target sectors for FMCG. This is due to the fact that FMCG is always a necessary commodity for customers. As a result, the primary responsibility of FMCG in the market is to ensure that the supply of FMCG remains consistent.

3. Types of FMCG Product

Fast-moving consumer products, as defined above, are nondurable goods with a short lifespan that are consumed at a rapid or fast rate.

FMCGs are classified into various categories, including:

- Processed food: Cereals, Cheese products, and boxed pasta
- Prepared meal: Ready-to-eat meals
- Beverage: Energy drinks, Bottled water, and Juices
- Baked good: Croissants, Cookies, and bagels
- Fresh, and dry good: Fruits, frozen peas, vegetables, raisins and nuts
- Medicine: Aspirin, pain relievers, and other medication that can be purchased without a prescription
- Cleaning product: Baking soda, oven cleaner, and window and glass cleaner
- Cosmetic and Toiletries: Toothpaste, Hair care products, soap, and concealers
- Office supplies: Pencils, Pens, and markers

4. Statement of Problem

Many different types of personal care items, such as toothpaste and brushes, bath soap, shampoo, hair oil, and so on, are now available on the market, but consumers are unable to recognise and select a certain brand. As a result, all FMCG companies utilise a variety of ways to communicate product information to consumers, both internally and externally. Despite this, just a few of the sources persuade them to purchase the products in question. Meanwhile, the consumer's purchasing behaviour, which determines their standard of life, is influenced by their income and family size.

5. Importance of the Study

The Organic food products are chosen for the prevention of health of the human from illness and other health problems. The Organic food products increase the life span of consumers. They are produced without using chemicals, pesticides and non-organic substances. Consumers require more awareness about organic food products. The perception of the consumers towards the products will help them to make a decision as far as the purchase is concerned. The need of the research is to provide effective information regarding the organic food products to the consumers in Namakkal district by surveying the influence of consumer buying behavior of the diverse levels of people FMCG organic products after implementation of GST. This study helps to find out the awareness, attitude, knowledge, perception and buying behaviour of the consumers. Based on the understanding of the attitude and the influence of consumer buying behavior of the different levels of people FMCG organic products after implementation of GST, it will help the producer to meet the demand in the market.

6. Scope of the Study

The present study looks to finding insights on the relationship regarding the influence level, and consumers' behavior on FMCG organic products after GST in the Namakkal district.

- The study will be helps to understand the influence of consumer buying behavior of the diverse levels of people FMCG organic products after implementation of GST.
- The classification of various levels of people in various demographics.

- The study help analyze the influence customer buying behavior towards the diverse factors of FMCG organic products after GST.
- This study also helpful for the future studies.

7. Objectives of the Study

1. To identify the influence of consumer buying behavior in GST towards FMCG organic products.
2. To observe the factors influencing the consumers while buying the towards FMCG organic products.

8. Hypothesis of the Study

- There is no significant difference between Gender, and Influence level regarding FMCG organic food products after GST.
- There is no significant difference between Age, and Influence level regarding FMCG organic food products after GST.
- There is no significant difference between marital status, and Influence level regarding FMCG organic food products after GST.
- There is no significant difference between Educational Qualification, and Influence level regarding FMCG organic food products after GST.
- There is a significant difference between Occupation, and Influence levels regarding FMCG organic food products after GST.
- There is no significant difference between Income, and Influence levels regarding FMCG organic food products after GST.

9. Results and Discussion

Gender and Influence Level Regarding FMCG Organic Food Products after GST

Null Hypothesis (H0): There is no significant difference between Gender, and Influence level regarding FMCG organic food products after GST.

Alternative Hypothesis (H1): There is a significant difference between Gender, and Influence level regarding FMCG organic food products after GST.

Table 1 - Gender and Influence Level Regarding FMCG Organic Food Products after GST

Factors	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.874	1	3.874	7.558	.006
Within Groups	419.316	239	.513		
Total	423.190	240			

The table 1 indicated the result that, the significant value is (0.006) and it is lower than the significant value (0.05). So reject the null hypothesis, and accepts the alternative hypothesis. Hence, there is a significant difference between Gender, and Influence level regarding FMCG organic food products after GST. The influence level regarding FMCG organic food products varies concerning the gender of the respondents after GST.

Age and Influence Level Regarding FMCG Organic Food Products After GST

Null Hypothesis (H0): There is no significant difference between Age, and Influence level regarding FMCG organic food products after GST.

Alternative Hypothesis (H1): There is a significant difference between Age, and Influence level regarding FMCG organic food products after GST.

Table 2 - Age and Influence Level Regarding FMCG Organic Food Products after GST

Factors	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.498	3	.499	.966	.408
Within Groups	421.693	237	.517		
Total	423.190	240			

The above table 2 indicated the result that, the significant value is (0.408) and it is more than the significant value (0.05). So accept the null hypothesis, and reject the alternative hypothesis. Hence, there is no significant difference between age, and Influence level regarding FMCG organic food products after GST. The influence level regarding FMCG organic food products doesn't vary concerning the age of the respondents after GST.

Marital Status and Influence Level Regarding FMCG Organic Food Products After GST

Null Hypothesis (H0): There is no significant difference between marital status, and Influence level regarding FMCG organic food products after GST.

Alternative Hypothesis (H1): There is a significant difference between marital status, and Influence level regarding FMCG organic food products after GST.

Table 3 - Marital Status and Influence Level Regarding FMCG Organic Food Products after GST

Factors	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4.978	1	4.978	9.737	.002
Within Groups	418.212	239	.511		
Total	423.190	240			

The above table 3 indicated that, the significant value is (0.002) and it is lower than the significant value (0.05). So reject the null hypothesis, and accepts the alternative hypothesis. Hence, there is a significant difference between marital status and Influence level regarding FMCG organic food products after GST. Influence level regarding FMCG organic food products after GST varies concerning the marital status of the respondents after GST.

Educational Qualification and Influence Level Regarding FMCG Organic Food Products After GST

Null Hypothesis (H0): There is no significant difference between Educational Qualification, and Influence level regarding FMCG organic food products after GST

Alternative Hypothesis (H1): There is a significant difference between Educational Qualification, and Influence level regarding FMCG organic food products after GST.

Table 4 - Educational Qualification and Influence Level Regarding FMCG Organic Food Products after GST

Factors	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	79.885	5	15.977	37.882	.000
Within Groups	343.305	235	.422		
Total	423.190	240			

The above table indicated the result that, the significant value is (0.000) and it is lower than the significant value (0.05). So reject the null hypothesis, and accepts the alternative hypothesis. Hence, there is a significant difference between Educational Qualification, and Influence level regarding FMCG organic food products after GST. The Influence level regarding FMCG organic food products after GST varies concerning the Educational Qualification of the respondents after GST.

Occupation and Perception Level Regarding Organic Food Products

Null Hypothesis (H0): There is no significant difference between Occupation, and Influence levels regarding FMCG organic food products after GST

Alternative Hypothesis (H1): There is a significant difference between Occupation, and Influence levels regarding FMCG organic food products after GST

Table 5 - Occupation and Influence Level Regarding FMCG Organic Food Products after GST

Factors	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	42.718	5	8.544	18.279	.000
Within Groups	380.472	814	.467		
Total	423.190	819			

The table 5 indicated that, the significant value is (0.000) and it is lower than the significant value (0.05). So reject the null hypothesis, and accepts the alternative hypothesis. Hence, there is a significant difference between Occupation, and Influence levels regarding FMCG organic food products after GST. The Influence level regarding FMCG organic food products after GST varies concerning the Occupation of the respondents after GST.

Income and Influence Level Regarding FMCG Organic Food Products After GST

Null Hypothesis (H0): There is no significant difference between Income, and Influence levels regarding FMCG organic food products after GST.

Alternative Hypothesis (H1): There is a significant difference between Income, and Influence levels regarding FMCG organic food products after GST.

Table 6 - Income and Influence Level Regarding FMCG Organic Food Products after GST

Factors	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	74.098	3	24.699	57.735	.000
Within Groups	349.092	237	.428		
Total	423.190	240			

The above table 6 indicated the result that, the significant value is (0.000) and it is lower than the significant value (0.05). So reject the null hypothesis, and accepts the alternative hypothesis. Hence, there is a significant difference between Income, and Influence levels regarding FMCG

organic food products after GST. The Influence level regarding FMCG organic food products after GST varies concerning the Income of the respondents after GST.

10. Suggestion

Influence of consumer buying behaviour of FMCG organic food production to take purchase decision based on their perception (i.e.) the products are such as for the health, safety and environmental friendly. The seller of the FMCG organic food products have to find the need of the customers, and should satisfy or not after GST. So, sellers of the FMCG organic food products have to provide effective information to the customers about the benefits of products, quality and certification and protect them from health issues after GST. It is effectively observed that awareness of the FMCG organic food products has to be created by the seller to explore the benefits of consuming these products. Awareness of the products helps to create more customers and also to retain the existing customers after implementation of GST. Therefore, awareness of organic food products should be created by sellers which help to change the buying behaviour of the customers.

11. Conclusion

The influence of consumer buying behaviour of FMCG organic food products affects the success or the failure depends upon the customer after implementation of GST. In the overall conclusions of the study, GST plays a vital impact in the purchasing decision of FMCG organic food goods by the client. The study revealed that customer buying behaviour has a high influence on FMCG organic food products due to being healthy, safety and environment friendly after GST. In the study, it has been proved that there is a positive influence of awareness on marketing mix elements of FMCG organic food products. The factors that are affecting the customer observation of marketing mix elements of FMCG organic food products was knowledge and benefits, price, availability in markets and should promote the products after GST. Form this research the seller has to set a strong awareness and expected perceived values on organic food products to be satisfied in the mindset of the customers for the longer period.

References

Aaker, D.A. (1997). Building brands without mass media. *Harvard Business Review*, 75(1): 39-50.

- Bhaskaran, P.M. (2006). Environmentally sustainable food production and marketing. *British Food Journal*, 108(8): 677-690.
- Chen, M. (2009). Attitude toward organic foods among Taiwanese as related to health consciousness, environmental attitudes, and the mediating effects of a healthy lifestyle. *British Food Journal*, 111(2): 165-178.
- Deliana, Y. (2012) Market segmentation for organic products in Bandung West Java, Indonesia. *International Research Journal of Recent Sciences*, 1(3): 48-56.
- Fotopoulos, C., & Krystallis, A. (2002). Purchasing motives and profile of the Greek organic consumer: A countrywide survey. *British Food Journal*, 104(9): 730-765.
- Gupta, S., & Ogden, D.T. (2009) to buy or not to buy? A social dilemma perspective on green buying. *Journal of Consumer Marketing*, 26(6): 376-391.
- Jayashree, & Kotanal, R. (2017). Influence of GST on the fast moving consumer goods to study about Goods and Service Tax, *International Journal of Advanced Research and Development*, 2(6), 12-15.
- Lockie, S., Lyons, K., Lawrence, G., & Grice, J. (2004) Choosing organic: A path analysis of factors underlying the selection of organic food among Australian consumers. *Appetite*, 43: 135-146.
- Manimekalai, K., & Sivakumar, I. (2019). *Clean India for New India*, Chennai: MJP.
- Michaelidou, N. (2008). The role of health consciousness, food safety concern and ethical identity on attitudes and intentions towards organic food. *International Journal of Consumer Studies*, 32(2): 163-170.
- Neha Rani, & Sunil, (2016). An overview about the Impact of GST on various Sectors of Indian Economy, *International Journal of Business & Management Research*, 2(10), 76-80.
- Ramesh Kumar, K., Sivakumar, I., Saravanakumar, N., & Sathishkumar, R. (2020). Regional Disparities and Indian States: A Macro Level Study, *Journal of Critical Reviews*, 7(13), 87-92.
- Sivakumar, I, & Usha V.T. (2011). "Economic Empowerment of Fisherwomen in Puducherry Region", Embodiment of Empowerment: Self Help Group (Eds). Chennai: Vijay Nichole Imprints, 243-251.
- Sreeshma, A.S. & Aswamalika, M. (2018). A study on the Impact of GST on Branded Textile Products, *International Journal of Pure and applied Mathematics*, 119(10), 441-449.