

A STUDY ON CONSUMER PERCEPTION TOWARDS IMPACT OF E-COMMERCE WITH REFERENCE TO FMCG

Submitted in partial fulfilment of the requirement for the reward of

Bachelor of Commerce

By

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(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
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SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY
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BONAFIDE CERTIFICATE

This is to certify that this Project report is the bonafide work of ROHIT R (39740194) who has done the project work entitled **"A Study on Consumer perception Towards impact of E-commerce with reference to FMCG"** under my supervision from December to February 2022.

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ABSTRACT

This study emphasized that consumers have more importance to the quality of fast-moving consumer goods and E-commerce purchasing behaviors of customers on selected brands. This study identifies the level of influence of various factors on the purchase of FMCG products to the respondents to this study. The branding of FMCG had becomes an integral part of the live hood of consumers. Consumers are literally confronted with hundreds of brands on a daily basis. This was carried out by identifying the main variables of branding, quality and also 4P's (pricing, packing, promotion and purity) The study revealed that the consumers that consumer purchase depend on branding and the quality of the products and all other variables have a least impact.

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CHAPTER – 1

INTRODUCTION

1.1 E – COMMERCE: -

E-commerce means using the Internet and the web for business transactions and/or commercial transactions, which typically involve the exchange of value (e.g., money) across organizational or individual boundaries in return for products and services. Here we focus on digitally enabled commercial transactions among organizations and individuals.

E-business applications turn into e-commerce precisely, when an exchange of value occurs. Digitally enabled transactions include all transactions mediated by digital technology and platform; that is, transactions that occur over the Internet and the web.

Hence, e-tailing is a subset of e-commerce, which encapsulates all “commerce” conducted via the Internet. It refers to that part of e-commerce that entails the sale of product merchandise and does not include sale of services, namely railway tickets, airlines tickets and job portals.

The term electronic commerce or e-commerce refers to any sort of business transaction that involves the transfer of information through the internet. By definition it covers a variety of business activities which use internet as a platform for either information exchange or monetary transaction or both at times.

For example, the numbers of consumer brand retail sites like Amazon(dot)com and Flipkart(dot)com which normally provides information about products and also allows monetary transactions to happen over the internet.

INDUSTRY PROFILE

1.2 E – COMMERCE: -

An E-commerce is a commerce or business where all transactions are done online. It keeps the same concept of conducting and creating a business by selling or offering services, commercial goods, information, and more without having to establish a physical business but instead doing online sales.

Even though e-commerce is mainly addressed to the trading of goods or services, the concept has expanded to include a wide range of economic activities. The online business can be established as business-to-business b2b, business to consumer b2c or consumer to consumer c2c. In most e-commerce a back-office system is developed for the business allowing the online store to manage and organize online offers, pricing, add or remove product references, handle client's orders, customer service etc.

After the arrival of the Internet and the world wide web, the concept of E-commerce began to be used as a way to share and update information between businesses and suppliers, particularly on international transactions. Slowly, big online business began to arise with marketplaces of retail sales such as E-bay or Amazon. Nowadays, e-commerce solutions are easily accessible on our mobiles or home devices creating a wide market of services and goods for customers.

Fast Moving Consumer Goods (FMCG) Industry in India: -

The Fast-Moving Consumer Goods (FMCG) Industry in India include segments like cosmetics, toiletries, glassware, batteries, bulbs, pharmaceuticals, packaged food products, white goods, house care products, plastic goods, consumer non-durables, etc. The FMCG market is highly concentrated in the urban areas as the rise in the income of the middle-income group is one of the major factors for the growth of the Indian FMCG market.

The penetration in the rural areas in India is not high as yet and the opportunity of growth in these areas is huge by means of enhanced penetration in to the rural market and conducting awareness programs in these areas. The scopes for the growth of the FMCG industry are high as the per capita consumption of the FMCG products in India is low in comparison to the other developed countries. The manufacturing of the FMCG goods is concentrated in the western and southern belt of the country. There are other pockets of FMCG manufacturing hubs.

Fast Moving Consumer Goods (FMCG) Industry in India – Major Players

- Britannia India Ltd
- Dabur India Ltd.
- Coca-cola

FMCG



MARKET SIZE

Indian FMCG Market



Note: F - Forecast

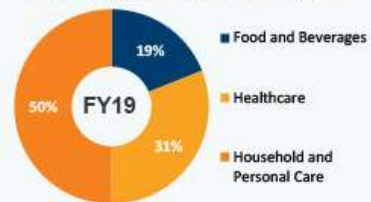


SECTOR COMPOSITION

Urban – Rural Industry Break-up

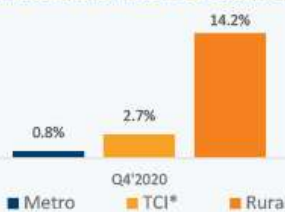


Segment Wise Break-up of Revenue



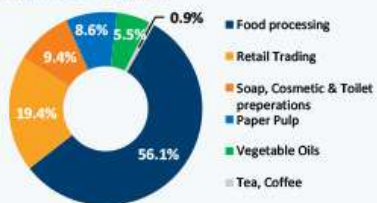
KEY TRENDS

Rural areas drive FMCG in Q4 2020 (% Growth)



Note: *TCI – Town class one or tier 1 markets

Cumulative FDI Inflow Share – from April 2000 to June 2021 (US\$ million)



GOVERNMENT INITIATIVES



PLI scheme for the food processing industry



SETU scheme



FDI in organised retail



ADVANTAGE INDIA

- **Robust demand:** The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20. Rural India is witnessing increased demand for quality goods and services driven by upgraded distribution channels of FMCG companies. Rising digital connectivity in cities and rural areas is driving the demand for FMCG (through e-commerce portals).
- **Attractive Opportunities:** Disposable income in rural India has increased because of the direct cash transfer scheme. Exports is another growing segment. E-commerce segment is forecast to contribute 11% to the overall FMCG sales by 2030.
- **Policy support:** Investment approval of up to 100% foreign equity in single brand retail and 51% in multi-brand retail. The minimum capitalisation for foreign FMCG companies to invest in India is US\$ 100 million.
- **Higher Investment:** In October 2021, Procter & Gamble announced an investment of Rs. 500 crore (US\$ 66.8 million) in rural India.

E-COMMERCE IN INDIA

E-commerce has transformed the way business is done in India. The Indian E-commerce market is expected to grow to US\$ 111.40 billion by 2025 from US\$ 46.2 billion as of 2020. By 2030, it is expected to reach US\$ 350 billion.

By 2021, total e-commerce sales are expected to reach US\$ 67-84 billion from the US\$ 52.57 billion recorded in 2020.

India's e-commerce market is expected to reach US\$ 111 billion by 2024 and US\$ 200 billion by 2026.

Much of the growth for the industry has been triggered by an increase in internet and smartphone penetration. As of July 2021, the number of internet connections in India significantly increased to 784.59 million, driven by the 'Digital India' programme. Out of the total internet connections, ~61% connections were in urban areas, of which 97% connections were wireless.

Market Size: -

The Indian online grocery market is estimated to reach US\$ 18.2 billion in 2024 from US \$1.9 billion in 2019, expanding at a CAGR of 57%. India's e-commerce orders volume increased by 36% in the last quarter of 2020, with the personal care, beauty and wellness (PCB&W) segment being the largest beneficiary. India's consumer digital economy is expected to become a US\$ 800 billion market by 2030, growing from US\$ 537.5 billion in 2020, driven by strong adoption of online services such as e-commerce and edtech in the country.

According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025.

With a turnover of \$50 billion in 2020, India became the eighth-largest market for e-commerce, trailing France and a position ahead of Canada.

According to NASSCOM, despite COVID-19 challenges/disruptions, India's e-commerce market continues to grow at 5%, with expected sales of US\$ 56.6 billion in 2021.

Propelled by rising smartphone penetration, launch of 4G network and increasing consumer wealth, the Indian E-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion in 2017.

Online retail sales in India is expected to grow 31% to touch US\$ 32.70 billion in 2018, led by Flipkart, Amazon India and Paytm Mall.

After China and the US, India had the third-largest online shopper base of 140 million in 2020.

Indian consumers are increasingly adopting 5G smartphones even before roll out of the next-gen mobile broadband technology in the country. Smartphone shipments reached 150 million units and 5G smartphone shipments crossed 4 million in 2020, driven by high consumer demand post-lockdown. According to a report published by IAMAI and Kantar Research, India internet users are expected to reach 900 million by 2025 from ~622 million internet users in 2020, increasing at a CAGR of 45% until 2025.

In October 2021, the e-commerce sales reached US\$ 4.6 billion, supported by the festival season in India.

Kinds of E-commerce:

1. **The Business to Consumer(B2C):** In this kind of e-commerce, the business sells their products to the customers or consumers through online web portals, where you search for your desired product, scroll them, add them to the cart and then buy it through online fund transaction method like with the use of credit/debit card or net banking. The best example of this is Amazon, Flipkart.
2. **The Consumer to Business(C2B):** The process of selling and purchase of items or products through consumers to the business via the internet, for example, the paid survey regarding any product of any company.

3. **The Business to Business(B2B):** The buying and selling of goods or products over the internet between the two businesses or company. The best example for this is the company which provides hosting services to the websites of other companies, like, GO Daddy, which sells the domain and other hosting services to the other companies.
4. **The Consumer to Consumer(C2C):** When over the internet you sell a product which you need no longer to the needy one it is Consumer to Consumer e-Commerce. The perfect example of this is OLX, a wide platform where you click your good which you need no longer and give an ad of it where the buyer can contact you directly through the contact details provided by you on the website.

Growth of E-commerce in India currently and in upcoming 5 years: -

India has seen the wonderful growth in the e-commerce field in recent years with an internet user of about 300 million. India has seen the marvelous rise in e-retail, electronic goods, fashion, home appliances and so much, it has given many opportunities to the young generation and made them number one entrepreneur providing so many jobs.

In future or in upcoming 5 years it is possible that the purchasing and selling of stuff would be on the social media platform. Maybe the delivery system will become more intelligent with the use of quad-copter or drones. With the use of artificial intelligence, your all the queries would listen and answer by the robots more accurately and efficiently.

Regulation

Foreign e-commerce is subject to regulations in India; under local law, foreign companies are to serve solely as marketplaces between vendors and their customers, and are forbidden from holding inventory in the country.

Under new regulations effective 1 February 2019, foreign companies will be forbidden from selling any products from vendors that they control or have equity stakes in, and it is forbidden to enter into exclusivity deals between vendors and websites.

This regulation is seen as a counter to Amazon and Walmart's influence on the market, which have given smaller traders a disadvantage in the market

FMCG

What Are Fast-Moving Consumer Goods (FMCG)?

Fast-moving consumer goods are products that sell quickly at relatively low cost. These goods are also called consumer packaged goods.

FMCGs have a short shelf life because of high consumer demand (e.g., soft drinks and confections) or because they are perishable (e.g., meat, dairy products, and baked goods). These goods are purchased frequently, are consumed rapidly, are priced low, and are sold in large quantities. They also have a high turnover when they're on the shelf at the store.

Introduction

Fast-moving consumer goods (FMCG) sector is India's fourth-largest sector with household and personal care accounting for 50% of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector.

The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural

India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

Market Size

The retail market in India is estimated to reach US\$ 1.1 trillion by 2020 from US\$ 840 billion in 2017, with modern trade expected to grow at 20-25% per annum, which is likely to boost revenue of FMCG companies. The FMCG market in India is expected to increase at a CAGR of 14.9% to reach US\$ 220 billion by 2025, from US\$ 110 billion in 2020. According to Nielsen, the Indian FMCG industry grew 9.4% in the January-March quarter of 2021, supported by consumption-led growth and value expansion from higher product prices, particularly for staples.

The rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters. Final consumption expenditure increased at a CAGR of 5.2% during 2015-20. According to Fitch Solutions, real household spending is projected to increase 9.1% YoY in 2021, after contracting >9.3% in 2020 due to economic impact of the pandemic. The FMCG sector's revenue growth will double from 5-6% in FY21 to 10-12% in FY22, according to CRISIL Ratings.

Price increases across product categories will offset the impact of rising raw material prices, along with volume growth and resurgence in demand for discretionary items, are driving growth. The FMCG sector grew by 36.9% in the April-June quarter of 2021 despite lockdowns in various parts of the country.

Number of households shopping on modern-trade channel grew 29.15% YoY in the September quarter and shopping volume on the channel went up by 19.2% YoY.

In September 2021, rural consumption of FMCG increased 58.2% YoY; this is 2x more than the urban consumption (27.7%).

The domestic FMCG market increased 36.9% YoY in April-June 2021.

In the third quarter of FY20 in rural India, FMCG witnessed a double-digit growth recovery of 10.6% due to various government initiatives (such as packaged staples

and hygiene categories); high agricultural produce, reverse migration, and a lower unemployment rate. Rise in rural consumption will drive the FMCG market. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.

FMCG giants such as Johnson & Johnson, Himalaya, Hindustan Unilever, ITC, Lakmé and other companies (that have dominated the Indian market for decades) are now competing with D2C-focused start-ups such as Mama earth, The Moms Co., Bey Bee, Azah, Nua and Pee Safe. Market giants such as Revlon and Lotus took ~20 years to reach the Rs. 100 crore (US\$ 13.4 million) revenue mark, while new-age D2C brands such as Mama earth and Sugar took four and eight years, respectively, to achieve that milestone.

Companies with dedicated websites recorded an 88% YoY rise in consumer demand in 2020. Since then, more businesses have begun to adopt the D2C model, and India is now home to >800 D2C brands looking at a US\$ 101 billion opportunity by 2025.

E-commerce companies reported sales worth US\$ 9.2 billion across platforms in October and November (2021), driven by increased shopping during the festive season. With festive season sales, Flipkart Group emerged as the leader with a 62% market share.

Advertising volumes on television recorded healthy growth in the July-September quarter, registering 461 million seconds of advertising, which is the highest in 2021.

FMCG continued to maintain its leadership position with 29% growth in ad volumes against the same period in 2019. Even the e-commerce sector showed a healthy 26% jump over 2020.

Examples of Fast-Moving Consumer Goods: -

Fast-Moving consumer goods includes packaged foods, toiletries, beverages, stationery, over-the-counter medicines, cleaning and laundry products, plastic goods, personal care products, as well as less expensive consumer electronics, such as mobile phones and headphones.

Some fast-moving consumer goods are highly perishable, such as meat, dairy products, baked goods, fruits, and vegetables. Sales of FMCG are usually affected by discounts offered by the stores, and holidays and other seasonal periods.

World's Largest FMCG Companies

The FMCG industry is composed of some of the most well-known brands worldwide; that's why it is often a great career opportunity to work with such companies. As of 2017, here are the 10 biggest and most popular brand names, worldwide:

JBS – \$49.6 billion

Coca-Cola – \$35.4 billion

RURAL AND URBAN TRENDS

The FMCG industry in India is divided into the demographics of rural and urban India. The urban market contributes 60% of the consumption revenue of the FMCG market in India. In 2017, this sector recorded a market size of \$ 29.4 bn. While urban areas have spearheaded the growth of the FMCG industry in India, semi-urban and rural segments are growing at a rate that cannot be ignored. Semi-urban and rural segments contribute over 40% of the overall revenues of the FMCG sector in India.

FMCG companies in India have witnessed higher growth in rural areas compared to urban ones. And with 12.2% of the world's population living in the villages of India, the Indian rural FMCG market cannot be ignored by investors. Dabur, one of the top FMCG companies in India, generates over 45% of its domestic revenue

through the sale of packaged consumer goods in rural India. Hindustan Unilever, another name that has consistently dominated the list of top FMCG companies in India, earns over 35% of its revenue from rural areas.

Rural India accounts for more than 40% of consumption in major FMCG categories such as personal care, fabric care, and hot beverages. In urban areas, home and personal care category- including skin care, household care, and feminine hygiene- will continue to grow at attractive rates. Within the foods segment, it is estimated that processed foods, bakery, and dairy are long-term growth categories in both rural and urban areas.

INVESTMENTS IN FMCG INDUSTRY IN INDIA: -

Favourable demand drivers such as rising income levels and growing urbanisation, among others, have recently encouraged major and diverse investments in the FMCG sector. While top FMCG companies are expanding their capacity to feed the growing domestic demand, homegrown brands have ventured into international markets. Some of these include:

1. Patanjali- Their success has encouraged the brand to look at the international stage, with plans to set up a 100% export-oriented manufacturing unit in Milan SEZ, Nagpur.
2. RP-Sanjiv Goenka Group- They have created a venture capital fund of \$ 14.74 m to invest in FMCG start up. This move was made taking into account the capital appreciation in the FMCG sector.

The high growth rate of the FMCG industry in India goes beyond growth drivers such as income growth and urbanisation. The consumption habits of India's new age consumers have resulted in an attitudinal shift in the market.

The India of 2030 will have 370 m generation Z consumers, with changed priorities when it comes to purchasing goods. The new Indian consumer is

characterised by high awareness, an affinity for health and nutrition and high expendable income. This has led to the emergence of new FMCG sub-sectors, such as the air and water purifier market and organic food staples.

These trends will further lead the development of the FMCG industry profile. Foxconn-powered SHARP has released a range of innovative air purifiers cum humidifiers, targeted specifically at the Indian market. With the growth of the traditional FMCG sector- and the emergence of sub-sectors that were non-existent until a few years ago- the future of this industry looks good for investors.

1.3 OBJECTIVES OF STUDY: -

PRIMARY OBJECTIVE.

The objective of the study was to determine the problem faced by the whole seller and the consumers after the Impact of E-commerce in India.

SECONDARY OBJECTIVE:

- To study about the factors the factor influencing the customer buying FMCG product through E-commerce business.
- To know the consumer's knowledge on E-commerce in today's world.
- To find the buying behaviour of the customer on FMCG product.
- To find the reason how E-commerce influence's the customer buying behaviour.
- And to know that How E-commerce dominance the FMCG related market.

1.4 NEED OF THE STUDY.

- There are several issues in e-commerce business and consumer preference in market.
- The data acquired from the questionnaire is imperative to our studies at the same time it don't give a full onset of the people and is obtained from a close but approximate reliable sample.
- The study is focused on the problems faced by the consumer. Therefore, the result of this study not necessarily generalizes the impact of E-commerce how that affect the FMCG related business.

1.5 SCOPE OF THE STUDY.

- To find the valid reason for the customers why are they using the E-commerce instead of wholesale and retails.
- To dig up the truth that thus really E-commerce business is hindrance in consumer buying behaviour.
- Finally to bring up with the real facts and the solution for the related complication topics.

CHAPTER – 2

REVIEW OF LITERATURE

2.1 REVIEW OF LITERATURE

In 1998, Committee on Trade and Development of World Trade Organization (WTO) defines E-commerce as “the production, distribution, marketing and sale or delivery of goods and services by electronic means”. Similarly, in a survey conducted by Organization for Economic Cooperation and Development (OECD, 1999) on 200 companies of different sizes, most companies agree that E-commerce is about business activities, both communications and transactions, conducted electronically that including not only ordering, invoicing and payment but also marketing, advertising and communications. Therefore, the understanding of E-commerce is quite dynamic and manifold.

Electronic commerce (E-commerce) has been a popular topic in the literature since the Internet began to be commonly used for commercial purposes in the 1990s. It could be regarded as the key achievement of applying information communication technology (ICT) in economy (Rosen, 2000).

Ohidujja man et.al [4] clearly discussed that E-commerce is a revolution & turning point in online business practices and can make a huge contribution to the economy and Hasan et.al [5] also indicated that currently, e-commerce organizations have increasingly become a fundamental component of business strategy and a strong catalyst for economic development.

A huge amount of research works has been done on e-Commerce which is basically on online shopping. A large group of researchers has found out and also pointed out the necessity and possibilities of Online Shopping. On the other hand, limitation of ecommerce is found and at the same time, they provided essential suggestion and came to a prediction to make Online Shopping more useful for the consumers. But

the contribution of traditional marketing is also inescapable but compare to online shopping it is less effective we think. So on this basis, Mehrdad Salehi et.al [17]

Rama Venkatachalam and Arwah Madan (2012) in their have highlighted on level of prices, quality of fresh groceries & availability of exotic fruits and vegetables, display & cleanliness and hygiene, home delivery & credit facility provided by both the organized and unorganized retailer. Change in customer preference has been noticed while shopping fresh grocery from unorganized or organized retailers. The author has also mentioned that organized retailing is doing the right things to sustain, survive and grow.

M. Hameedunissa (2013) in his paper consumer psychology towards supermarkets has focused how people's thoughts, beliefs and perception influence consumer behavior. The role of consumers psychology has been discussed in this paper that how it affects a consumer towards buying from any outlet.

Karthikeyan Sundarraj (2011) has done a study of apparel consumers on wide range of their choices on apparel buying. Social responsibility and green fashion has also taken into consideration while studying.

R. Sathya and Dr. S. Sheela Rani (2012) have done their research on private labels (retailer's own brand). Grocery and food retailers are able to popularize their private labels brands, which have attracted consumers and have created keen interest in making purchase decision of these brands. Private label brand is emerging due to the growth of organized retailers.

Gupta and Tandon have highlighted the preference of consumer towards unorganized and organized business. In relationship study of researcher majority of the customer of all age prefer on weekly and monthly basis but the younger generation have started prefers organized whole seller. So, it can be taken from the paper that age has a significant role towards business preference.

According to PWC report (2012) the driving forces for Indian retail industry are, higher incomes driving the purchase of essential and non-essential products, evolving consumption patterns of Indian customers, new technology and lifestyle trends creating replacement demand increase in rural income as well as urbanization ,increase in easy access to credit and consumer awareness ,growth of modern trade format across urban, tier i, tier ii and tier iii cities and towns and rapid urbanization and growing trend towards nuclear families.

The wholesale and retail distribution models are similar to a buyer to buyer (B2B) and buyer to customer(B2C) business model. B2B focuses on selling to critical decisionmakers in the industry who deliver the product to the customer, while the B2C model focuses on ensuring the products reach the final consumers. Marketing strategies in both models are similar but focus on different elements in formulating the plan. To better understand the differences in the two distribution model marketing strategies, the present study examines the various critical aspects in developing marketing strategies between the two models.

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2.2 LITERATURE

WHAT IS E-COMMERCE?

E-commerce is the process of buying and selling tangible products and services online. It involves more than one party along with the exchange of data or currency to process a transaction. It is part of the greater industry that is known as electronic business (ebusiness), which involves all of the processes required to run a company online.

Ecommerce has helped businesses (especially those with a narrow reach like small businesses) gain access to and establish a wider market presence by providing cheaper and more efficient distribution channels for their products or services. Target (TGT) supplemented its brick-and-mortar presence with an online store that allows customers to purchase everything from clothes and coffeemakers to toothpaste and action figures right from their homes.

ADVANTAGES OF E-COMMERCE: -

1. Faster buying process –

Customers can spend less time shopping for what they want. They can easily browse through many items at a time and buy what they like. When online, customers can find items that are available in physical stores far away from them or not found in their locality.

2. Store and product listing creation

A product listing is what the customer sees when they search for an item. This is one advantage in ecommerce meant for the seller. This online business plus point is that you can personalise your product listing after creating them. The best part? Creating a listing takes very little time, all you require is your product name or codes like EAN, UPC, ISBN or ASIN. Sellers can add many images, a description, product category, price, shipping fee and delivery date. So, in just one step you can tell the customer many things about the item. Creating your listing shows the buyers what you have.

3. Cost reduction

One of the biggest advantages of ecommerce to business that keep sellers interested in online selling is cost reduction. Many sellers have to pay lots to maintain their physical store. They may need to pay extra up fronts costs like rent, repairs, store design, inventory etc. In many cases, even after investing in services, stock, maintenance and workforce, sellers don't receive desired profits and ROI.

4. Affordable advertising and marketing

Sellers don't have to spend a lot of money to promote their items. The world of ecommerce has several affordable, quick ways to market online. Ecommerce marketplaces are visual channels – and sellers can really show off their product. For example, Amazon sellers can use Advertising tools to add videos, infographics, good quality resolution images.

5. Flexibility for customers

An important advantage of ecommerce to business is that sellers can provide flexibility to customers. One highlight is that the product and services are ready 24x7. The result is that seller can offer his item any place, any time.

6. Product and price comparison

In ecommerce, sellers can compare the products using tools or on their own. This gives them a good idea of product alternatives available, the standard rates, if a product need is unfulfilled.

7. No reach limitations

A seller with a physical store may only be able to reach a certain number of buyers. They can deliver to the customers' homes but there can be distance limitations. Several e-commerce marketplaces have their own logistics and delivery system.

8. Faster response to buyer/market demands

Every interaction is faster when you begin selling online. Ecommerce marketplaces offer you a streamlined logistics or delivery system. What this means is that the buyers order gets delivered efficiently. Product returns management is one more plus point that can be handled quickly – you either refund the payments or give a replacement.

Speedily actions can even be applied when responding to market demands. Think of this ecommerce example - when a buyer sees that an item is out of stock, he can click on the 'Notify Me' option. This informs him when that item is available for sale again. It also informs sellers that they need to restock that item so they can get more buyers.

9. Several payment modes

Buyers like personalisation – the same goes for paying for their orders. Ecommerce marketplaces permit multiple payment modes that include UPI, cash on delivery, card on delivery, net banking, EMIs on credit or debit card and pay-later credit facility. Cart recovery – This is one huge benefit of ecommerce. Sometimes a buyer reaches the checkout page but doesn't complete the purchase. Here, you can notify customers via phone messages, email to finish buying. There is a catch – Customers can only use one type of payment mode per order. This choice is affected by the order value, ease of payment or availability of cash or card. In some cases, payment modes can be merged with a dedicated wallet amount.

What this means for sellers is that they no longer have to lose a potential sale opportunity due to lack of available payment modes.

DISADVANTAGES OF E-COMMERCE: -

1. Security

Online portals have been in the news a lot because of hacks by cybercriminals and hackers. It is a very serious issue as your account might be hacked because of negligence and wiped out clean of the existing cash.

This is a harsh reality of e-commerce sites and a website cannot give this assurance that the financial information cannot be compromised on its portal. The website owner needs to take important steps to change its password so as to stop any data breaches.

2. Late delivery

Late delivery is one of the common disadvantages of e-commerce platforms. While ordering a product the customer is assured that it will reach him in maximum seven days or a particular time period. In most cases that does not happen and you are kept waiting for it.

Ultimately when the information reaches you that the product will be delivered on this day the portal is not specific about the timings. There are several instances when a person who is going to collect the parcel had to wait for hours for the delivery.

His whole day is wasted and he could not go outside as per his original schedule. Such a situation makes the customer angry as he feels unnecessarily harassed.

3. Lack of privacy

Lack of privacy is a serious disadvantage of e-commerce. A customer has to provide his personal details before making a purchase like address, name, and phone number and so on.

Some sites do not have advanced encrypted technology that can protect your personal details from hackers and it is a cause of grave concern. This sensitive information if is leaked can create lots of problems for a consumer.

Some sites collect the sensitive details illegally and this is why people are afraid to use e-commerce portals as they have to give personal details which can be misused.

4. Shipping problems

E-commerce stores run successfully because it can ship its products from anywhere to everywhere with ease. It has a strong network that helps it in its endeavor. In a physical store, a buyer chooses a product, purchases it and leaves the store with the item.

This is not so on an online store where the customer has to choose and buy and then wait for the product to arrive at his doorstep within the stipulated time frame. Shipping is an integral part of commerce and if you do not have appropriate infrastructure then it can cause serious issues and become a disadvantage of e-commerce.

5. High labour cost

High labour cost is a serious disadvantage of the e-commerce platform. You need to hire technically sound, trained and qualified workforce for your website who are talented and capable of handling them in an efficient manner. You need to shed a large chunk of money to hire and retain a talented pool of workers that will prove an immense help in handling all transactions.

WHAT IS FMCG (Fast -Moving Consumer Goods)?

Fast-moving consumer goods (FMCG), also known as **consumer-packaged goods (CPG)**, are products that are sold quickly and at a relatively low cost. Examples include non-durable household goods such as packaged foods, beverages, toiletries, candies, cosmetics, over-the-counter drugs, dry goods, and other consumables.

Fast moving consumer goods have a high inventory turnover and are contrasted with specialty items which have lower sales and higher carrying charges. Many retailers carry only FMCGs particularly hypermarkets, big box stores and warehouse club stores. Small convenience stores also stock fast moving goods; the limited shelf space is filled with higher turnover items.

Characteristics: -

The following are the main characteristics of FMCGs:^[1]

- **From the consumer perspective**
 - Frequent purchases
 - Low engagement (little or no effort to choose the item)
 - Low prices
 - Short shelf life
 - Rapid consumption
- **From the marketer perspective**
 - High volumes
 - Low contribution margins
 - Extensive distribution
 - High inventory turnover

Understanding Fast-Moving Consumer Goods (FMCG): -

Consumer goods are products purchased for consumption by the average consumer. They are divided into three different categories: durable goods, nondurable goods, and services. Durable goods have a shelf life of three years or more while nondurable goods have a shelf life of less than one year. Fast-moving consumer goods are the largest segment of consumer goods. They fall into the nondurable category, as they are consumed immediately and have a short shelf life.

Nearly everyone in the world uses fast-moving consumer goods (FMCG) every day. They are the small-scale consumer purchases we make at the produce stand, grocery store, supermarket, and warehouse outlet. Examples include milk, gum, fruit and vegetables, toilet paper, soda, beer, and over-the-counter drugs like aspirin.

FMCGs account for more than half of all consumer spending, but they tend to be low-involvement purchases. Consumers are more likely to show off a durable good such as a new car or beautifully designed smartphone than a new energy drink they picked up for \$2.50 at the convenience store.

Types of Fast-Moving Consumer Goods

As mentioned above, fast-moving consumer goods are nondurable goods, or goods that have a short lifespan, and are consumed at a fast pace.

FMCGs can be divided into several different categories, including:

- **Processed foods:** Cheese products, cereals, and boxed pasta
- **Prepared meals:** Ready-to-eat meals
- **Beverages:** Bottled water, energy drinks, and juices
- **Baked goods:** Cookies, croissants, and bagels
- **Fresh foods, frozen foods, and dry goods:** Fruits, vegetables, frozen peas and carrots, and raisins and nuts
- **Medicines:** Aspirin, pain relievers, and other medication that can be purchased without a prescription
- **Cleaning products:** Baking soda, oven cleaner, and window and glass cleaner
- **Cosmetics and toiletries:** Hair care products, concealers, toothpaste, and soap
- **Office supplies:** Pens, pencils, and markers.

Fast-Moving Consumer Goods and Ecommerce: -

Shoppers across the globe increasingly purchase things they need online because it offers certain conveniences—from delivering orders right to the door to broad selection and low prices—that brick-and-mortar stores can't.

According to a 2018 report by Nielsen, the most popular goods for online purchase are related to travel, entertainment, or durable goods, such as fashion and electronics. However, the online market for groceries and other consumable products is growing, as companies redefine the efficiency of delivery logistics and shorten their delivery times. While non-consumable categories may continue to lead consumable products in sheer volume, gains in logistics efficiency have increased the use of ecommerce channels for acquiring FMCGs.

KEYS TAKEAWAY: -

- Fast-moving consumer goods (FMCG) are non-durable by nature. They have a huge demand and are affordable by mostly everyone.
- The FMCG examples include processed foods, beverages, cosmetics, toiletries, health products, consumer electronics, etc.
- Less durability, high demand, and low price are some FMCG traits that enable them to be sold off quickly from the shelves of the stores. Sometimes, they are also called consumer packaged goods or CPG, as many are packaged goods.
- Proper planning, innovation, localization, diversification, and investment are some reasons behind many FMCG brands' success. Some popular FMCG brands are Nestle, Coca Cola, P&G. The distribution channel is an important aspect of product delivery.

CHAPTER - 3

Research Methodology

3.2 METHODOLOGY:

Research methods are the techniques and tools by which you research a subject or a topic. Research methodology involves the learning of various techniques to conduct research and acquiring knowledge to perform tests, experiments, surveys, and critical analysis.

Research methodology simply refers to the practical “how” of any given piece of research. It’s about how a researcher systematically designs a study to ensure valid and reliable results that address the research aims and objectives.

3.3 RESEARCH DESIGN:

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

3.4 SAMPLING TECHNIQUE:

Sample design is the theoretical basis and the practice mean by generalizing from characteristics of relatively few of the comprising population. It is the method by which the sample is chosen.

3.5 SAMPLING SIZE

The sample size for the project had a target of 100 participants. The fixed target of the sampling size has been achieved as the total number of respondents for the survey questionnaire was 100. The total of 100 responses helped the project to analyse more response and it helped to derived a conclusion recording people’s perception towards a study of satisfaction of public how they consider it.

3.6 SOURCES OF DATA:

Sources of Data begins with figuring out what sort of data is needed, followed by the collection of a sample from a certain section of the population. Next, you have to utilize a certain tool to gather the data from the chosen sample. The two types of sources of data are:

1. Primary data:

The Primary data for this study was collected through questionnaire.

2. Secondary data:

Secondary data was collected from external sources like Websites, Journals etc.

3.7 HYPOTHESIS / ANALYTICAL TOOLS:

CHI-SQUARE TEST:

A chi-square statistic is one way to show a relationship between two categorical variables. In statistics, there are two types of variables: numerical (countable) variables and non-numerical (categorical) variables.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

The following consist of the data analysis and interpretation of my questionnaire:

PERCENTAGE ANALYSIS:

TABLE NO 4.1

Age wise classification of the respondents

Age	No. of respondents	Percentage
18 - 25	88	88%
25 – 40	12	12%
Total	100	100%

Interpretation:

From the above table interpreted that 88% respondents are 18 – 25 age and 12% respondents are 26 – 40 ages. Majority of 88% respondents are between 18 – 25% age groups.

Chart representing Age wise classification of the respondents.

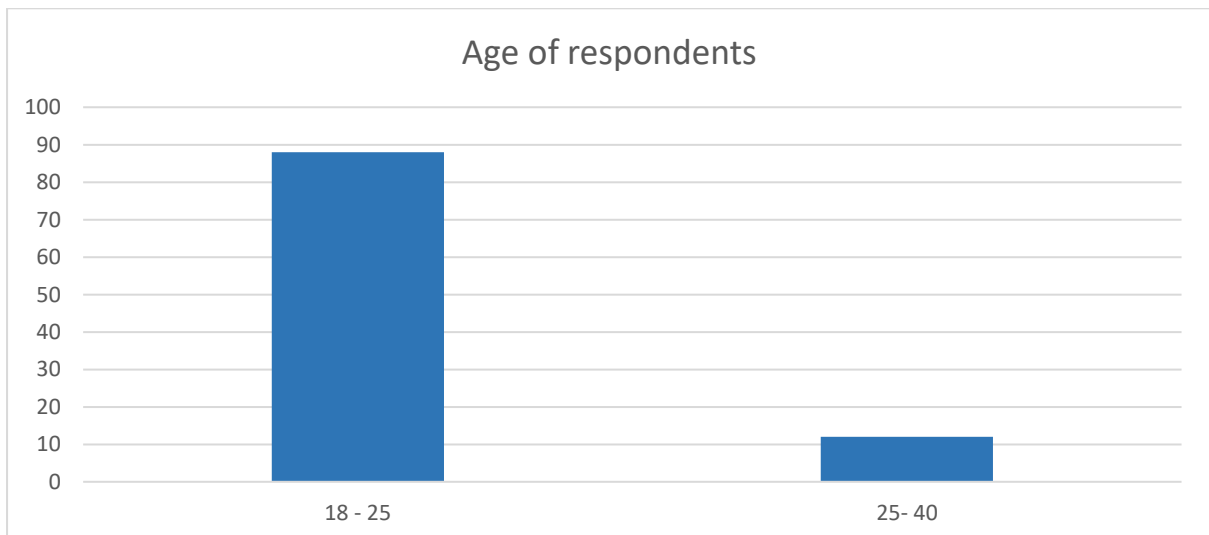


Fig 4.1 Age of respondents

Table no 4.2:

Gender wise classification of respondents.

Gender	No. of respondents	Percentage
Male	60	60%
Female	40	40%
Others	0	0
Total	100	100%

Interpretation:

From the above table interpreted that 60% respondents are Male and 40% respondents are Female. Majority of 60% respondents are Male.

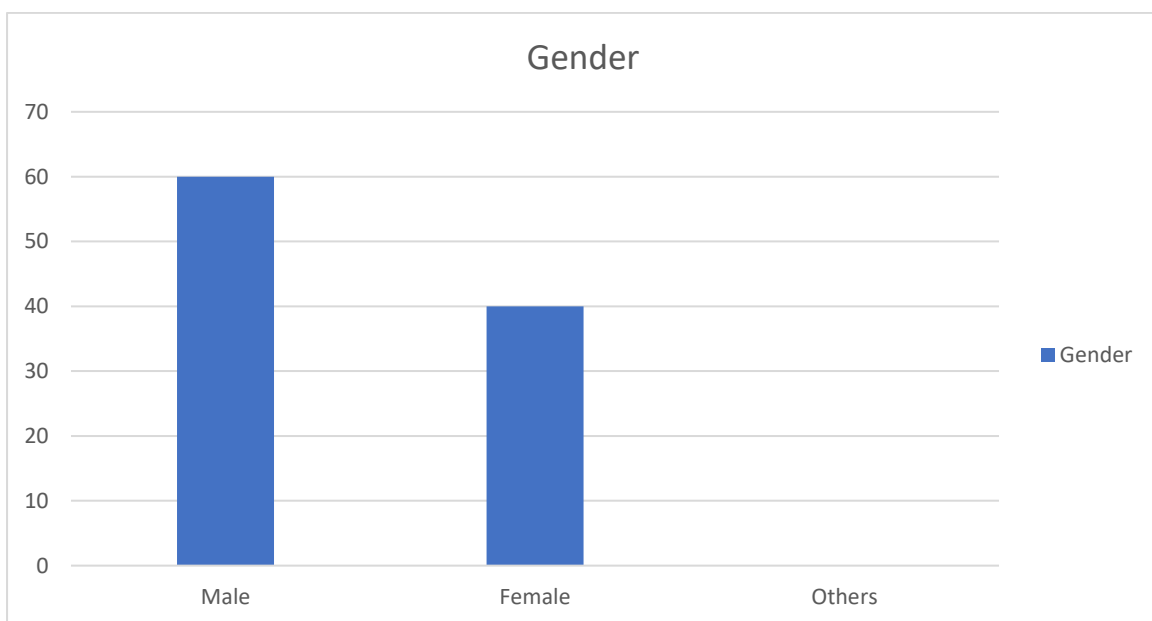


Fig 4.2 gender of the respondents.

Table 4.3

Education qualification of the respondents.

Options	No. of respondents	Percentages
School level	4	4%
UG/ Diploma	82	82%
PG	12	12%
Professional	2	2%
Total	100	100%

Interpretation:

From the above table interpreted that 4% respondents are school level, 82% respondents are UG/ diploma, 12% respondents are qualified PG, 2% respondents are professional. Majority of 82% respondents are Qualified UG/ Diploma.

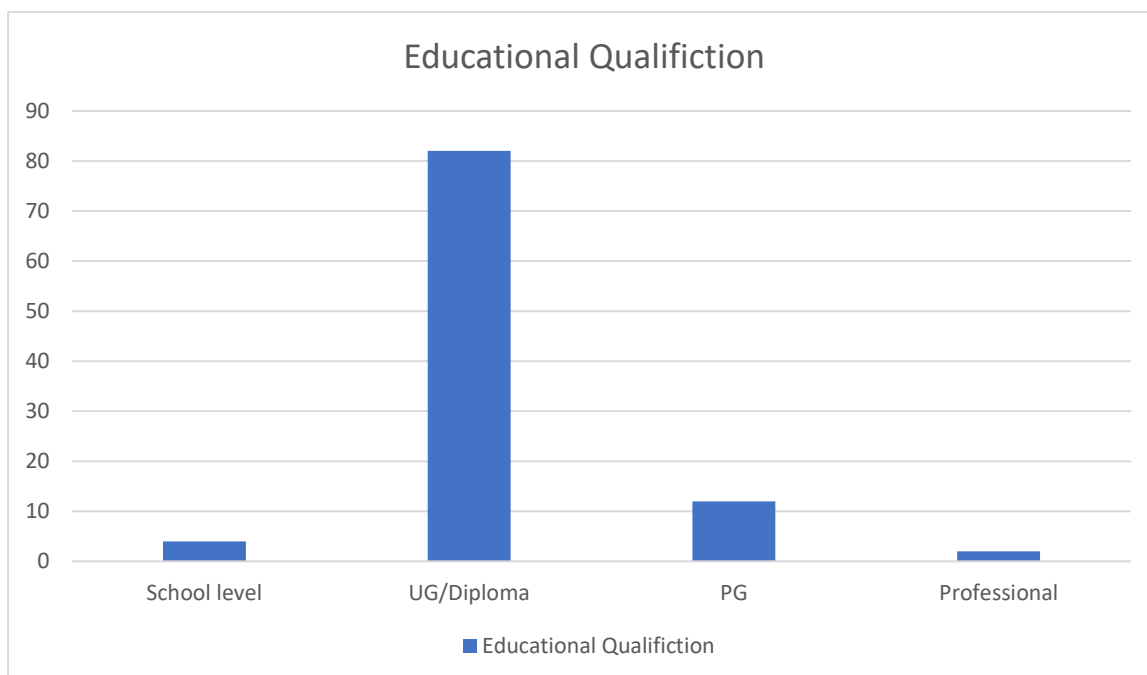


Fig no 4.3

Table 4.4

Occupational status of Respondents:

Options	No. of respondents	Percentages
Students	82	82%
Home maker	0	0
Employed	16	16%
Business	2	2%
Total	100	100%

Interpretation:

From the above table interpreted that 82% respondents are students, 16% respondents are Employed, 2% respondents are doing business. Majority of 88% respondents are between 18 – 25% age groups.

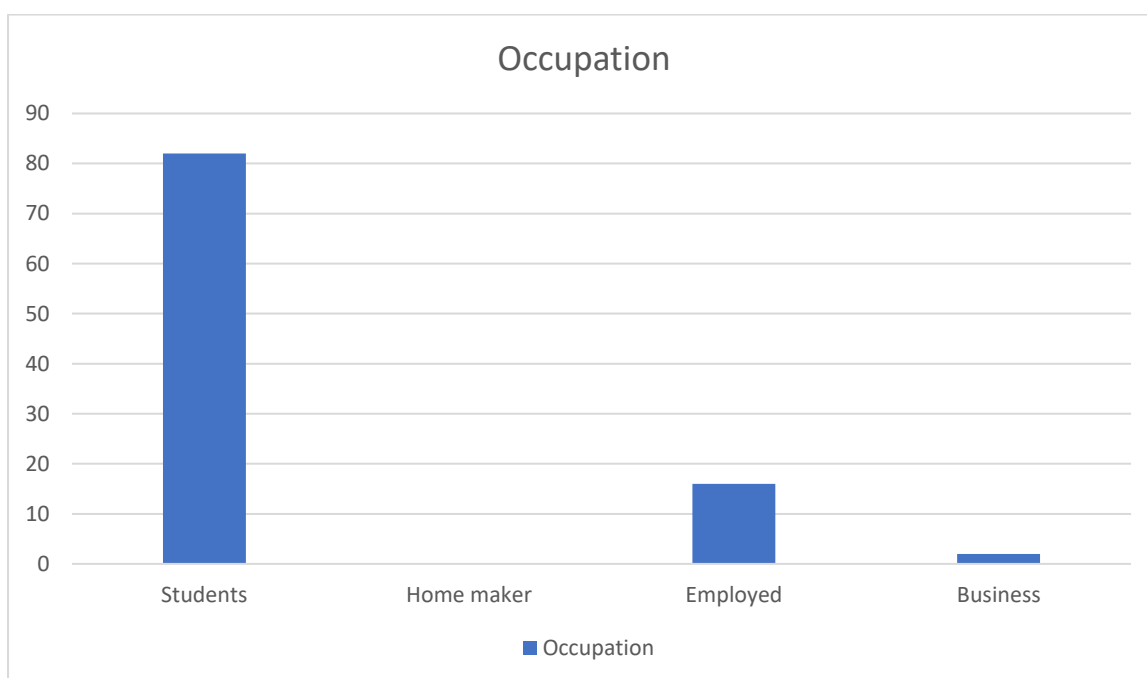


Fig no 4.4

Table 4.5

Monthly income of the family of Respondents:

Options	No. of Respondents	Percentage
Below 10,000	20	20%
10,000 – 40,000	57	57%
40,000 – 50,000	12	12%
Above 50,000	11	11%
Total	100	100%

Interpretation:

From the above table interpreted that 20% respondents are monthly income below 10,000. 57% respondents are monthly income between 10,000 – 40,000. 12% between 40,000 – 50,000. 11% between above 50,000. Majority of 57% respondent's monthly income between 10,000 – 40,000.

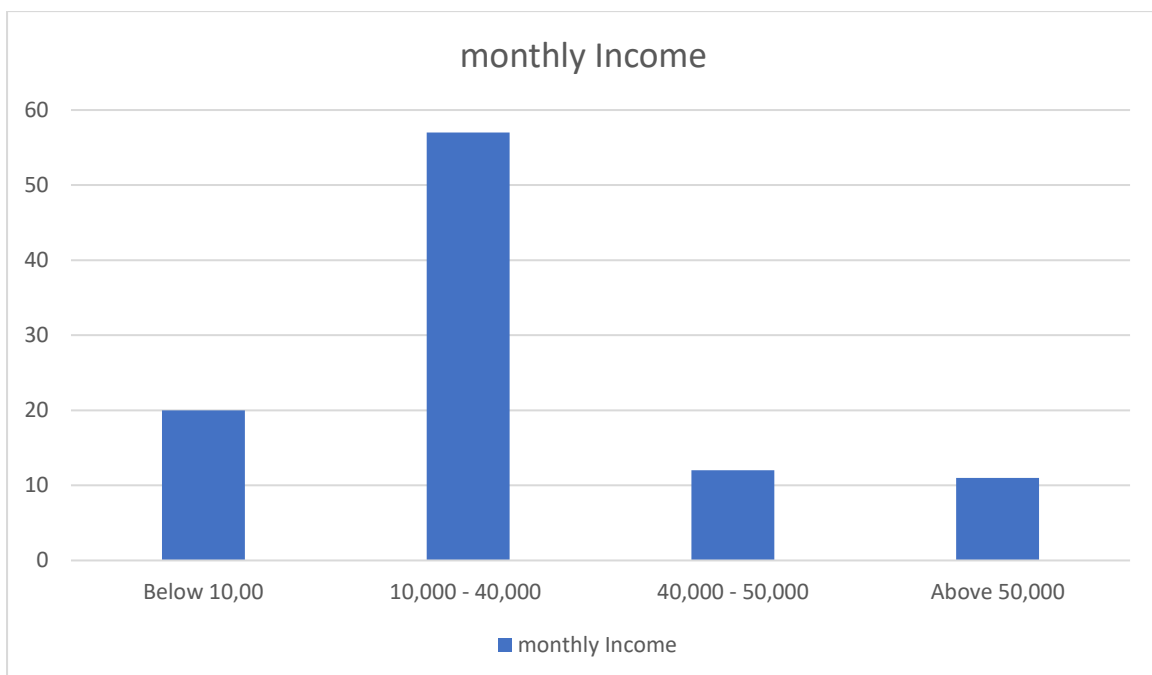


Fig no 4.5

Table 4.6

Did you aware of E-commerce business?

Options	No. of Respondents	Percentages
Yes	89	89%
No	11	11%
Total	100	100%

Interpretation:

From the above chart interpreted that 89% respondents are aware of E-commerce business and 11% respondents are did not aware of E-commerce business.

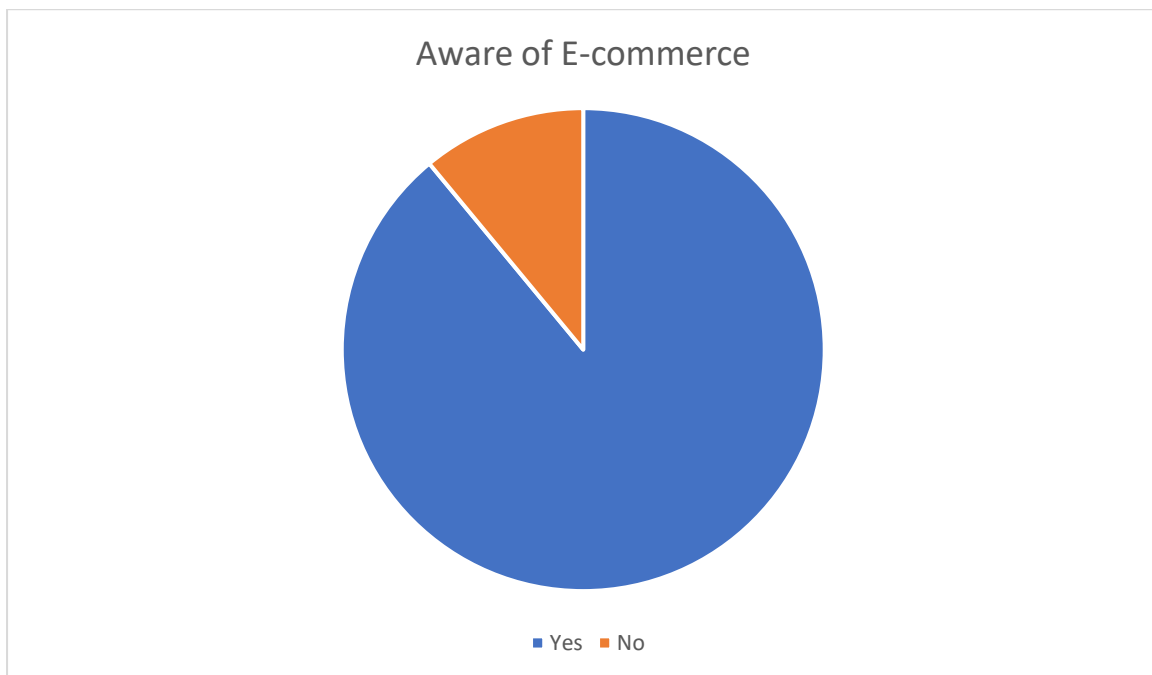


Fig no 4.6

Table 4.7

How often you purchased in E-commerce platforms?

Options	No. of Respondents	Percentages
Always	31	31%
Once a week	22	22%
Sometimes	34	34%
Often	2	2%
Not at all	11	11%
Total	100	100%

Interpretation:

From the above interpreted that, 31% respondents are always purchase through E-commerce platform. 22% respondents are purchasing once in week only, 34% respondents are purchasing sometimes only, 2% respondents are purchasing often, and 11% respondents are not purchasing.

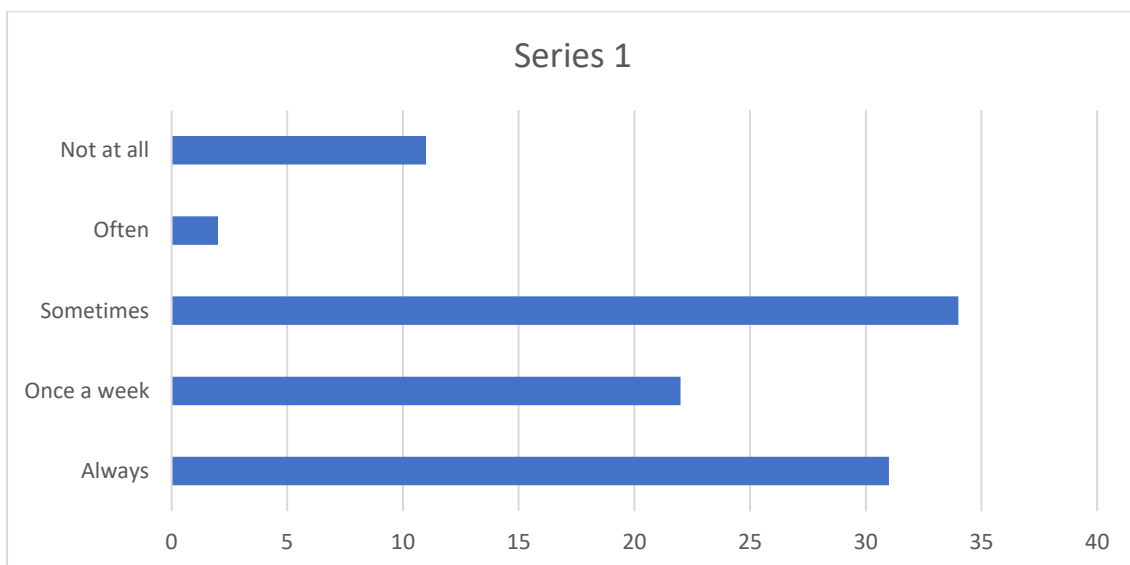


Fig 4.7

Table 4.8

Select the reason for making purchase in your preferred store?

Options	No. of Respondents	Percentages
Discount	46	46%
Variety	31	31%
Service	21	21%
Proximity	2	2%
Total	100	100%

Interpretation:

From the above Chart interpreted that 46% respondents are making purchase for Discount, 31% respondents are making for variety, 21% respondents are making purchase for service and 2% respondents are making for proximity.



Fig 4.8

Table 4.9

What is the major problem faced while purchasing through E-commerce?

Options	No. of Respondents	Percentages
Flexibility	24	24%
Network issue	31	31%
Technical glitches	23	23%
Payment Problem	22	22%
Total	100	100%

Interpretation:

From the above chart interpreted that 24% respondents are facing problem in flexibility, 31% respondent's problems in Network issue, 23% respondents problems are Technical glitches, and 22% respondents problems in payment option.

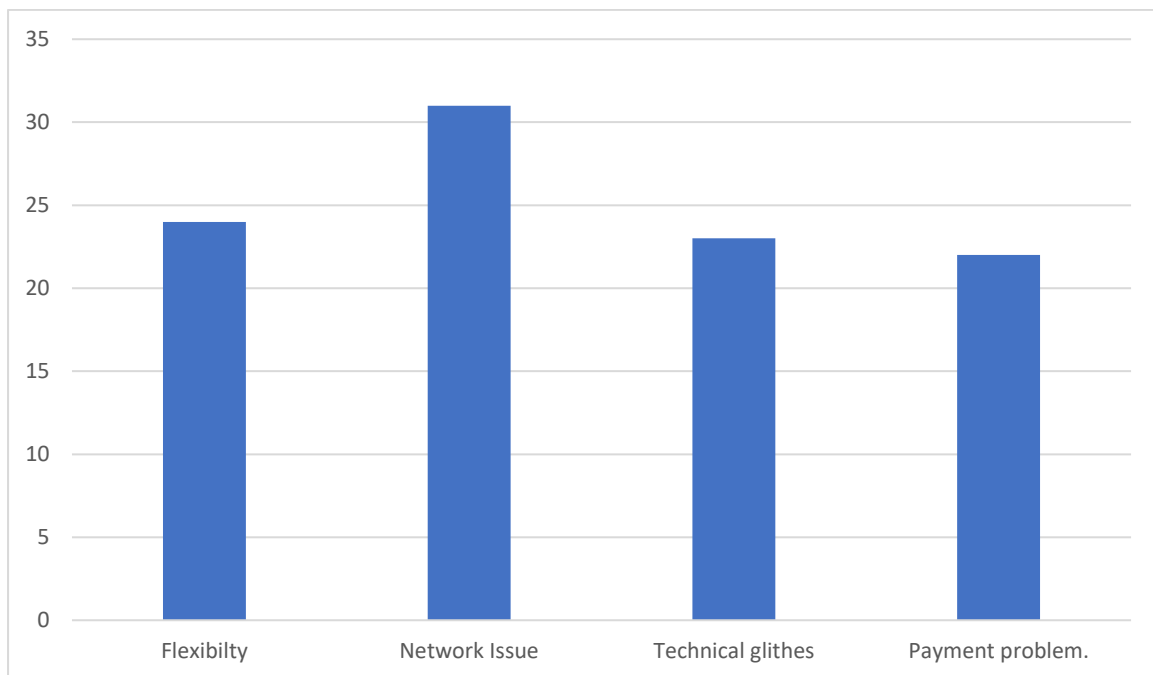


Fig 4.9

Table 4.10

What is the mode of payment while purchasing the product?

Options	No. of respondents	Percentages
Cash on delivery (COD)	68	68%
Credit or Debit card / ATM card	11	11%
Mobile wallets	2	2%
UPI Payments	19	19%
Net banking	0	0
Total	100	100%

Interpretation:

From the above table interpreted that 68% respondents are making Cash On Delivery (COD) mode, 11% respondents are making in Credit or debit card payment, 2% respondents are doing in Mobile wallets, 19% respondents are doing purchase in UPI payment option.

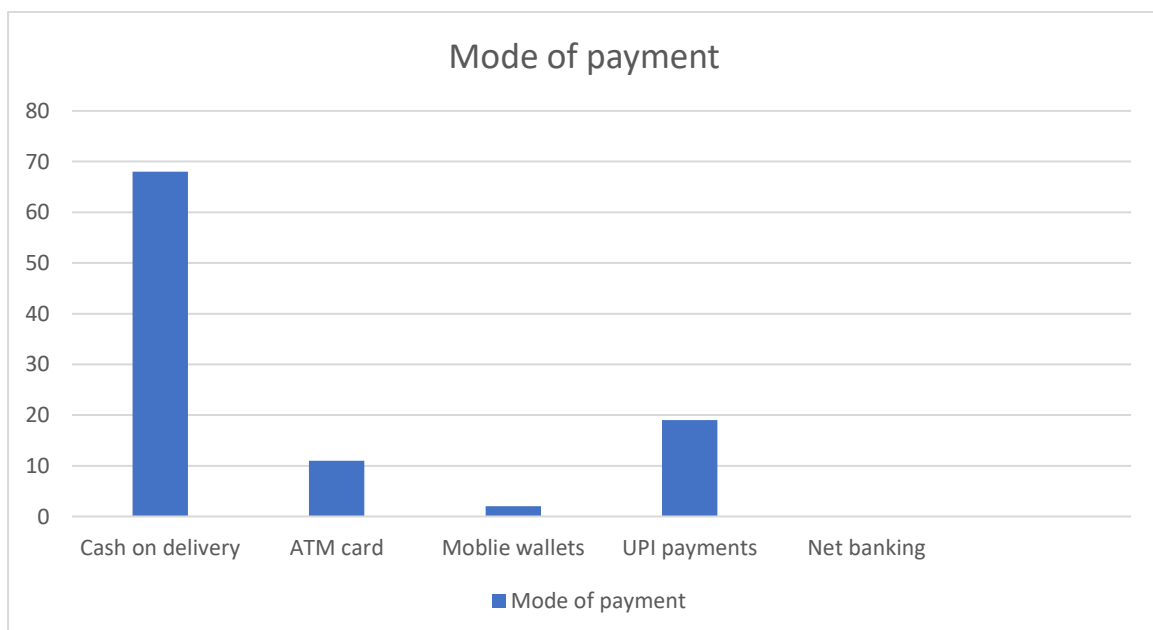


Fig no 4.10

Table no 4.11

How safe did you feel while sharing your card details?

Options	No. of respondents	Percentages
Very safe	21	21%
Safe	36	36%
Neutral	29	29%
Unsafe	7	7%
Very unsafe	7	7%
Total	100	100%

Interpretation:

From the above table interpreted that 21% respondents are saying sharing card details is very safe, 36% respondents are saying is safe, 29% respondents are saying is neutral, 7% respondents are saying sharing is unsafe, 7% respondents are saying sharing card details are very unsafe.

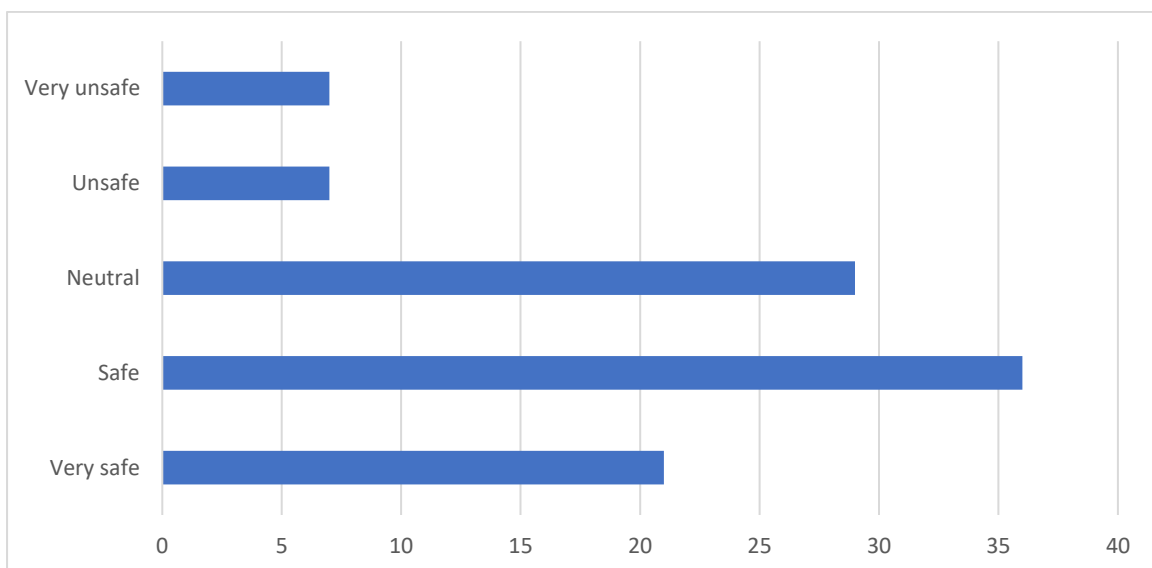


Fig no 4.11

Table no 4.12

Are you satisfied by shopping FMCG product online?

Options	No. of respondents	Percentages
Very satisfied	30	30%
Satisfied	37	37%
Neutral	24	24%
Unsatisfied	9	9%
Very unsatisfied	0	0
Total	100	100%

Interpretation:

From the above table interpreted that 30% respondents are Very satisfied for purchasing FMCG product in online, 37% respondents are satisfied in purchasing, 24% respondents are neutral in purchasing, 9% respondents are unsatisfied for purchase in online.

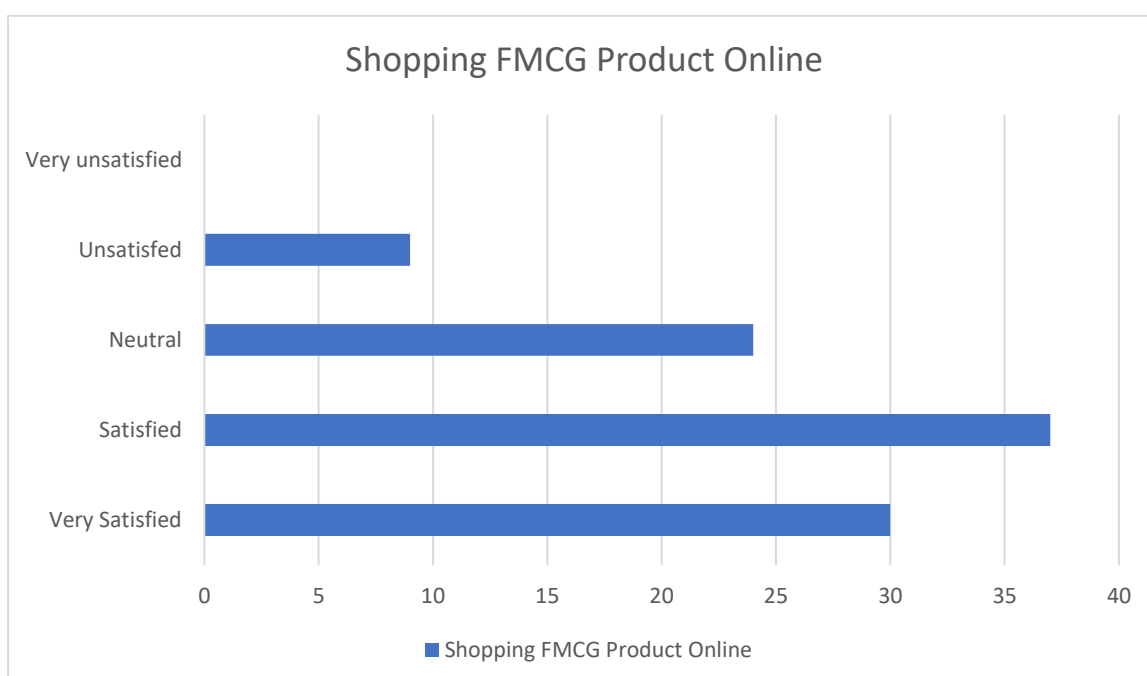


Fig no 4.12

Table no 4.13

How often do you buy FMCG products in E-commerce in a month?

Options	No. of respondents	Percentages
Less then 2 times	44	44%
Between 2 – 4 times	38	38%
Between 4 – 6 times	14	14%
More then 6 times	4	4%
Total	100	100%

Interpretation:

From the above table interpreted that 44% respondents are buying FMCG product in E-commerce platform, 38% respondents are buying between 2 – 4 times in month, 14% respondents are buying between 4 – 6 times in month, 4% respondents are buying more then 6 time in a month.

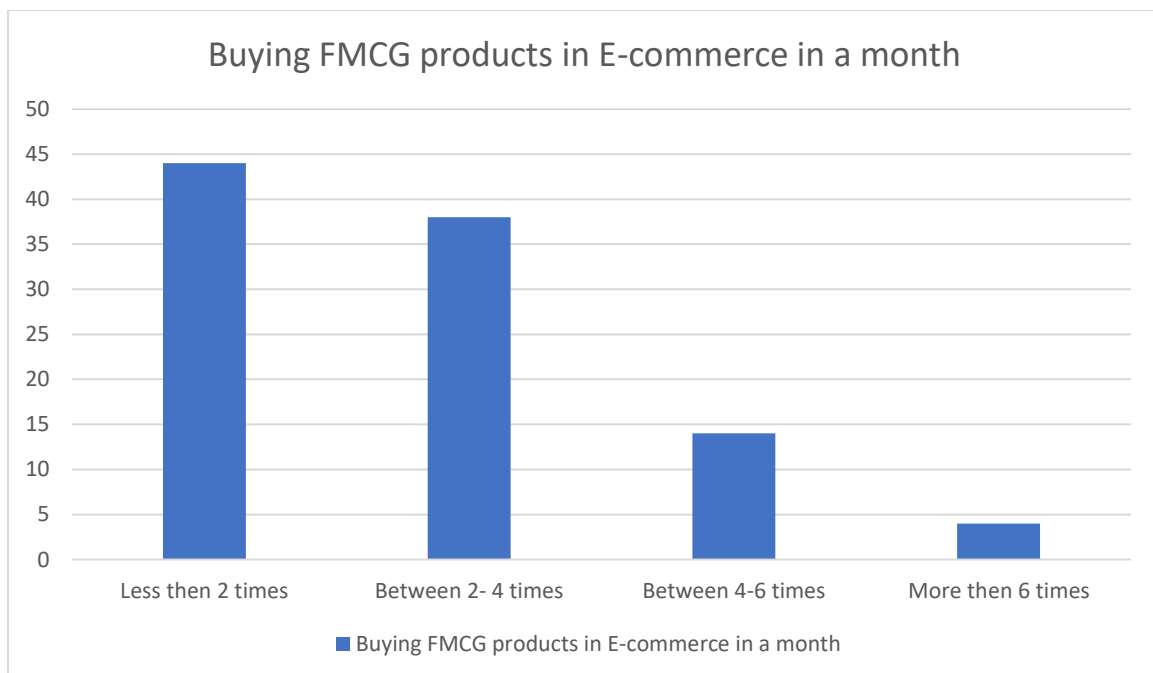


Fig no 4.13

Table 4.14

Mention the frequency of purchase the following product?

i) Cool drinks

Options	No. of respondents	Percentages
Always	34	34%
Sometimes	12	12%
Often	21	21%
Not at all	33	33%
Total	100	100%

Interpretation:

From the above table interpreted that 34% respondents are Always buying, 12% respondents are often buying, 21% respondents are sometimes buying, 33% respondents are not at all buying.

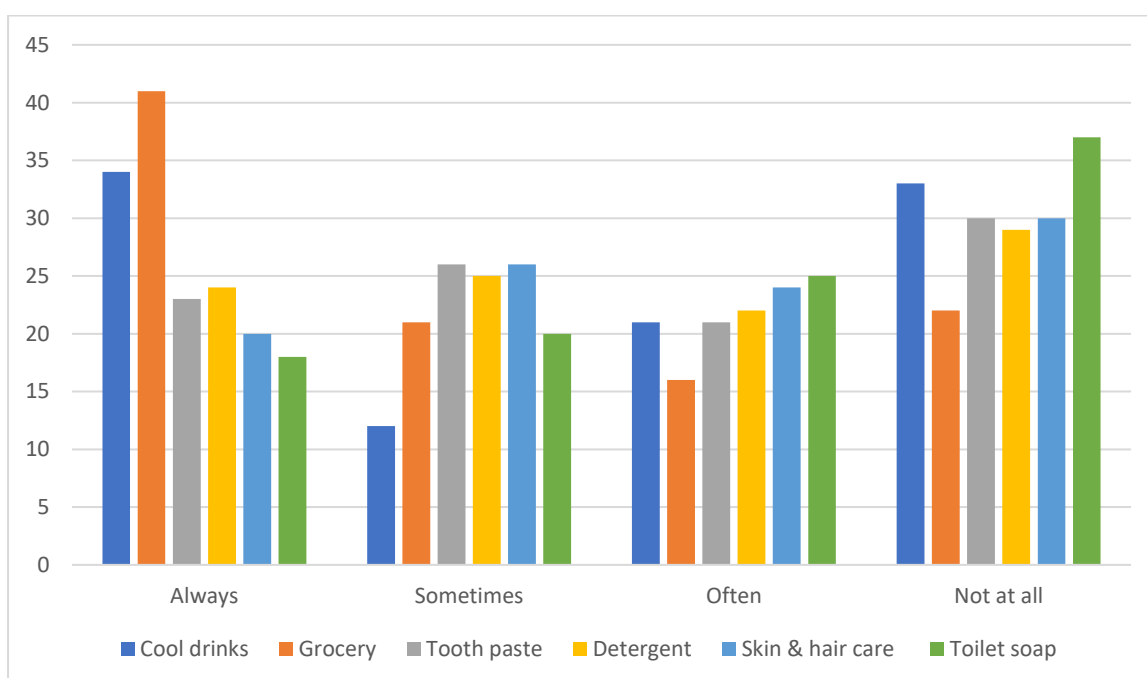


Fig 4.14

Table no 4.15

How satisfied are you with the quality of products?

Options	No. of respondents	Percentages
Very satisfied	33%	33
Satisfied	35%	35
Neutral	20%	20
Unsatisfied	9%	9
Very unsatisfied	3%	3
Total	100	100%

Interpretation:

From the above table interpreted that 33% respondents are Very satisfied for the quality of product, 35% respondents are satisfied in Quality, 24% respondents are neutral in Quality, 9% respondents are unsatisfied for Quality, 3% respondents are very unsatisfied with the quality of product

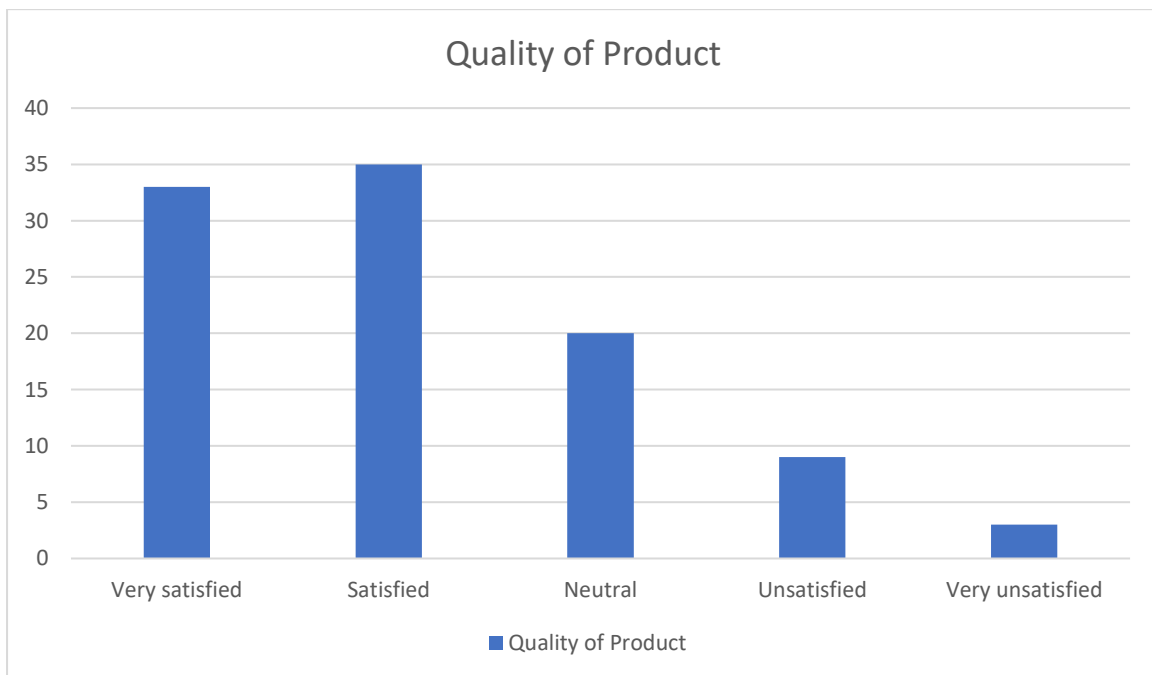


Fig 4.15

Table no 4.16

Please select the reason for purchasing this product. Select all that apply.

Options	No. of respondents
Preferred brand	64
Need	63
Sentimental value	12
Product quality	64
Transparency	17

Interpretation:

From the above table interpreted that 64% respondents are buying for preferred brand, 63% respondents are buying for Need for product, 14% respondents are buying for sentimental value in product, 64% respondents are buying for product quality, 17% respondents are buying transparency.



Fig 4.16

Table no 4.17

Did you find enough range of products? In any E-commerce platform.

Options	No. of respondents	Percentages
Yes	90	90%
No	10	10%
Total	100	100%

Interpretation:

From the above chart interpreted that 90% respondents are find enough range of product in E-commerce platform, 10% respondents are did not find enough range of product.

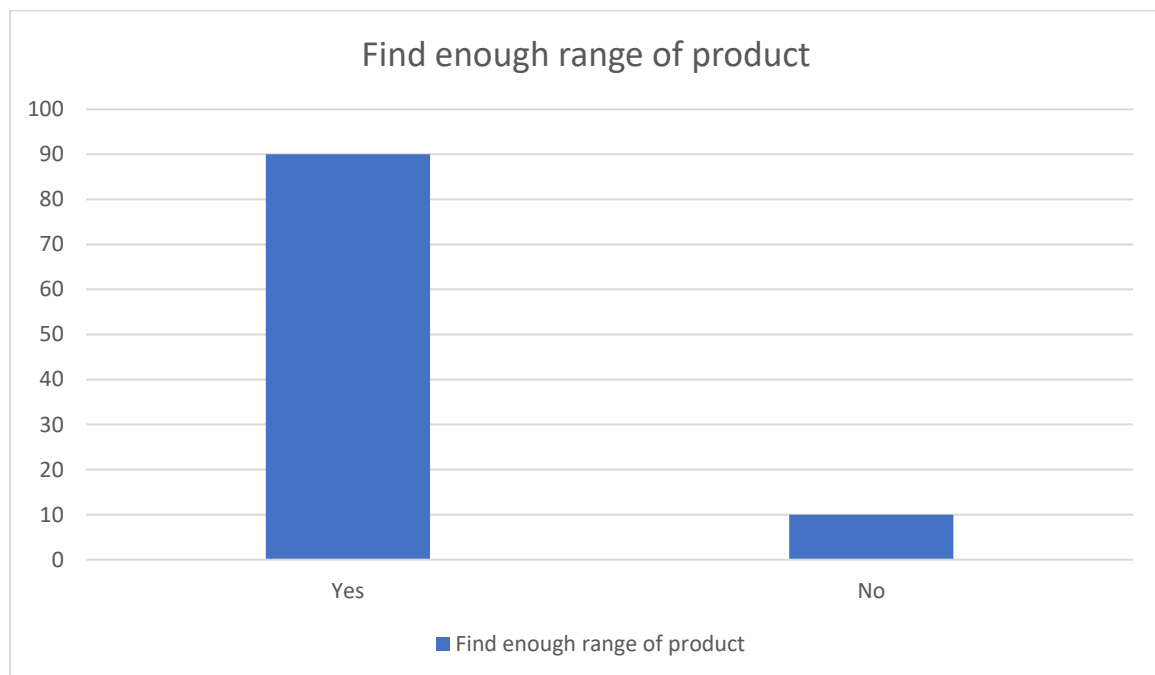


fig no 4.17

Table no 4.18

How advertisement influenced you to buy the product?

Options	No. of respondents	Percentages
More highly	28	28%
Highly	35	35%
Just	24	24%
Little	10	10%
Do not	03	03%
Total	100	100%

Interpretation:

From the above table interpreted that 28% respondents that advertisement influenced more highly, 35% respondents are made highly influenced, 24% respondents are just influenced, 10% respondents are little influenced, 3% respondents are do not influenced by advertisement.

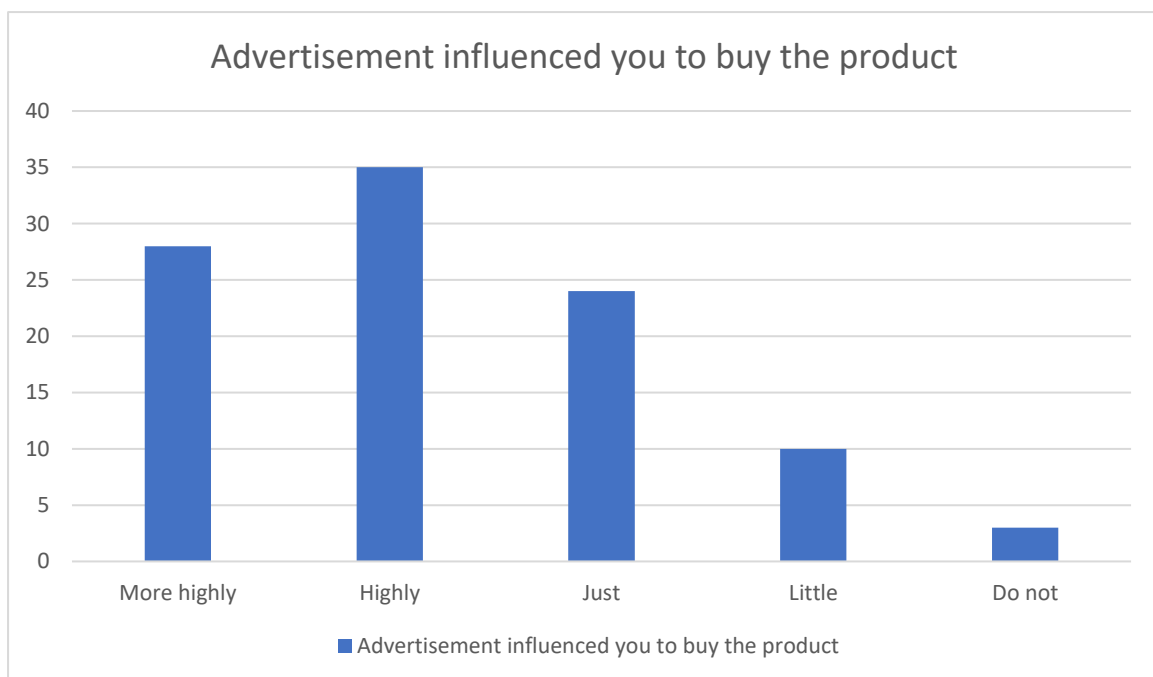


Fig no 4.18

Table no 4.19

Select the reason for making purchase in your preferred platform.

Options	No. of respondents	Percentages
Discount	75	75%
variety	57	57%
Service	40	40%

Interpretation:

From the above table interpreted that 75% respondents are making purchase for Discount, 57% respondents are make purchase for variety of products. 40% respondents are make purchase for service.



Fig 4.19

Table no 4.20

Who influenced your preference to buys a product?

Options	No. of respondents	Percentages
Family	44	44%
Friends	65	65%
Advertisement	55	55%
Self	35	35%
Others	0	0%

Interpretation:

From the above table interpreted that 44% respondents are influenced by family, 65% respondents are influenced by friends, 55% respondents are influenced by advertisement, 35% respondents are influenced by self.

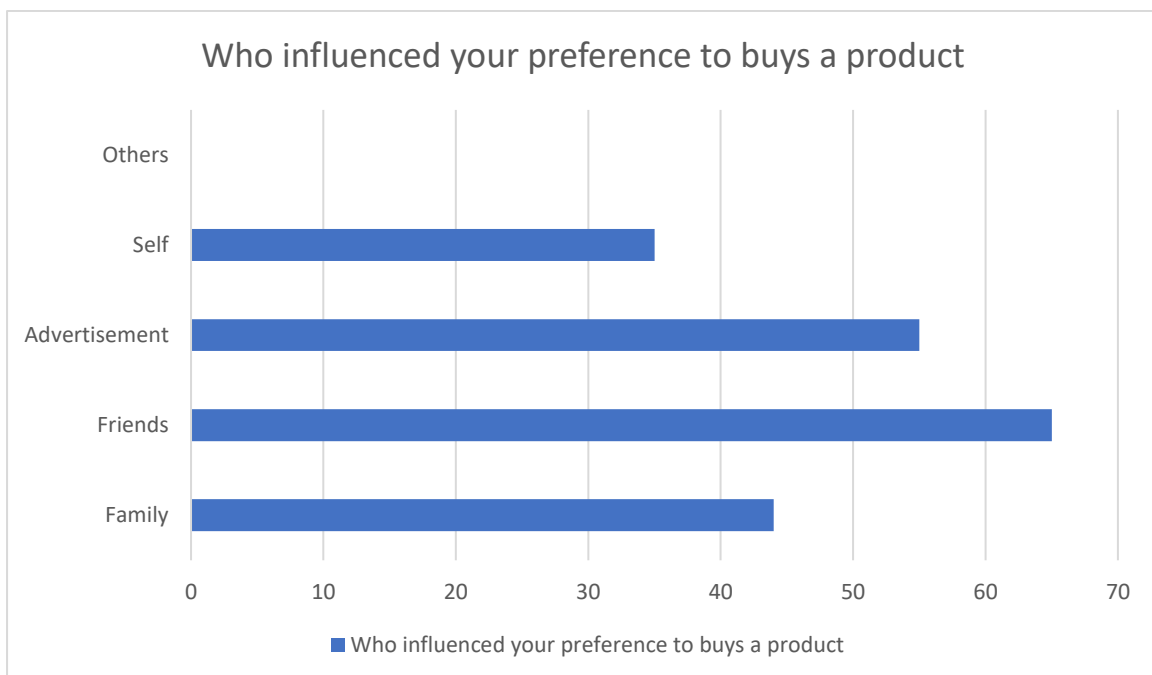


Fig no 4.20

Table no 4.21

Dose advertisement play any role towards your preference?

Options	No. of respondents	Percentages
Yes	83	83%
No	17	17%
Total	100	100%

Interpretation:

From the above table interpreted that 83% respondents are agree that advertisement play a role in purchasing preference, and 17% respondents are not agreed that preference.

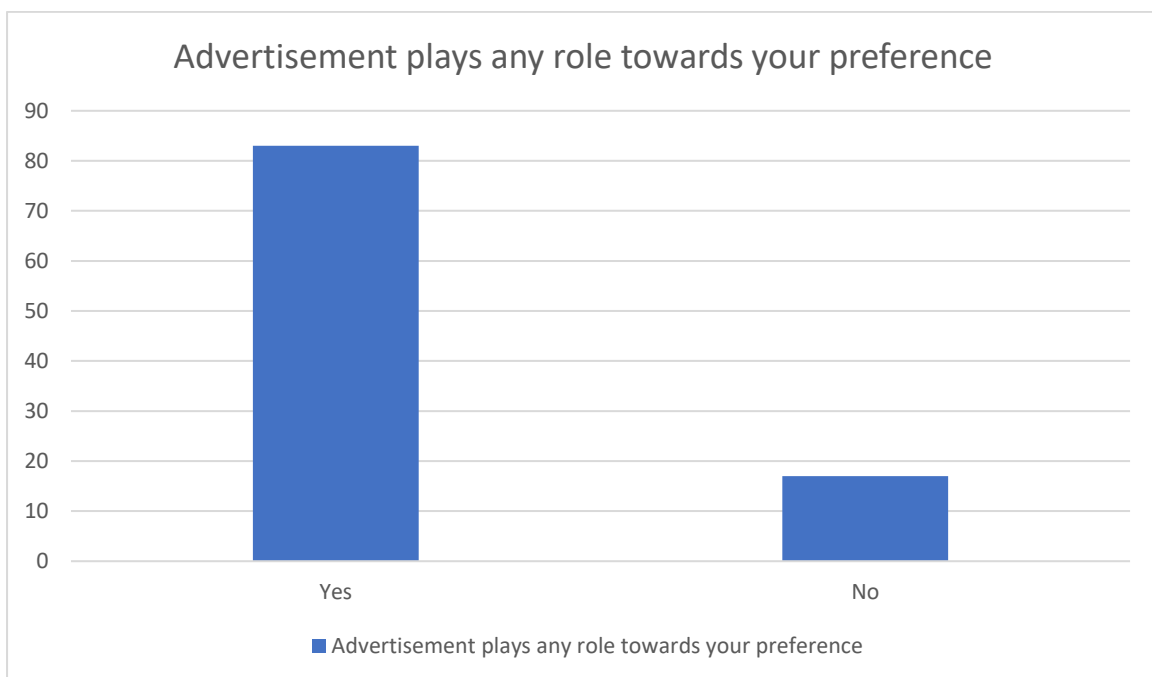


Fig no 4.21

Table no 4.22

If yes, Which media influenced your buying preference

Options	No. of respondents	Percentages
Television	72	72%
Newspaper	44	44%
Pamphlets	27	27%
Words of mouth	37	37%
Social media	04	04%
Online marketing	01	01%
others	0	0%

Interpretation:

From the above table interpreted that 72% respondents are saying television influenced more, 44% respondents are saying newspaper influenced more, 27% respondents are saying pamphlets are influenced, 37% respondents are saying word of mouth is influenced, 4% respondents are influenced by social media.

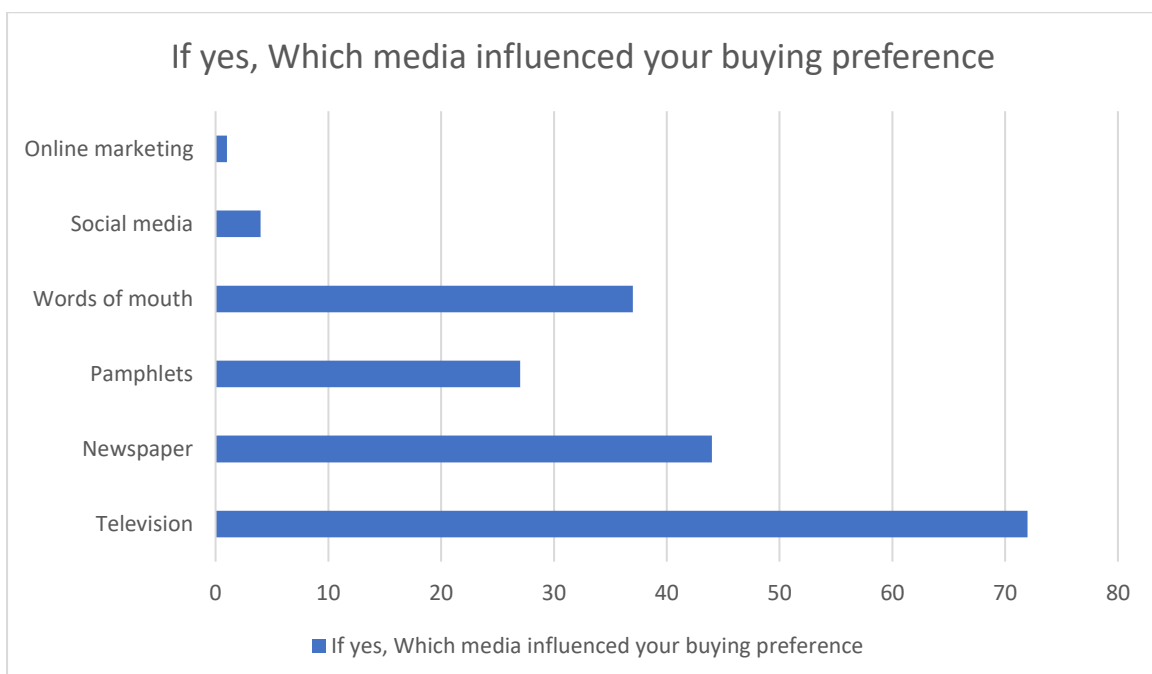


Fig no 4.22

Table no 4.23

Have you purchase any FMCG product recently after coming across any advertisement?

Options	No. of respondents	Percentages
Yes	73	73%
No	27	27%
Total	100	100%

Interpretation:

From the above table interpreted that 73% respondents are purchased the FMCG product after seeing advertisement, 27% respondents are not purchasing any of the FMCG product recently.

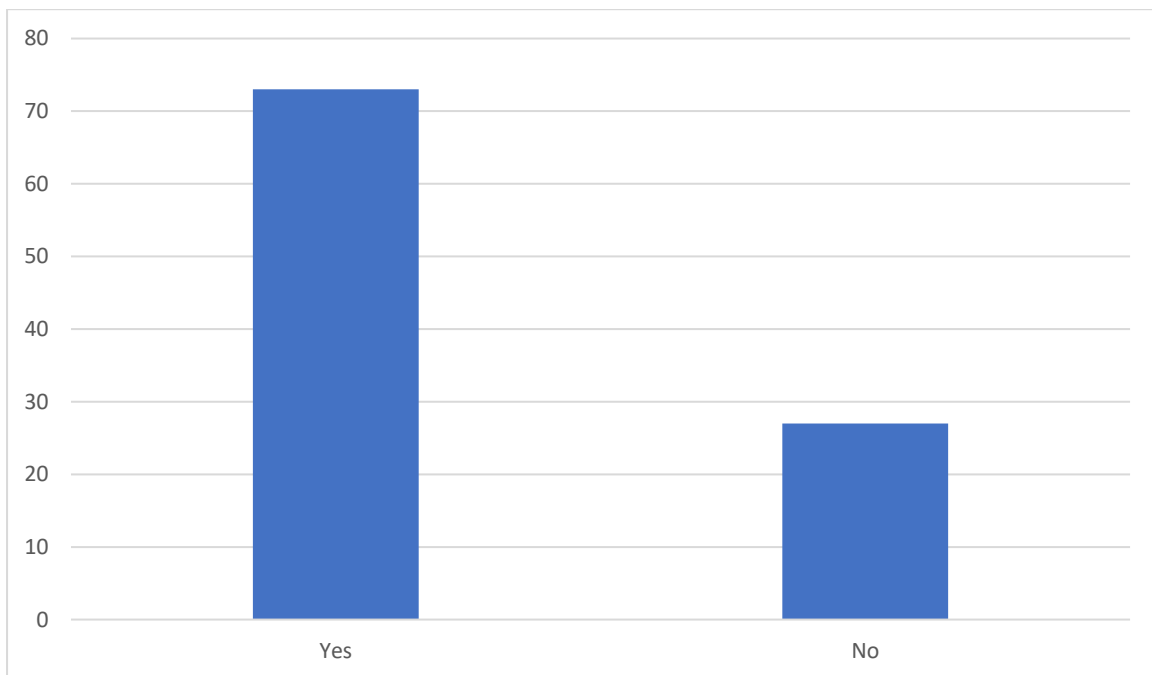


Fig no 4.23

Table no 4.24

In what way advertisement has influenced you?

Options	No. of respondents	Percentages
Better recall	47	47%
Better exposure	50	50%
Positive impression	58	58%
Interest	36	36%

Interpretation:

From the above table interpreted that 47% respondents are better recall in advertisement, 50% respondents are better exposure, 58% respondents are saying advertisement gives positive impression on product, 36% respondents are saying is interest.

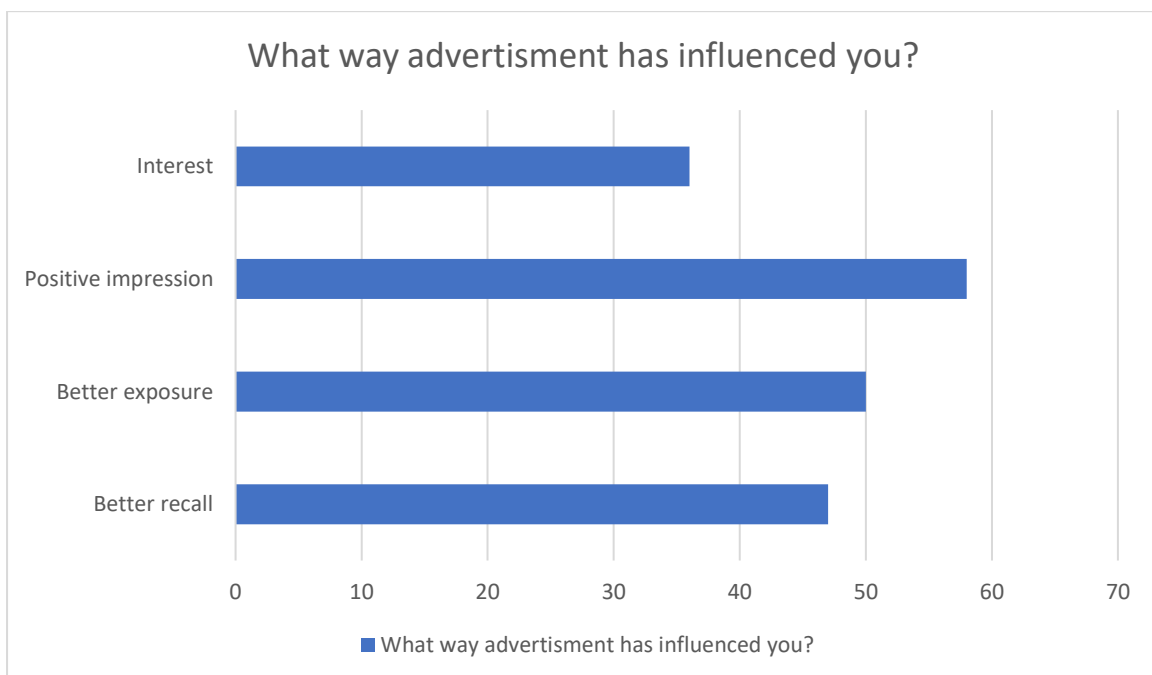


Fig no 4.24

Table no 4.25

Mention the problems that facing because of E-commerce in FMCG's?

Options	No. of respondents	Percentages
Delay in delivery	32	32%
Payment Option	20	20%
Trust ability	20	20%
Charges in Delivery	27	27%
Others	01	01%
Totals	100	100%

Interpretation:

From the above table interpreted that 32% respondents are facing problem in delay in delivery, 20% respondents are problem in payment option, 20% respondents are in trust ability problem, 27% respondents are problems in charges in delivery.

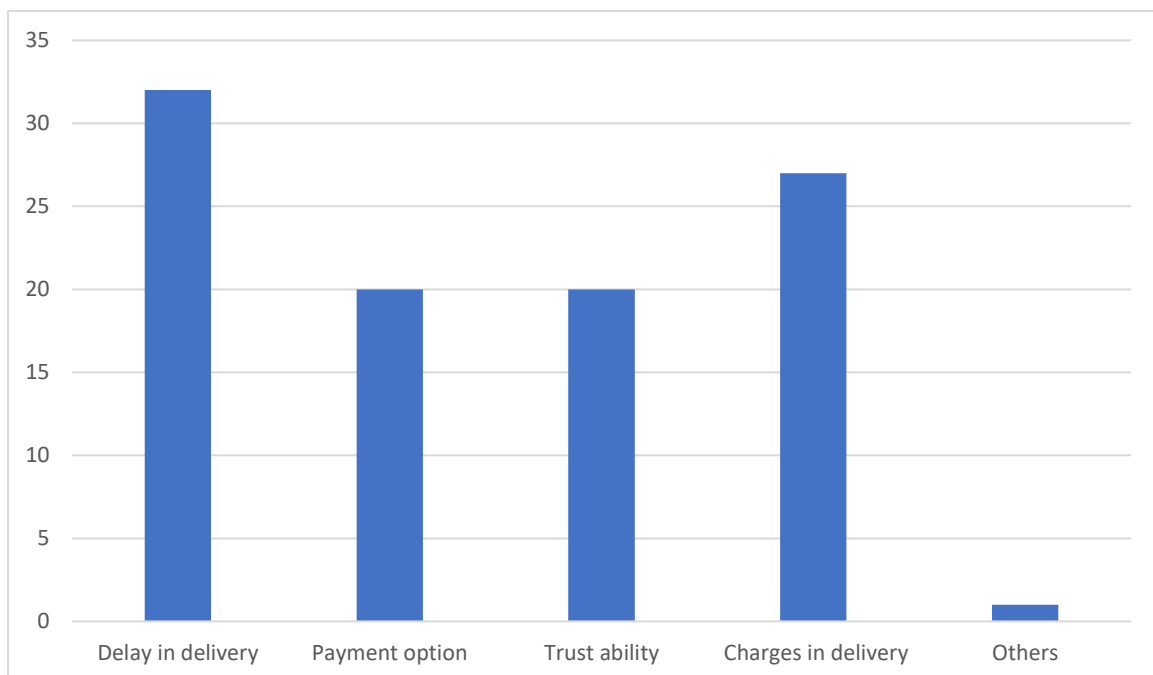


Fig no 4.25

Table no 4.26

How E-commerce influenced your purchasing mind set over the retailers?

Options	No. of respondents	Percentages
Digitalized	25	25%
Easy to use	32	32%
Time saved	31	31%
More discounts	12	12%
Total	100	100%

Interpretation:

From the above table interpreted that E-commerce influenced the purchasing over the retailers, 25% respondents are in digitalized, 32% respondents are they easy to use the platform, 31% respondents are saying that time saved in E-commerce purchase, 12% respondents are used because of more discounts.



Fig no 4.26

Table no 4.27

Mention the impact in E-commerce that discouraging the purchasing decision

Options	No. of respondents	Percentages
Need to provide personal details	52	54%
Too many information	53	53%
Hard to find an item	39	39%
Problematic payment process	24	24%
Inconvenient delivery	17	17%

Interpretation:

From the above table interpreted that 52% respondents are worries on to provide the personal details, 53% respondents are in too many information's, 39% respondents are in problematic in payment process, and 17% respondents are in inconvenient delivery.

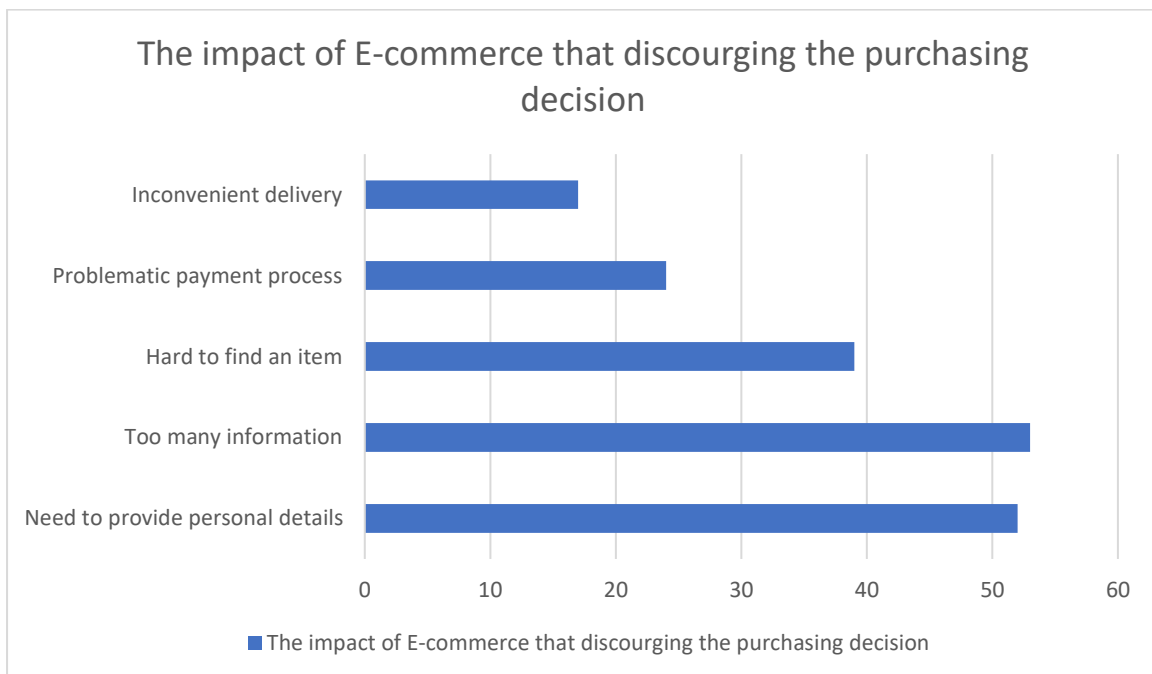


Fig 4.27

Table no 4.28

Are you receiving the right delivery at the right time?

Options	No. of respondents	Percentages
Yes	56	56%
No	13	13%
Maybe	31	31%
Total	100	100%

Interpretation:

From the above table interpreted that 56% respondents are get that product delivery at right time, 13% respondents are did not get that product at right time, 31% respondents are maybe get at right time.

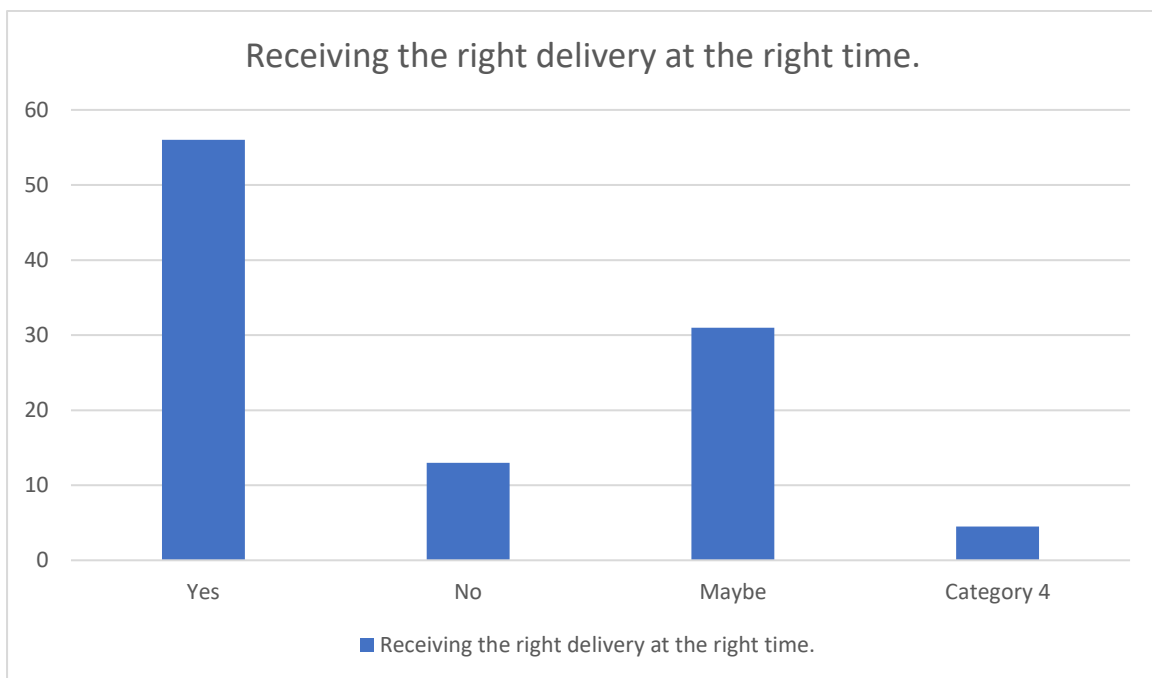


Fig 4.28

4.1 CHI SQUARE TEST

Hypothesis of the study:

- H1: There is a significant difference in gender and reason for making purchase in consumers preference.
- H1: There is a significant difference in gender and the reason how E-commerce influence the customer buying behaviour.

Case Processing Summary

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender * Preference	102	100.0%	0	0.0%	102	100.0%

Gender * Preference Crosstabulation

		Preference							Total
		Discount	Discount, Service	Discount, Varsity	Discount, Varsity, Service	Service	Varsity		
Gender	Count	1	0	0	0	0	0	0	1
	% within Gender	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
FEMALE	Count	0	9	2	8	10	3	9	41
	% within Gender	0.0%	22.0%	4.9%	19.5%	24.4%	7.3%	22.0%	100.0%
MALE	Count	0	17	5	13	12	8	5	60
	% within Gender	0.0%	28.3%	8.3%	21.7%	20.0%	13.3%	8.3%	100.0%
Total	Count	1	26	7	21	22	11	14	102
	% within Gender	1.0%	25.5%	6.9%	20.6%	21.6%	10.8%	13.7%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	107.194 ^a	12	<.001
Likelihood Ratio	16.376	12	.175
N of Valid Cases	102		

a. 12 cells (57.1%) have expected count less than 5. The minimum expected count is .01.

FIG NO 4.29

The value is 0.05 & P value is <.001. The P value is less than the value, hence the result states that the null hypothesis is rejected and there is a significant difference in gender and reason for making purchase in consumers preference.

Case Processing Summary

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender * influence	102	100.0%	0	0.0%	102	100.0%

Gender * influence Crosstabulation

			influence				
			Digitalized	Easy to use	More discounts	Time saved	Total
Gender	Count	1	0	0	0	0	1
	% within Gender	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	FEMALE	Count	0	7	19	6	41
	% within Gender	0.0%	17.1%	46.3%	14.6%	22.0%	100.0%
	MALE	Count	0	18	13	6	60
	% within Gender	0.0%	30.0%	21.7%	10.0%	38.3%	100.0%
Total	Count	1	25	32	12	32	102
	% within Gender	1.0%	24.5%	31.4%	11.8%	31.4%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	110.916 ^a	8	<.001
Likelihood Ratio	20.123	8	.010
N of Valid Cases	102		

a. 8 cells (53.3%) have expected count less than 5. The minimum expected count is .01.

FIG NO 4.30

The value is 0.05 & P value is <.001. The P value is less than the value, hence the result states that the null hypothesis is rejected and there is a significant difference in gender and reason how E-commerce influence the customer buying behaviour.

CHAPTER- 5

5.1 FINDINGS

- Majority of 88% respondents are between 18 – 25 age.
- Majority of 60% respondents were male.
- Majority of 82% respondents are qualified UG/ Diploma.
- Majority of 82% respondents are students.
- Majority of 57% respondents monthly income between 10,000 – 40,000.
- Majority of 89% respondents are aware of E-commerce.
- Majority of 35% respondents are purchase sometime in E-commerce.
- Majority of 46% respondents are preferred purchase on discount.
- Majority of 31% respondents are majorly facing problems in Network issue.
- Majority of 68% respondents are mode of payment is cash on delivery (COD).
- Majority of 36% respondents are feel sharing card details are safe.
- Majority of 37% respondents are satisfied to purchase FMCG product in online.
- Majority of 44% respondents are buy FMCG in E-commerce less then 2 time in month.
- Majority of 34% respondents are always buy cool drinks.
- Majority of 41% respondents are always buys grocery on online.
- Majority of 30% respondents are not at all buy tooth paste in online.
- Majority of 28% respondents are not at all buy detergent in online.
- Majority of 31% respondents are not at all buy skin and hair care product in online.
- Majority of 37% respondents are not at all buy toilet soap in online.
- Majority of 34% respondents are satisfied the quality of product purchase in online.
- Majority of 65% respondents are select preferred brand in reason for purchasing the product.

- Majority of 89% respondents are find enough range of product in E-commerce platform.
- Majority of 35% respondents are feels advertisement highly influenced to buy a product.
- Majority 75% respondents feels that discount is the reason for making purchase in E-commerce.
- Majority 66% respondents influenced by friends to buy in e-commerce.
- Majority 83% respondents feels that advertisement play a major role in purchase.
- Majority 72% respondents are influenced by television.
- Majority 72% respondents are purchased FMCG product recently after seeing advertisement.
- Majority 58% respondents are give positive impression on advertisement influence.
- Majority 32% respondents are facing problem in delay in delivery.
- Majority 32% respondents are choose E-commerce because of easy to use.
- Majority 53% respondents are feels that too many information to decide the product.
- Majority 56% respondents are they receiving at right time.

5.2 SUGGESTIONS

- The knowledge about E-commerce and impact on that should be grown.
- The awareness on E-commerce should be studied.
- Government should take initiative on E-commerce governance.
- The success rate of online payment should be increased.
- Improve more product in FMCG market to increase sales.
- Interactive advertisement should make to know more on E-commerce.
- Need an improvement in delivery time.

5.3 LIMITATIONS.

- Due to the time constraint the sample size was restricted to certain respondents only.
- The opinion elicited from the research can't be taken as the opinion of the whole E-commerce market.
- The questionnaire may restrict in the FMCG Market
- Data totally depends on the respondent's view, which could be biased in nature.
- This study is limited to the number of respondents which would not access more views on consumers point.

5.4 CONCLUSION

After studying the consumers' perception towards the impact of E-commerce on the FMCG market, it is concluded that every system has its strengths and weaknesses. The main reason for E-commerce is to save time in purchasing. Nearly young customers are more likely to use E-commerce for shopping. The FMCG products need to be increased in point of customer view and give discounts to attract customers. Most of the consumers have the same mind set in e-commerce shopping and more likely advertisement plays a role in E-commerce and many.

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ANNEXURE

QUESTIONNAIRE:

1. NAME:

2. GENDER:

a. MALE

b. FEMALE

c. OTHERS

3. HOW OLD ARE YOU?

a. 18 – 25 Years

b. 26 – 40 Years

c. 41 – 60 Years

d. More then 60 Years

4. EDUCATION QUALIFICATION:

a. School level

b. UG/ Diploma

c. PG

d. Professional

5. OCCUPATIONAL STATUS:

a. Students

b. Homemaker

c. Employed

d. Business

6. MONTHLY INCOME OF THE FAMILY:

a. Below 10,000

b. 10,000 – 40,000

- c. 40,000 – 50,000
- d. More than 50,000

7. WHERE ARE YOU LOCATED?

8. DID YOU AWARE OF E-COMMERCE?

- a. Yes
- b. No

9. HOW OFTEN YOU PURCHASED IN E-COMMERCE PLATFORM?

NOT AT ALL	OFTEN	SOMETIMES	ONCE A WEEK	ALWAYS

10. SELECT THE REASON FOR MAKING PURCHASE IN YOUR PREFERRED STORE?

- a. Discount
- b. Variety
- c. Service
- d. Proximity

11. WHAT IS THE MAJOR PROBLEM FACED WHILE PURCHASING THROUGH E-COMMERCE?

- a. Flexibility
- b. Network issue
- c. Technical glitches
- d. Payment problems
- e. Others

12. WHAT IS THE MODE OF PAYMENT WHILE PURCHASING THE PRODUCT?

- a. Cash on delivery
- b. Credit or Debit card / ATM card

- c. Mobile wallets
- d. UPI
- e. Net banking

13. HOW SAFE DID YOU FEEL WHILE SHARING YOUR CARD DETAILS?

VERY UNSAFE	UNSAFE	NEUTRAL	SAFE	VERY SAFE

14. ARE YOU SATISFIED BY SHOPPING FMCG PRODUCT ONLINE?

VERY DISSATISFIED	NOT SATISFIED	NEUTRAL	SATISFIED	VERY SATISFIED

15. HOW OFTEN DO YOU BUY FMCG PRODUCT IN E-COMMERCE IN A MONTH?

- a. Less than 2 times
- b. Between 2 – 4 times
- c. Between 4 – 6 times
- d. More than 6 times

16. MENTION THE FREQUENCY OF PURCHASE THE FOLLOWING PRODUCT?

PRODUCT	NOT AT ALL	SOMETIMES	OFTEN	ALWAYS
COOL DRINKS				
GROCERY				
TOOTH PASTE				
DETERGENT				
SKIN AND HAIR CARE				
TOILET SOAP				

17. HOW SATISFIED ARE YOU WITH THE QUALITY OF PRODUCTS?

VERY DISSATISFIED	NOT SATISFIED	NEUTRAL	SATISFIED	VERY SATISFIED

18. PLEASE SELECT THE REASON FOR PURCHASING THIS PRODUCT.
SELECT ALL THAT APPLY.

- a. Preferred brand
- b. Need
- c. Sentimental value
- d. Product Quality
- e. Transparency

19. DID YOU FIND ENOUGH RANGE OF PRODUCT? IN ANY E-COMMERCE
PLATFORM.

- a. Yes
- b. No

20. HOW ADVERTISEMENT INFLUENCED YOU TO BUY THE PRODUCT?

DO NOT	LITTLE	JUST	HIGHLY	MORE HIGHLY

21. SELECT THE REASON FOR MAKING PURCHASE IN YOUR PREFERRED
PLATFORM.

- a. Discount
- b. Variety
- c. Service
- d. Others

22. WHO INFLUENCE YOUR PREFERENCE TO BUYS A PRODUCT?

- a. Family
- b. Friends
- c. Advertisement
- d. Self

23. DOSE ADVERTISEMENT PLAY ANY ROLE TOWARDS YOUR PREFERENCE?

- a. Yes
- b. No

24. IF YES, WHICH MEDIA INFLUENCED YOUR BUYING PREFERENCE

- a. Television
- b. Newspaper
- c. Pamphlets
- d. Words of mouth
- e. Others

25. HAVE YOU PURCHASE ANY FMCG PRODUCT RECENTLY AFTER COMING ACROSS ANY ADVERTISEMENT?

- a. Yes
- b. No

26. IN WHAT WAY ADVERTISEMENT HAS INFLUENCED YOU?

- a. Better recall
- b. Better exposure
- c. Positive impression
- d. Interest

27. MENTION THE PROBLEMS THAT FACING BECAUSE OF E-COMMERCE IN FMCG's?

- a. Delay in delivery
- b. Payment option
- c. Trustability
- d. Charges in delivery

e. Others

28. HOW E-COMMERCE INFLUENCED YOUR PURCHASING MIND SET OVER THE RETAILERS?

a. Digitalized

b. Easy to use

c. Time saved

d. More Discount

e. Others

29. MENTION THE IMPACT IN E-COMMERCE THAT DISCOURAGING THE PURCHASING DECISION.

a. Need to provide personal details

b. Too many informations

c. Hard to find an items

d. Problematic payment process

e. Inconvenient delivery

30. ARE YOU RECEIVING THE RIGHT DELIVERY AT THE RIGHT TIME?

a. Yes

b. No

