

Effectiveness of Television Advertisements for Fast Moving Consumer Goods: A Study of Suburban Market

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Abstract- In our country create and communicate the product and services to consumers or customers easily. Nowadays advertisement plays major role in India. Advertisement is a one way communication and mass communication. This study is helps to find out the advertisement how effectively reach the customers or consumers. Fast moving consumer goods advertisement how it will impact the customer and change the people preferences. Advertisement how it will reach the customer correctly and it will attract the customer easily. Television advertisement creates attention, visual, knowledge of the customer. How fast moving consumer goods television advertisement is achieving effectiveness in suburban market.

INTRODUCTION

Advertising is a measure of growth of civilization and a sign of striving of human race for betterment and perfection. The drive for survival and satisfaction and the limits of human endeavor have been succinctly summed up by Maslow in his holistic dynamic theory which brings together various schools of thought on the subject. (Maslow 1954). The explicit function of advertising is to make the potential audience aware of the existing product, service or idea which would help them fulfill their felt needs and spell out the differential benefits in competitive situation. On advertising also lies the obligation of motivating prospects to strive for creation of resources for fulfilling new needs to aid reallocation of available resources. "Advertising is not merely directed at selling or for achieving the objective of gaining acceptance for a worthwhile idea or programme. It is also an instrument for developing basic motivations for creating resources for buying goods and services for generating favourable conditions for acceptance of an idea" (Mohan, 2002). "As needs escalate, the consumer perceptions of products and services also change. Buyers attitude towards products may be determined not only by

products manufactured in factories but also by what is added in form of packaging, services, advertising, customer advice, financing.

According to Richards and Curran (2002), "Advertising is looked upon as a major part of an overall promotional strategy by the marketers, while it is viewed as encompassing all forms of promotional communication by general public. Kotler (2006) defines advertising as "Advertising is any paid form of non-personal presentation of ideas, goods and services by an identified sponsor". Victor (1984) says, "Advertising is any paid message presented in media by a paid sponsor."

As a form of commercial mass communication, advertising is intended to promote the sale of a product or service, or a message on behalf of an institution, organization, or candidate for political office. Historically, advertising can be found in cultures that existed thousands of years ago, but advertising only became a major industry in the 20th century. Today, the industry employs hundreds of thousands of people and influences the behavior and buying habits of billions of people. Advertising spending worldwide now exceeds \$350 billion per year. Advertising is so commonplace in today's world that an average person may encounter from 500 to 1,000 advertisements in a single day, according to some estimates (Microsoft Encarta Online Encyclopedia, 2009).

NEED FOR THE STUDY:

There has been no valid measure of effectiveness of FMCGs advertisements in sub urban markets. Although a general view is gained on how important the advertisement is to the success of the company, yet no indication is obtained on its relative importance for FMCG sector in sub urban markets. The void stated above is important because many big players like HLL, P&G, Coca-Cola, LG etc. are

making fast moves and huge investments in tapping the sub urban markets.

OBJECTIVES OF THE STUDY:

- To study the extent of exposure and level of awareness of respondents towards advertising.
- To study the role of elements of promotion mix in influencing the rural consumers and to analyze the trustworthiness attached by rural consumers towards the elements of promotion mix.
- To study the strategies adopted by various selected FMCG organizations in Sub Urban Markets.
- To evaluate the role of television advertising and its effect on the lifestyles of rural consumers.

SCOPE OF THE STUDY

The study will add to the body of knowledge in management education as most of the extant understanding of management is based on American markets, as documented by American researchers, which do not have a great deal to do with realities of the Indian markets. The results of this exploratory study will provide pioneering insight into the study of FMCG advertising effectiveness in sub urban areas.

LIMITATIONS OF THE STUDY

- The Study is restricted to three month
- The study was conducted only advertisement. Hence, the results arrived from the study may or may not be applied to other company.

REVIEW OF LITERATURE

- Wilkies (1975), divided the whole choice process of buying the product into four stages i.e., problem recognition, information acquisition, alternative choice and actual purchase that brought the process to an end. According to Patti and Blasko (1981), the growing importance of advertising and its budgeting has become an inseparable part of modern commercialization and marketing scenario. The intense competition has increased advertising budget manifold and it is only the advertising that makes the marketing world go around.
- Agarwal and Singh (1985) reported that advertising is a driving force that enables

people to realize their thinking. It not only pleads but also invokes them to reason together for how shall they believe and hear without preacher. If advertising and sales promotion are blended into complete marketing programme and assigned local duties, it helps to lower the cost of sales and distribution and can also help to level out.

- Banerjee (1986). According to him, every economic system has a dialectical relationship with the political system, the social system and the cultural value system. She found that every economic system has three basic features in common. It determines the goods and services to be produced and their quantities; allocates resources of land, labour and capital according to the priorities of goods and services to be produced; and distributes goods and services among individuals and groups.
- It has been found that relatively more continuous or sustained advertising campaign is more suitable for consumer non-durables. The buying frequency is high and little decision making processing is involved and consumers do not actively seek product information. Instead they tend to use whatever information is handy to them (Beaty and Kahle, 1988).
- According to Zaltman and Moorman (1989), certain paradoxes like the attitudinal changes and preferences should be taken into consideration while evaluating advertising research. The authors also recommended that there should be an approach to adopt integrated marketing communication strategies along with the market advertising strategy by the firms.
- Mittal (1994), stated that people at large pronounce faint praise and harsh criticism towards TV commercials and categorically emphasized that TV advertising created many undesirable effects ranging from increased cost of goods to spreading materialization, promoting stereotype sex role of women and other unwholesome values and taking undue advantage of children.
- The rural India is breaking away from the shackles of the past. Rural India is now widening its aspiration horizon and is looking for goods and services which will provide them comfort and luxury (Nabi and Raut, 1995). The demand

for the host of consumer products like soaps, detergents, shoes, fabrics, toiletries, mopeds, refrigerators, packages and processed foods etc. are emerging out of rural areas which indicates the incremental purchasing power of the rural people and the aspiration for improving their living standard. This change offers a clear opportunity for sellers to market their products and services to first generation consumers of India. According to the authors, as the international sellers are entering the Indian market and homegrown marketers are resorting to strategic tie-ups, there is scramble for new markets. On account of its sheer size, Sub Urban Market is most likely to emerge as the hotbed for the marketers of products and services in the coming years.

- Rajendran (1995), found that brand awareness for consumer softs prevails among rural consumers. Since their purchasing power is low, they are able to buy only the products from the available outlets, and mostly a few local brands dominate in selected consumer softs. The use of shampoos that are sold in sachets are gaining momentum. The study also points out that the shopkeepers have only limited options in catering to the needs of the consumers. They cannot be expected to spend large amounts of money in procuring and storing variety of consumer softs as it would not fetch them the desirable amounts of profit for the risk they undertake. The study revealed that unlike urban consumers the shopping habits of rural consumers are irregular and scanty.

RESEARCH METHODOLOGY

RESEARCH DESIGN

Descriptive research seeks to certain magnitude by making complete the study of the topic. It is used in this project to find out the effective utilization of the companies working capital management.

Sample design

Sampling is a procedure to draw conclusion about the large group of respondents by studying a sample of the total working capital. Sample is the segment of the company finance manager.

Nature of the data

The data was collected from the primary data by collecting through the articles and secondary data.

PRIMARY DATA

The data is collected from through the questionnaire provided to the working capital management team and finance manager and get the respondents. It is collected from the interactions with analysts in the company during the live interaction to the team.

SECONDARY DATA

It is collected from the company websites, old records, magazines & textbooks. Some websites are:

DATA ANALYSIS

The collected data is sorted out and analyzed to prepare the final report. The tools and techniques used in the analysis are.

Tools for analysis

- Simple percentage Analysis
- Independent sample t-Test
- One Way ANOVA

DATA ANALYSIS AND INTERPRETATION

MODES OF ADVERTISING

S. No	Modes of Advertising	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Mode
1	Newspaper,	44	67	66	146	77	4
	Magazine	(11.0)	(16.8)	(16.5)	(36.5)	(19.2)	
	etc						
2.	Hoardings/						2
	Pamphlet	59	130	93	54	64	
	and Banners	(14.8)	(32.5)	(23.2)	(13.5)	(16.0)	
3.	Fairs/			140	58	67	3
	Melas	(10.8)	(23.0)	(35.0)	(14.5)	(16.8)	
4.	Audio	65	79	58	94	104	5
	Media	(16.2)	(19.8)	(14.5)	(23.5)	(26.0)	
5.	Television	186	25	18	23	148	1
		(46.5)	(6.2)	(4.5)	(5.8)	(37.0)	

INTERPRETATION

It can be concluded from the ratings above that television plays a pivotal role in the purchase behaviour. Hoardings and Banners are also a major source of information about the products in the rural

areas, which influences the purchase of Toiletries. Advertising done in Fairs and Melas has been ranked third best mode which persuades the rural respondents to buy a particular brand.

Hours Spent In Television Viewership

Sr. No.	Hours Spent in watching Television	No. of Respondents	Percent
1	Less than 2 Hrs	75	43.75
2	2-4 Hrs	30	29.75
3	More then 4 Hrs	29	26.50
	Total	134	100

INTERPRETATION

It can be inferred from the data above that the most of the respondents watch television for less than two hours only, which may be adjudged as the feature of the hardworking rural masses, wherein majority of the agricultural work is carried out manually, thus parting only a few hours for television viewership.

Association between Age Group and Time Spent in Television Viewership

Chi Square test has been applied to determine whether there is significant association between the age group of the respondents with regard to the time spent by the respondents in viewing the television. The null hypothesis has been stated as H0: There is no relation between the age group and time spent by the rural respondents in watching television at 5 percent level of significance. The tabulated chi square value at 5 percent level of significance for 6 degree of freedom is 4.477. This, when compared with calculated chi square values reveal the following results.

	Value	df	P- values
Pearson Chi-Square	4.477a)	6	0.612
Likelihood Ratio	4.51	6	0.608
Linear-by-Linear Association	1.327	1	0.249
N of Valid Cases	134		
(at 5% level of Significance)			

INTERPRETATION

The p- value of significance has been given along with the calculated chi square value. The p- value exceeds 0.05 and hence, the results are in acceptance of null hypothesis at 5% level of significance i.e. there is no relation between the age group and time spent by the rural respondents in watching television.

FINDINGS

- Nearly half of the households were found to own one television set only, which clearly depicts the undemanding nature of rural population.
- The reason for ownership of one television set can be attributed to low to medium levels of seasonal income in large number of rural households. Also, most of the television sets owned by the respondents were financed by the financing companies.
- A hypothesis was generated stating that there is no relation between the age group and time spent by the rural respondents in watching television at 5 percent level of significance.
- Chi Square test was applied to confirm the relationship, wherein the p- value of significance was computed along with the calculated chi square values. The p- value exceeded 0.05 and hence indicated the acceptance of null hypothesis at 5% level of significance.
- Chi Square test was also applied to determine the significant alliance between the occupations of the respondents with regard to the time spent by the respondents in viewing the television.
- The null hypothesis stated that there was no relation between the various occupations and time spent by the rural respondents in watching television at 5 percent level of significance.
- The p- value of significance exceeded 0.05 and hence, the results were in acceptance of null hypothesis at 5% level of significance
- The respondents were found to view several channels at a time which, may be because of short commercial breaks between the programmes.
- It has been observed that usually in a telecast of 30 minutes period, there are two commercial breaks of 5 minutes duration each
- In order to find out the factors influencing the perception of rural consumer for television advertising, the factor analytic technique has been applied.
- Factor analysis reveals that three factors had Eigen values exceeding 1 and they accounted for as high as 57.364 percent variance.
- The strongest factor which influenced the perception of rural consumer has been “Rationale of TV advertisements” with Eigen

value of 4.236 and contributes 35.300 percent of total variance.

SUGGESTIONS

- The pricing strategy for market will depend upon the scope for reducing the price of the product to suit the rural incomes and at the same time not compromising with the utility and sturdiness of the product.
- A close observation of use of toiletries in the sub urban households indicates the importance of redesigning or modifying the products.
- The manufacturing and marketing men can think in terms of new product designs specially meant for sub urban areas keeping their lifestyles in view.
- Durability of a product either in terms of weight or appearance is an important fact for consumers.
- People in sub urban areas like bright flashy colours such as red, blue, green etc., and feel that products with such colours are sturdy but they are more concerned with the utility of the item also.
- The sub urban consumers are more concerned with the utility of the products. The brand name awareness in the rural areas is found to be is fairly high.
- The technique of application of value engineering can also be tried by the FMCG players to evolve cheaper products by substituting the costly raw material with the cheaper one,
- These areas have to be explored by manufacturing and marketing men in the context of Sub Urban Markets.
- The major findings of the study have revealed that television is a powerful medium of communication in the sub urban areas.
- For disseminating the information, related to agricultural and other rural industries products, the government and the marketers should advertise it on television.

CONCLUSION

It can thus be concluded that today, the only constant thing in an evolving market is the change in consumer dynamics. The Indian markets are

categorised into urban and Sub Urban Markets and each of these markets have its own characteristics and potential. Today, Sub Urban Markets are the focus of Indian marketers for various reasons that include the current and future potential of the market. The size of the market covers two- thirds of country's population and half of the national income comes from rural population. The Indian Sub Urban Market with its vast size and demand base offers a huge opportunity that Multinational Companies cannot afford to ignore. Expanding the market by tapping the countryside, many Multinational Companies are entering into India's Sub Urban Markets. Among those that have made some advances are Hindustan Lever, Coca-Cola, LG Electronics, Britannia, Standard Life, Philips, Colgate Palmolive and the foreign-invested telecom companies.

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