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Impact of Income on Media Selection by FMCG Consumers: A Study on Kolkata

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Abstract:

This paper aims to explore the role of advertisement on attitudes towards buying behavior. A consumer's choices are greatly affected by a product's presentation, and in media-driven cultures such presentations are inescapable. Advertising is a form of communication intended to convince an audience (viewers, readers or listeners) to purchase or take some action upon products, information, or services etc. The burgeoning growth of interactive media, as communication vehicles has inspired a flurry of market research that attempts to measure the impact of advertising in the new media, utilizing traditional advertising measurement methods. Today we are living in a revolutionary world and within seconds, several bombardments of new inventions are happening around the globe, media technology being one of them. Media technology has changed our lives giving us the freedom to perform activities from the comfort of our homes. A questionnaire has been prepared to evaluate the impact of advertisement. The sample data have been collected from the various income groups to show the impact of different categories on different Medias. Interviews were made in respect of their co-relations with advertisements. As a result, formulation of chi-square Frequency was used and presented in tabular format. These results have exposed that advertisement attracts the preference and choices to influence the consumer buying behavior.

Key words: Media, Consumer buying Behaviour, income factor, fast Moving Consumer Goods

1. Introduction

The influence of media on consumer behavior is profound. This is more so in the case of the consumers of FMCG. The billions of dollars are spent in advertising each year particularly in FMCG Sector. The ability of media to shape consumer trends and tastes through media such as movies, television shows and music is all-pervasive. Media is the vehicle that is used for the delivery of the message. Some important tools of advertisement are newspapers, magazines, radio, television, direct mail and mail order, outdoor display and transportation (Wells, Burnett & Moriarty, 2000). Media use in advertising is purposely designed to elicit a change in consumer action, belief and perception. While it's generally known that we're being swayed for commercial reasons, the consuming public allows these forays because media pays for shows on television or music on the radio as well as the information and news we read in newspapers and magazines. Mass media has become an integral part of our lives and cannot be separated from our life. Our values and way of life in the society in this information era are strongly influenced by the mass media like newspapers, TV, radio, video, and the internet. It is worth remembering that there have been three important revolutions in recent history, i.e. agrarian revolution in farming, industry revolution in mass production and information revolution that provides global access. We are now in the midst of the information revolution. Due to continuing developments in media technology, we are flooded by a huge volume of non-stop information. Media is the most powerful tool of communication. We live in the information age where every individual has easy and quick access to a variety of information sources. Every metropolis, city, town and village on the world is exposed to some form of mass media or the other – from widescreen televisions to high speed computers to the lone photographer in the middle of a tribal village.

Broadcast media or electronic media is probably the most prevalent form of media observable these days. Television and radio since their invention in the late 1920s and 1890s respectively, have led to a revolutionary change in the way people perceive entertainment; information and news. The broadcast media channels have a great degree of penetration among consumers. It is this factor which attracts advertisers to mass media channels. The personal touch that is possible through radio and television advertisements is a strong image building tool and can also be used to reach target audiences. Thus these media channels have now become an indispensable part of a number of industries which swear by the advantages of the media provided these days.

Print media uses a physical object such as newspapers, magazines, newsletters etc as a means of transmitting information, entertainment and news items amongst the public. It is the most traditional mode of media. Newspaper has been around since 1605 and print media remain the cheapest form of mass media communication. Magazines are periodical publications which were in vogue till recently when the radio, television and internet gained mass popularity replacing much of the print media's common

forms through e-books, online journals and periodicals as well as online news. However, these traditional forms of mass media continue to maintain a large audience the world over.

The consumer's shopping record however is usually combined with demographic information (e.g., income, educational level of adults in the household, occupations of adults, ages of children, and whether the family owns and rents) and the family's television watching habits. (Electronic equipment run by firms such as A. C. Nielsen will actually recognize the face of each family member when he or she sits down to watch).

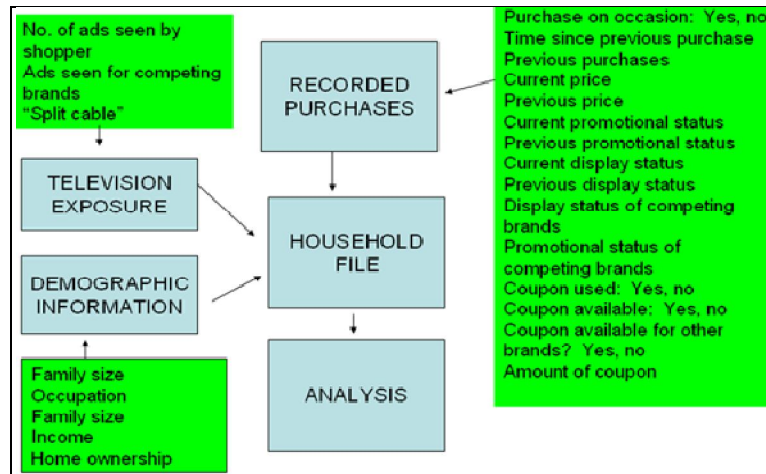


Figure 1

According to Lars Perner, Ph.D. of the Marshall School of Business at USC, "the study of consumers helps firms and organizations improve their marketing strategies by understanding issues" and continues to describe how "the psychology of how consumers think, feel, reason and select between different alternatives." Besides Psychological factors, economic factors do also influence the media selection by consumers. So in this paper I have attempted to study the impact of income on media selection.

2. Objective of the Study

- To study the impact of income on consumers behavior to buy FMCG in Kolkata.
- To find out the preference of the Consumers regarding the most effective media for advertisement according to the income category.

3. Research Methodology

The consumer who use different types of FMCG and who shops by watching different types of Media in Kolkata was taken as the population of this study. A convenient sample (non-probability sampling method) of 60 consumers' was shared up for the current study in which respondent of the study was requested to complete the structured questionnaire on voluntary basis.

Primary data have been collected from the consumers from the consumers from various malls. All kinds of consumers were given the questionnaire in Kolkata malls to give their preferences for different kind of media. There are different types of instruments Available for data collection, out of them the following instruments have been used mainly:

- Interview
- Questionnaire

4. Data Collection Technique and Instrument

The data were collected by means of well developed and structured questionnaire. The questionnaires were distributed among the respondents in the defined areas personally by the researchers. The data were collected during the period of 45 days and then responses were fed into the Statistical Package for Social Sciences (SPSS) Version 19.0 for analysis and evaluation. As sample first all malls of Kolkata in different areas were selected. To represent every segment of the universe the sample size was 60. Data have been analyzed and tested with the help of tables, charts, diagrams, percentage, and chi-square test.

5. Hypothesis Formulation

5.1. Two Hypotheses Were Taken, They Were As Following

- *H1: There is a significant relationship between income of the Consumers and Media selection.*
- *H0: There is no significant relationship between income of the Consumers and Media selection.*
- *H1: There is a significant relationship between rating of Media and selection.*
- *H0: There is no significant relationship between rating of Media and selection.*
- Alternative: - There is a difference in the consumer preference regarding the most effective media for Advertisements according to Income category.

- Null: - There is no difference in the consumer preference regarding the most effective media for Advertisements according to Income category.

6. Research and Findings

		Income						Total
		25000-50000	50000-1 lac	1 lac-1.5 lac	1.5lac-2lac	2 lac -2.5 lac	2.5 lac and above	
TV	Count	0	0	3	4	3	11	21
	% within Income	0.00%	0.00%	27.30%	50.00%	30.00%	100.00%	35.00%
Radio	Count	0	4	4	4	7	0	19
	% within Income	0.00%	33.30%	36.40%	50.00%	70.00%	0.00%	31.70%
Newspaper	Count	8	8	4	0	0	0	20
	% within Income	100.00%	66.70%	36.40%	0.00%	0.00%	0.00%	33.30%
Total	Count	8	12	11	8	10	11	60
	% within Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 1: Media used in home by the consumers to buy Fast Moving Consumer Goods according to income

		Income						Total
		25000-50000	50000-1 lac	1 lac-1.5 lac	1.5lac-2lac	2 lac – 2.5 lac	2.5 lac and above	
TV	Count	1	0	3	1	1	1	7
	% within Income	12.50%	0.00%	27.30%	12.50%	10.00%	9.10%	11.70%
Radio	Count	0	0	2	3	3	10	18
	% within Income	0.00%	0.00%	18.20%	37.50%	30.00%	90.90%	30.00%
Newspaper	Count	0	4	3	4	6	0	17
	% within Income	0.00%	33.30%	27.30%	50.00%	60.00%	0.00%	28.30%
Hoardings	Count	7	8	3	0	0	0	18
	% within Income	87.50%	66.70%	27.30%	0.00%	0.00%	0.00%	30.00%
Total	Count	8	12	11	8	10	11	60
	% within Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 2: Advertisement Media which creates a greater impact for buying Fast Moving Consumer Goods according to the income of the consumers

		Income						Total
		25000-50000	50000-1 lac	1 lac-1.5 lac	1.5lac-2lac	2 lac – 2.5 lac	2.5 lac and above	
Excellent Media	Count	3	3	2	0	1	6	15
	% within Income	37.50%	25.00%	18.20%	0.00%	10.00%	54.50%	25.00%
Good Media	Count	1	3	6	1	1	2	14
	% within Income	12.50%	25.00%	54.50%	12.50%	10.00%	18.20%	23.30%
No difference as to other Media	Count	4	2	0	3	2	3	14
	% within Income	50.00%	16.70%	0.00%	37.50%	20.00%	27.30%	23.30%
Bad media	Count	0	2	0	0	3	0	5
	% within Income	0.00%	16.70%	0.00%	0.00%	30.00%	0.00%	8.30%
Brings negativity in the environment	Count	0	2	3	4	3	0	12
	% within Income	0.00%	16.70%	27.30%	50.00%	30.00%	0.00%	20.00%
Total	Count	8	12	11	8	10	11	60
	% within Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 3: Rating of the TV Media by the Consumers for buying Fast Moving Consumer Goods according to the different classes of income

		Income						Total
		25000-50000	50000-1 lac	1 lac-1.5 lac	1.5lac-2 lac	2 lac – 2.5 lac	2.5 lac and above	
Excellent Media	Count	3	3	1	3	2	0	12
	% within Income	37.50%	25.00%	9.10%	37.50%	20.00%	0.00%	20.00%
Good Media	Count	3	6	7	1	3	0	20
	% within Income	37.50%	50.00%	63.60%	12.50%	30.00%	0.00%	33.30%
No difference as to other Media	Count	2	3	1	1	2	1	10
	% within Income	25.00%	25.00%	9.10%	12.50%	20.00%	9.10%	16.70%
Bad media	Count	0	0	1	1	2	5	9
	% within Income	0.00%	0.00%	9.10%	12.50%	20.00%	45.50%	15.00%
Brings negativity in the environment	Count	0	0	1	2	1	5	9
	% within Income	0.00%	0.00%	9.10%	25.00%	10.00%	45.50%	15.00%
Total	Count	8	12	11	8	10	11	60
	% within Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 4: Rating of the Newspaper by the Consumers for buying Fast Moving Consumer Goods according to the different classes of income

		Income						Total
		25000-50000	50000-1 lac	1 lac-1.5 lac	1.5 lac-2lac	2 lac – 2.5 lac	2.5 lac and above	
Excellent Media	Count	2	6	2	3	3	3	19
	% within Income	25.00%	50.00%	18.20%	37.50%	30.00%	27.30%	31.70%
Good Media	Count	1	5	3	3	3	4	19
	% within Income	12.50%	41.70%	27.30%	37.50%	30.00%	36.40%	31.70%
No difference as to other Media	Count	4	1	3	1	3	3	15
	% within Income	50.00%	8.30%	27.30%	12.50%	30.00%	27.30%	25.00%
Bad media	Count	1	0	1	0	1	1	4
	% within Income	12.50%	0.00%	9.10%	0.00%	10.00%	9.10%	6.70%
Brings negativity in the environment	Count	0	0	2	1	0	0	3
	% within Income	0.00%	0.00%	18.20%	12.50%	0.00%	0.00%	5.00%
Total	Count	8	12	11	8	10	11	60
	% within Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 5: Rating the Hoarding by the Consumers for buying Fast Moving Consumer Goods according to the different classes of income

		Income						Total
		25000-50000	50000-1 lac	1 lac-1.5 lac	1.5 lac-2lac	2 lac – 2.5 lac	2.5 lac and above	
Excellent Media	Count	0	1	2	4	1	4	12
	% within Income	0.00%	8.30%	18.20%	50.00%	10.00%	36.40%	20.00%
Good Media	Count	0	2	6	3	7	5	23
	% within Income	0.00%	16.70%	54.50%	37.50%	70.00%	45.50%	38.30%
No difference as to other Media	Count	1	1	0	0	2	2	6
	% within Income	12.50%	8.30%	0.00%	0.00%	20.00%	18.20%	10.00%
Bad media	Count	2	3	1	1	0	0	7
	% within Income	25.00%	25.00%	9.10%	12.50%	0.00%	0.00%	11.70%
Brings negativity in the environment	Count	5	5	2	0	0	0	12
	% within Income	62.50%	41.70%	18.20%	0.00%	0.00%	0.00%	20.00%
Total	Count	8	12	11	8	10	11	60
	% within Income	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 6: Rating the Radio by the Consumers for buying Fast Moving Consumer Goods according to the different classes of income

6.1. According to the factor of Income, the analysis was done with the help of Chi-Square it was notified as following

- Consumer's response towards the best media usage at home is as following according to table 1**
It clearly shows that 35% consumers prefer more of the media Television at home than the other two Medias. The income group of 2.5 lacs and above is showing the maximum preference of Television in the entire sets of Preferred Media i.e. 100%. The income group of 25000-50000 and above is showing the maximum preference of Newspaper in the entire sets of Preferred Media i.e. 100%. However there is statistical significant difference in Media usage across income group (p value <0.001 using Pearson's Chi Square Test).
- Consumer's impact towards the best media for buying the FMCG was as following according to table 2**
It clearly shows that 30% consumers have more impact of the media Radio than the other Medias. The income group of above 2.5 lacs is showing the maximum impact of Radio in the entire sets of Preferred Media i.e. 90.9%. However there is statistical significant difference in Media usage across income group (p value <0.001 using Pearson's Chi Square Test). The two tables represented in 6.1 and 6.2 clearly states that income is affecting the different media which is either used at home or noticed outside by different consumer according to their income. Different consumers according to their level of income are preferring different media to be used. Hence 1st hypothesis stated is proved to be right and the null hypothesis is rejected.
- Consumer's rating towards the media Television for buying the FMCG was as following according to table 3**
It clearly shows that 25% consumers watch Television and comments the media of Television as an excellent media. The income group of 1-1.5 and 2.5 lacs and above is showing consumers are commenting on this media as a media which is an Excellent and few comments as a Good media i.e. 54.5%. However there is no statistical significant difference in Media usage across income group (p value 0.009 using Pearson's Chi Square Test).
- Consumer's rating towards the media Newspaper for buying the FMCG was as following according to table 4**
It clearly shows that 33.3% consumers reading Newspaper comments it as Good media. The income group of 1-1.5 lacs is showing consumers comments it as a Good media i.e. 63.6%. However there is no statistical significant difference in Media usage across income group (p value 0.012 using Pearson's Chi Square Test).
- Consumer's rating towards the media hoarding for buying the FMCG was as following according to table 5**
It clearly shows that 31.7% consumers travels more and comments hoardings as an excellent media and few comments it as a Good media. The income group of 25000-50000 and 50000-1 lac is showing the consumers almost travelling more i.e. 50% comments hoardings as an excellent media and few comments it as a media which is same as other media. However there is no statistical significant difference in Media usage across income group (p value 0.680 using Pearson's Chi Square Test).
- Consumer's rating towards the media Radio for buying the FMCG was as following according to table 6**
It clearly shows that 38.3% consumers listens to Radio and comments it as a Good Media. The income group of 2-2.5 lacs is showing the consumers almost listening to Radio comments it as a Good Media i.e. 70%. However there is no statistical significant difference in Media usage across income group (p value 0.004 using Pearson's Chi Square Test).

7. Conclusion

The population can further be divided in three major categories of income level. People earning 25000-1lac as Lower income Group, People earning 1lac -2 lacs as Middle income Group and People earning 2 lac and more as higher income Group. The table shows the preference of Media by the consumers for FMCG products according to the category of income:

Sl. No.	Questions	Impact on Particular Media		
		Lower Income	Middle Income	Higher Income
1	The Media which is most used in home	Newspaper	Radio	Television
2	Impact of best media for buying more FMCG	Hoarding	Newspaper	Newspaper
3	Rating Television	No Difference	Good	Negative
4	Rating Newspaper	Good	Good	Bad
5	Rating Hoarding	No Difference	Good	Good
6	Rating Radio	Negative	Good	Good

The entire data was computed through questionnaire and interview of 60 consumers from areas like Gariahat, New market, Cash and carry Metro, Big Bazaar, Spencer and South city Mall. The entire analysis was for the consumers for FMCG products. The data was collected analyzed and Chi-Square was computed. It clearly showed that Chi-Square was less than 0.001 in case of the factor income. It was quite evident that consumers like all the media which were common.

- Table 1: This table shows a relationship between the usage of different Medias used at home and the different class of income. Low income group of consumers like the media Newspaper and generally use this media at home, Middle class group of consumers are almost in touch and use all three media at their home but high class income group uses more of Television.
- Table 2: Table shows a relation between the different class of income group with the media and its impact on them. The two Medias named by the consumer as the best media which creates an impact on the consumers were Hoarding and Newspaper.
- Table 3: Table shows the different groups of income category rating on Television. Consumers watch Television for almost 3-5 hours a day and overall have rated this media as Good media.
- Table 4: Table shows the different groups of income category rating on Newspaper. Consumers have rated the Newspaper Media as a Good Media which almost 1-2 hours a day minimum they read.
- Table 5: Table shows the different groups of income category rating on Hoardings. Consumers travel almost for minimum 3-5 hours and they have rated this media as Good media and excellent media.
- Table 6: Table shows the different groups of income category rating on Radio. The last media Radio media is also preferred by the consumers and they have commented that almost 3-5 hours minimum they hear and rate it as a Good media for buying products.

Hence it can be clearly seen and visualized that these four common Medias are liked by different categories of consumers and it has different effects on different classes of income group of consumers.

In the last 50 years the media influence has grown exponentially with the advance of technology, first there was the telegraph, then the radio, the newspaper, magazines, television and now the internet. We live in a society that depends on information and communication to keep moving in the right direction and do our daily activities like work, entertainment, health care, education, personal relationships, traveling and anything else that we have to do.

It is clear from the data there are many consumers for buying FMCG products. Consumers are attracted by the help of different Media. The demographic nature of Indian people was considered in this analysis and it was clear that the most important factor was the income factor for the consumer which helps consumers in deciding which media is best suitable for them in increasing the sales of the Organizations. Age factor, Gender factor and occupations were also seen but the Chi-Square analysis showed that the income factor is the most significant in detecting the media preferred by the consumers.

Media is everywhere, newspapers, magazines, television, billboards, telemarketing, and the Internet. Although the environmental factors are important in decision making and getting information but the most reliable and trustworthy source is the ad of particular brand. Advertisement has a positive impact on consumers. In a nutshell it was concluded that advertisement media and its effectiveness was positively related. It was also found out that people form attitudes towards objects on the basis of their beliefs, perception and knowledge about these objects. The media appreciated by the consumer is not fixed or actually cannot be firmly classified by the help of different classes of attributes of consumer but income is seen as one of the important factor which influences the consumer to choose a particular media.

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