FACTORS AFFECTING CONSUMER BEHAVIOUR TOWARDS THE CONSUMPTION OF FOREIGN FMCG PRODUCTS

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ABSTRACT

Purpose: Understanding how consumers feel about buying Fast-Moving Consumer Goods (FMCG) from other countries is an important topic for researchers around the world. The goal of this investigation is to identify the elements determining consumer preferences.

Methodology: This study uses analysis of variance (ANOVA) to determine the relevance of the factors determining customers’ preferences towards foreign FMCG items. In order to investigate the effects of several variables, including cultural considerations (F1), cost considerations (F2), societal consequences (F3), goods specifications (F4), self-related characteristics (F5) and emotional determinants (F6), the study employs information gathered from a sample of 250 customers. This study determines which variables possess the biggest effects on consumer behaviour by using ANOVA. The relative significance of these factors in influencing customer preferences can be determined through a systematic examination of the variation in these components and their corresponding stages, made possible by ANOVA.

Findings: It was discovered that although F2 had no discernible impact on the decision to buy, factors such F1, F3, F4, F5 and F6 had a beneficial effect on consumer behaviour. The most important variable affecting how FMCG product consumers behaved was factor F1.

Keywords: FMCG, Consumer Preferences, Consumers, ANOVA, Foreign FMCG, Consumer Behavior.

RESUMO

Objetivo: Entender como os consumidores se sentem em relação à compra de produtos de consumo rápido (FMCG) de outros países é um tópico importante para pesquisadores de todo o mundo. O objetivo desta pesquisa é identificar os elementos que determinam as preferências dos consumidores.

Metodologia: Este estudo usa a análise de variância (ANOVA) para determinar a relevância dos fatores que determinam as preferências dos clientes em relação a itens de FMCG estrangeiros. Para investigar os efeitos de diversas variáveis, inclusive considerações culturais (F1), considerações de custo (F2), consequências sociais (F3), especificações de produtos (F4), características autorrelacionadas (F5) e determinantes emocionais (F6), o estudo emprega informações coletadas de uma amostra de 250 clientes. Este estudo determina quais variáveis possuem os maiores efeitos sobre o comportamento do consumidor usando ANOVA. A importância relativa desses fatores na influência das preferências dos clientes pode ser determinada por meio de um exame sistemático da variação desses componentes e de seus estágios correspondentes, possibilitado pela ANOVA.

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Conclusões: Descobriu-se que, embora o F2 não tenha tido nenhum impacto perceptível sobre a decisão de compra, fatores como F1, F3, F4, F5 e F6 tiveram um efeito benéfico sobre o comportamento do consumidor. A variável mais importante que afetou o comportamento dos consumidores de produtos de FMCG foi o fator F1.

Palavras-chave: FMCG, Preferências do Consumidor, Consumidores, ANOVA, FMCG Estrangeiro, Comportamento do Consumidor.

FACTORES QUE AFECTAN AL COMPORTAMIENTO DE LOS CONSUMIDORES FRENTE AL CONSUMO DE PRODUCTOS DE GRAN CONSUMO EXTRANJEROS

RESUMEN

Objetivo: Comprender qué opinan los consumidores sobre la compra de bienes de consumo inmediato (FMCG) procedentes de otros países es un tema importante para los investigadores de todo el mundo. El objetivo de esta investigación es identificar los elementos que determinan las preferencias de los consumidores.

Metodología: Este estudio utiliza el análisis de la varianza (ANOVA) para determinar la relevancia de los factores que determinan las preferencias de los clientes hacia los artículos de gran consumo extranjeros. Para investigar los efectos de diversas variables, entre ellas las consideraciones culturales (F1), las consideraciones de coste (F2), las consecuencias sociales (F3), las especificaciones de los productos (F4), las características relacionadas con uno mismo (F5) y los determinantes emocionales (F6), el estudio emplea información recabada de una muestra de 250 clientes. Este estudio determina qué variables poseen los mayores efectos sobre el comportamiento de los consumidores mediante el uso de ANOVA. La importancia relativa de estos factores a la hora de influir en las preferencias de los clientes puede determinarse mediante un examen sistemático de la variación de estos componentes y sus etapas correspondientes, posible gracias al ANOVA.

Resultados: Se descubrió que, aunque F2 no tenía un impacto perceptible en la decisión de compra, factores como F1, F3, F4, F5 y F6 tenían un efecto beneficioso en el comportamiento del consumidor. La variable que más influyó en el comportamiento de los consumidores de productos de gran consumo fue el factor F1.

Palabras clave: FMCG, Preferencias del Consumidor, Consumidores, ANOVA, FMCG Extranjero, Comportamiento del Consumidor.

1 INTRODUCTION

The increasing globalization of markets and the integration of economies caused a substantial rise in the acquisition of foreign fast-moving consumer goods FMCG [1]. Food, drinks, home goods and health care products are a few examples of the many common things that come under the category of FMCG due to their short life spans and high demand [2]. Customers throughout the world are becoming increasingly attracted to foreign FMCG items as trade barriers keep decreasing. These products' distinctive formulas, inventive packaging and variety of tastes appeal to customers' changing lifestyle choices [3]. This trend is driven by things like more travel, exposure to international media and the growth of e-commerce, which makes a wide range of foreign companies more easily accessible [4].
Consumer choices are changing as people are searching for foreign FMCG items that suit their shifting interests and preferences that acquire an increasingly global viewpoint [5]. In addition to changing customer behaviour, this phenomenon offers companies possibilities and problems as they manage the intricacies of a multinational economy.

Consumer behaviour is an effect of complex relationships between wide ranges of variables that influence people's purchase choices [6]. Understanding these elements is essential for companies and marketers because they affect the customer’s experience, evaluate that select goods as well as services. Cultural influences which include values, beliefs and customs are crucial in determining the choices of consumers [7]. People's decisions are influenced by social elements, including family, socioeconomic status and group membership, because people follow social standards or demand acknowledgment from others.

Consumer behaviour is influenced by individual characteristics such as age, career as well as lifestyle, since various groups have unique demands and preferences [8]. Psychological elements, such as learning, motivation and understanding, provide information about the mental processes that support decision-making. Situational elements that influence customer decisions include the surrounding environment and time constraints [9]. Businesses can adapt their marketing tactics to connect with their intended demographic while creating experiences and goods that resonate with customers on an individual level by having a thorough understanding of these complex factors [10]. This research used analysis of variance (ANOVA) to assess the significance of the variables that influence consumers' inclinations towards foreign FMCG. The goal of this inquiry is to ascertain the factors that influence customer choices.

2 RELATED WORKS

Study [11] determined and investigated the key elements influencing customer attitudes and, in turn, their actions with regard to buying durable electronic items. The study used a cross-sectional research strategy to achieve its purpose. The convenience sampling method was used for choosing a sample of 514 respondents in total from eight cities in Uttar Pradesh. The research made a contribution by highlighting important factors that influence consumers' decisions to buy durable electronic items.

Study [12] provided a concise description of environmental concerns and examined consumer sustainable principles, environmental information, green behaviours and environmentally friendly products. The study involved 702 responders. Consumers exhibited a high degree of familiarity with eco-marketing strategies and goods. The participants exhibited
strong environmental principles. The need of developing marketing communication strategies to promote environmentally friendly products was emphasized.

Study [13] investigated the customer sales promotion affects customers' purchase decisions as selling consumer items in Tema, Ghana. Considering an emphasis on free samples, prizes and competitions, the use of price breaks, additional packs and coupons as forms of sales promotions to influence customers' buying behaviour must be enhanced. The results of the investigation demonstrated a significant correlation between customer sales promotion and the buying behaviour of customers.

Research [14] described the effect of price reductions on the procedure of purchasing Isfahan things immediately. The sample size was 384 individuals and the analysis depends on an infinite population. The research confirmed that price promotions have an influence on mediating the relationship between creativity in services and customers' impulsive buying decisions in Hyper Star City.

Study [15] examined the reasons behind consumers' decisions to acquire travel-related items through mobile devices and these reasons affect their propensity for impulsive purchases. They conducted a survey using questionnaires. Furthermore, fuzzy-set qualitative comparative analysis (fsQCA) offered a thorough examination of the variables that could influence impulsive purchases. The findings indicated that accessibility and ease of use have an impact on perceived significance.

Study [16] provided a thorough explanation of the variables influencing consumers' choice of endorsements from celebrities and that choice was affected by their decision to invest. Data was collected using a non-probabilistic convenience sampling approach on 450 respondents that were picked from the State of Punjab. An endorser that was a celebrity had to project a constant attitude and brand for the firm to influence consumers' purchase choices.

Study [17] investigated the effects of gaming on the perceptions and intentions of internet shoppers to buy fast-moving consumer goods (FMCG). It had been shown that attitudes and purchasing intentions were not influenced by perceived utility or convenience of use. It had been discovered that attitudes were favourably influenced by perceived utility, perceived social impact and perceived pleasure. It had been shown that perceived utility was favourably influenced by perceived trust along with perceived simplicity of use, while reported pleasure had no effect on perceived usefulness.

Study [18] investigated the customer attitudes toward environmentally friendly items contribute to the identification of a specific group of environmentally conscious consumers and the development of various combinations of characteristics that enhance the green consumer
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profile. After using discriminant analysis to confirm the cluster analysis results, discrepancies between the segments of green and non-green customers were examined.

Study [19] presented the evolution of contemporary trade methods with a focus on their nation's rapidly growing consumer products industry. Although the industry's growth was predicted to be positive, business owners had to identify innovative ways to strengthen their position in the market or consolidate their position. With its practical nature, the document was beneficial to customers and the corporate world.

Research [20] recognized that customer views and decision-making toward eco-friendly items were influenced by social and demographic factors. The research had 500 responders in total. According to the survey, demographic and socioeconomic variables have a big influence on the amount of "green" items consumers purchase. It investigated that "green" and "non-green" customers vary in their perspectives on social and demographic factors.

Research [21] focused on the rise of social cross-platform buying behaviour in India and examines the influence of perceived risk, perceived value, trust, and marked negative reporting on consumer behaviour. The study found that consumer' perceptions of perceived risk and perceived value significantly impact their likelihood of using social e-commerce platforms. Risk refers to the level of uncertainty or potential harm associated with a purchase, while perceived value refers to the benefits or worth a consumer perceives from a product or service.

Research [22] Found that today’s Digitally driven world, businesses are transitioning from brick business to click businesses. Virtual Reality (VR) has attracted a lot of attention and is now quickly emerging as a disruptive marketing tool in various sectors.

3 THEORETICAL FRAMEWORK: FACTORS AFFECTING CONSUMER BEHAVIOUR TOWARDS FOREIGN FMCG FOOD PRODUCTS;

3.1 CULTURAL CONSIDERATIONS

The consumption of foreign FMCG items is shaped by cultural elements, which include both overarching culture and sub-cultures, hence influencing consumer behaviour. Cultural complexity, including values, beliefs and traditions have significant influence on consumer choices for FMCG. The attitudes of various communities towards foreign goods could differ, which can influence their inclination to embrace or reject such things. The presence of sub-cultures inside a broader society plays a role in shaping this phenomenon, since they possess distinct consumption habits and perspectives. Moreover, consumer behaviour is impacted by
economic position, as people with different levels of wealth exhibit different buying power, cost-effectiveness and desires.

3.2 SOCIETAL CONSEQUENCES

The socioeconomic implications of consumer behaviour towards the use of foreign FMCG items are extensive and they are influenced by several variables. When it comes to obtaining validation and guidance for consuming decisions, people turn to their close social networks along with wider groups as a frame of reference. The adoption of foreign FMCG has the potential to modify society norms and tastes, facilitating a cross-cultural interchange that extends beyond national boundaries. The significance of family dynamics is significant, since expenditure patterns in homes could be affected by age inequalities and differing degrees of familiarity with worldwide items. This phenomenon has the potential to cause alterations in family customs and dietary inclinations, hence influencing the transmission of cultural values throughout successive generations. Moreover, those who have significant influence, such as celebrities, journalists and opinion leaders, possess substantial authority in shaping consumer decisions.

3.3 SELF RELATED CHARACTERISTICS

The consumption of foreign FMCG items is dependent on the effect of several self-related criteria, including age, career, lifestyle and character traits, which shape consumer behaviour. The purpose of age has significant importance, since various age groups demonstrate identifiable choices and views towards foreign items. Individuals in professional occupations, characterized by different income levels and demanding work schedules, could place a high value on ease and efficiency in making decisions on the products they choose to purchase. The adoption of certain ways of life, such as environmentally conscious or environmentally friendly living, could impact individuals' preferences for particular foreign FMCG items that are in line with those values. Furthermore, consumers can be motivated to discover and adopt foreign items due to their particular character qualities, such as that is open to new ideas or having a curiosity about other cultures.
3.4 EMOTIONAL DETERMINANTS

The consumption of foreign FMCG items is subjected to strong effect from emotional variables, including inspiration, instruction and judgment, that impact consumer behaviour. The function of inspiration is of great significance since customers desire things that stimulate favourable feelings, represent ideal lifestyles or establish cultural connections. The popularity of international FMCG products can derive from the inspiration obtained from their distinct advertisement, packaging, or marketing tactics. Instructional components, such as product details and user manuals, influence customer behaviour by offering intelligibility and promoting confidence. Consumers have a higher propensity to choose foreign FMCG when they believe these items to possess clear explanations and user-friendly attributes. Customer’s choices are influenced by evaluated elements such as social confirmation, reviews and perceptions of quality.

3.5 GOODS SPECIFICATIONS

The efficacy of FMCG is dependent upon a confluence of factors, including brand recognition, packaging design and product attributes that align with the preferences of the intended customer demographic. It is impossible to emphasize the importance of a respected brand since people connect trust and excellence with popular organizations. The packaging design plays a crucial part as it serves as the initial point of contact and shapes consumers’ purchasing choices. A product's unique features can be communicated and successfully with the help of an interesting and educational package design. Several product features, such as innovation, dependability and cultural affinity, have a big impact on consumer behaviour. Foreign FMCG products' better quality, introduction of unique characteristics and compatibility with local tastes have an impact on consumer involvement.

3.6 COST CONSIDERATION

The costs of imported FMCG products have a significant influence on shaping consumer behaviour. When assessing the overall cost of these products, consumers consider a variety of variables, including rates of exchange, customs charges and delivery costs. A significant factor affecting purchasing choices is the evaluation of perceived worth for income in relation to neighbouring alternatives. Additionally, the way in which customers perceive affordability is
influenced by the use of clear costing procedures, the offering of incentives and the establishment of reasonable prices. The influence of economic circumstances and individual financial circumstances is significant as consumers assess the advantages of foreign FMCG items in relation to their associated costs.

4 METHODOLOGY

The used methodology was a comprehensive research approach that focused on explaining the causal connection between the variables under investigation. The samples were chosen in a random manner from consumers among a big population, taking into consideration the constraints of limited time and expense. Random sampling, known as convenience sampling, is a non-probability sampling strategy that relies on unexpected encounters between investigators and potential participants. In this method, individuals who manage to come into contact with investigators are selected as the sample. A total of 250 customers were randomly chosen for inclusion in this research. The participants in the study are frequent customers of such retail establishments. The main data was collected by the distribution of questionnaires to the customers. A Likert scale was used to gather the data inside a closed-ended question format. The Likert scale consisted of five response options, ranging from "strongly disagree" (coded as 1) to "strongly agree" (coded as 5).

Figure 1

Factors affecting Consumer Behaviour

![Diagram](source: Primary Data collected by the researcher.)
The cultural considerations (F1) included in this study are culture, sub-culture and economic status. The societal consequences (F2) include groups of reference, family members and influential individuals as factors. The self related characteristics (F3) included in this study are age, profession, life style and character. The emotional determinants (F4) included in this study are inspiration, instruction and judgment. The factors of goods specification (F5) include brand, package design and characteristics. The independent factors in this study are cost consideration (F6) of the product and the number of pieces. The dependent variables (G) are the data available for search, assessment and behaviour related to the buying choices. This study employed a multiple regression analysis to predict the impact of various independent variables (F) that includes cultural considerations (F1), societal consequences (F2), self related characteristics (F3), emotional determinants (F4), goods specifications (F5) and cost consideration (F6) on the dependent variable (G), including the purchasing decision of FMCG.

\[ G = a_1 F1 + a_2 F2 + a_3 F3 + a_4 F4 + a_5 F5 + a_6 F6 \]  

5 RESULTS AND DISCUSSION

The regression model used in this investigation failed to show any evidence of multicollinearity and normality assumptions were assessed prior to performing the multiple regression analysis. The remaining data possessed a normal distribution. In this particular regression analysis, the obtained F value of 0.000 is considered as significant. The presence of a significant F-value in the ANOVA table indicates that every combination of factors has a significant impact on predicting the dependent variable. Table 1 shows the summary table of regression model.

Table 1

<table>
<thead>
<tr>
<th>Model</th>
<th>R-square</th>
<th>Adjusted R-square</th>
<th>Multiple R</th>
<th>The estimations' standard error</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.843</td>
<td>0.826</td>
<td>0.852</td>
<td>0.323</td>
</tr>
</tbody>
</table>

Source: Primary data collected from Consumer. To analysis buying foreign Branded food product.

According to the data shown in Table 1, the multiple R-value is determined to be 0.852. The modified R Square metric quantifies the degree of dependency between variables. The modified R-squared value is 0.826, which is multiplied by 100. This implies that 83.6% of the
variability in the variables which are dependent can be explained by the independent factors. Therefore, it can be determined that the variables included in this study, namely cultural considerations (F1), societal consequences (F2), self related characteristics (F3), emotional determinants (F4), good specifications (F5) and cost consideration (F6), together have the ability to predict 82.6% of the variance in purchase choices of FMCG. Regression coefficients are shown in table 2.

Table 2

Regression Coefficients

<table>
<thead>
<tr>
<th>Variables</th>
<th>Intercept</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Factor 3</th>
<th>Factor 4</th>
<th>Factor 5</th>
<th>Factor 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Error</td>
<td>0.193</td>
<td>0.037</td>
<td>0.043</td>
<td>0.036</td>
<td>0.043</td>
<td>0.037</td>
<td>0.053</td>
</tr>
<tr>
<td>Coefficients</td>
<td>0.244</td>
<td>0.523</td>
<td>0.114</td>
<td>0.085</td>
<td>0.157</td>
<td>0.042</td>
<td>-0.074</td>
</tr>
<tr>
<td>P-Value</td>
<td>0.192</td>
<td>0.000*</td>
<td>0.024*</td>
<td>0.141</td>
<td>0.001*</td>
<td>0.206</td>
<td>0.213</td>
</tr>
<tr>
<td>t-stat</td>
<td>0.192</td>
<td>7.324</td>
<td>2.456</td>
<td>1.671</td>
<td>3.405</td>
<td>1.789</td>
<td>-2.007</td>
</tr>
</tbody>
</table>

Source: Primary data collected from Consumer. To analysis buying foreign Braned food product.

The main objective of the regression analysis conducted in this research is to construct an equation that can be used to assess the influence of predictors on the dependent variable.

The particular regression equation is represented by the following mathematical form:

Buying decisions = \( a_1 \) cultural considerations + \( a_2 \) societal consequences + \( a_3 \) self related characteristics + \( a_4 \) emotional determinants + \( a_5 \) good specifications + \( a_6 \) cost consideration + error

Where \( a_1, a_2, a_3, a_4, a_5 \) and \( a_6 \) are coefficients corresponding to their respective parameters.

The positive coefficients associated with the five factors indicate a direct correlation between these variables and buying decisions.

The presence of a negative coefficient value for the cost parameters suggests that an increase in price has an adverse effect on the buying decisions of FMCG.

6 CONCLUSION

It was crucial to conduct a study in the field of FMCG product imports from other countries. The relevance of the variables affecting customer choices for foreign FMCG products was ascertained in this research through the use of ANOVA as a method of analysis. This research attempted to identify the factors that influence customers' choices. To investigate the effects of many components, including cultural considerations (F1), cost considerations (F2),
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societal consequences (F3), goods specifications (F4), self-related characteristics (F5) and emotional determinants (F6), the research used data gathered from a sample of 250 customers. In this research, ANOVA was used to identify the factors that affected customer behaviour. The study's findings showed that although F2 had no discernible influence on purchasing decisions, variables like F1, F3, F4, F5 and F6 had a positive influence on customer behaviour. It was demonstrated that factor F1 was the most important variable in determining the customers responded toward FMCG products. An instance of knowledge about consumer behaviour with relation to foreign FMCG products was the ability to minimize cultural elements, disregard individual differences and disregards the dynamic nature of inclinations. Future studies can look at how consumers make decisions about shifting global trends, digital influences and environmental concerns. This would provide insightful information for developing innovative marketing campaigns and innovative products.

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