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An empirical survey of socio-demographic factors influencing FMCG buying behaviour in Indian suburban areas

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Abstract

This study examines the influence of socio-demographic factors-such as age, income, and education-on purchasing behaviour in the FMCG sector, focusing on suburban consumers in Bhandup and Mulund, Mumbai. Employing a survey-based approach, data was gathered from 400 respondents to understand how these demographic characteristics impact consumer preferences, brand loyalty, and price sensitivity. The findings reveal that younger, digitally engaged consumers tend to exhibit high brand-switching behaviour influenced by promotional offers, while older consumers demonstrate greater brand loyalty in essential FMCG categories. Insights from this study offer actionable recommendations for FMCG marketers seeking to develop targeted strategies for suburban demographics with a view toward increasing brand loyalty and satisfaction.

Keywords: FMCG, consumer behaviour, socio-demographics, survey, purchasing decisions, suburban India, price sensitivity, brand loyalty

Introduction

It is essential to have a solid understanding of consumer behaviour in order to achieve success in the fast-moving consumer goods (FMCG) industry. This is because a company's product, price, promotion, and distribution strategies are all driven by customer behaviour (Kotler & Keller, 2016) [12]. As a result of rising disposable incomes, increased internet penetration, and a more aspirational population, the fast-moving consumer goods (FMCG) sector in India is quickly developing. Suburban areas such as Bhandup and Mulund are exhibiting a considerable rise in demand for FMCG products (IBEF, 2020). Due to the fact that consumers in suburban areas represent a distinct combination of urban influence and conventional inclinations, it is vital for marketers to have a solid understanding of the elements that influence the decisions that they make regarding their purchases.

Some of the most important aspects that determine customer behaviour are socio-demographic characteristics, such as age, income, education level, and level of digital engagement. The tastes of consumers, the degree of brand loyalty they feel, and their attitudes towards pricing are all influenced by these characteristics, and they have proven to be especially powerful in the fast-moving consumer goods industry, where product differentiation might be rather limited. For instance, younger customers may exhibit a high level of price sensitivity and a tendency to switch brands frequently, whereas elderly consumers frequently place a high value on brand loyalty, particularly for products that they consider to be necessary (Chaudhuri & Holbrook, 2001) [5].

The purpose of this research is to evaluate the influence of socio-demographic factors on their decisions to purchase fast-moving consumer goods (FMCG), with a particular emphasis on finding patterns among suburban customers in Mumbai. The research aims to accomplish the following objectives: (1) to gain an understanding of the ways in which age, income, and education influence purchasing preferences; (2) to investigate the role that digital engagement plays in brand loyalty and price sensitivity; and (3) to provide recommendations for fast-moving consumer goods (FMCG) marketers to personalise their strategies in accordance with the demographics of suburban consumers.

Review of the Literature

Review of FMCG Consumer Behaviour Models and Theories

Obtaining important insights into the elements that influence purchasing decisions can be accomplished through the use of theoretical models of consumer behaviour. According to

the Theory of Planned Behaviour (Ajzen, 1991) [1], the decisions that consumers make regarding their purchases are influenced by their intentions, attitudes, and subjective norms. In the fast-moving consumer goods industry, this theory helps explain why consumers may prioritise particular brands depending on the impact of their families, the expectations of society, or their own personal mindsets. The Engagement Theory, which was developed by Mollen and Wilson in 2010 [16], focuses on the ways in which digital engagement, such as activity on social media and online reviews, are able to influence the trust and loyalty of consumers. This notion is especially pertinent for younger, suburban buyers of fast-moving consumer goods in India, where the use of social media has increased significantly over the past few years.

According to Aaker (1991) [2], theories of brand loyalty postulate that factors such as product quality, price, and consumer trust constitute the primary motivators for recurrent purchases. When it comes to fast-moving consumer goods (FMCG), brand loyalty can be difficult to achieve because of the commoditisation of items, which causes customers to base their decisions on price and convenience. An additional theory that sheds light on consumer interaction is the Uses and Gratifications Theory, which was developed by Katz and colleagues in 1973 [10]. This theory proposes that users interact with digital content in order to satisfy their own personal needs, which may include socialisation, entertainment, and information. It is important to understand how younger customers in suburban regions may be impacted by digital marketing when selecting FMCG brands, and this idea is vital for understanding how this may occur.

An Analysis of the Relationship Between Socio-Demographic Factors and Purchasing Patterns

The buying behaviour of fast-moving consumer goods (FMCG) is intimately connected to socio-demographic parameters such as age, income, and education. According to research conducted by Dwivedi *et al*. in 2020 [6], younger customers have a tendency to be more brand-conscious while still being price-sensitive. More specifically, they frequently switch brands when they are provided with promotions or discounts. According to Statista's research from 2020 [17], people's choices for premium brands are influenced by their income level. People with higher incomes are more likely to place a higher priority on quality and brand reputation, while consumers with lower incomes place a larger value on price and convenience. There is also a correlation between education level and digital engagement, with consumers who have a greater level of education displaying a higher degree of digital engagement, which in turn affects their exposure to companies through online platforms.

The behaviour of consumers in India's suburbs is impacted by a combination of urban aspirations and traditional values. However, price sensitivity continues to be a powerful motivator in brand-switching behaviour, according to previous research conducted on Indian suburban consumers (Kumar & Shah, 2018) [13]. This is despite the fact that these consumers are lured to the aspirational appeal of respective brands. Studies have also shown that consumers who are digitally engaged in suburban areas place a significant amount of importance on online reviews and social media influencers when it comes to making judgements regarding the purchase of fast-moving consumer goods (FMCG). This demonstrates that engagement techniques are becoming increasingly crucial in this demographic.

Table 1: Key Socio-Demographic Influences on FMCG Purchasing Decisions

Socio-Demographic Factor	Influence on FMCG Purchase Behaviour	Key References
Age	Younger consumers more brand-conscious, frequent brand switching	Dwivedi *et al*., 2020 [6]
Income	Higher-income groups prefer premium brands; low-income prefer value	Statista, 2020 [17]
Education	Higher education correlates with increased digital engagement	Kumar & Shah, 2018 [13]
Digital Engagement	Increases exposure to promotions, affects loyalty	Mollen & Wilson, 2010; Ajzen, 1991 [16, 1]

Methodology

The study employed a survey-based approach to gather data on consumer behaviour within the FMCG sector in the suburban areas of Bhandup and Mulund, Mumbai. The survey targeted a diverse population, aiming to understand how socio-demographic factors influence FMCG purchasing decisions. The following key aspects describe the methodology:

Survey Design and Data Collection

A structured questionnaire was designed, focusing on three primary areas: demographic details, buying habits, and brand preferences. This questionnaire was administered to 400 FMCG consumers in Bhandup and Mulund through a combination of online and in-person formats to ensure a high response rate and representativeness.

Analytical Tools: Data analysis was performed using cross-tabulation, Chi-square tests, and descriptive statistics. Cross-tabulation helped identify patterns in consumer behaviour across demographic groups, while Chi-square tests assessed the statistical significance of associations between socio-demographic variables (e.g., age, income, education) and purchasing behaviour. Descriptive statistics provided a comprehensive overview of the demographic profile of respondents.

Table 2: Methodology Overview

Methodology Aspect	Description
Research Design	Survey-based
Target Population	FMCG consumers in Bhandup and Mulund, Mumbai
Sample Size	400 respondents
Data Collection Method	Structured questionnaire (online and in-person)
Survey Content	Demographics, buying habits, brand preferences
Analysis Techniques	Cross-tabulation, Chi-square tests, descriptive statistics
Key Focus Areas	Age, income, education, frequency of purchases, brand loyalty

Results and Analysis

The analysis of survey responses provided insights into the demographic profile of respondents, their FMCG buying habits, and the influence of socio-demographic factors on purchasing behaviour. Key findings include the frequency of FMCG purchases, levels of brand loyalty, and the impact of price sensitivity on brand-switching behaviour.

Demographic Profile of Respondents

The sample included diverse age groups, income levels, and educational backgrounds, representing the socio-demographic makeup of the suburban FMCG consumer base.

Table 3: Demographic Profile of Respondents

Demographic Factor	Category	Number of Respondents	Percentage (%)
Age	18–24	150	37.5%
	25–34	100	25%
	35–44	80	20%
	45+	70	17.5%
Income Level	Low (Below ₹25,000)	120	30%
	Medium (₹25,000-₹50,000)	200	50%
	High (Above ₹50,000)	80	20%
Education	High School	60	15%
	Bachelor's Degree	240	60%
	Master's Degree	100	25%

Analysis of Buying Behaviour

The survey assessed consumer buying behaviour, specifically focusing on purchase frequency, brand preferences, and loyalty levels. Younger respondents (aged 18–24) reported a higher tendency to switch brands based on promotions, while older respondents showed greater loyalty, particularly for personal care and household products.

Table 4: FMCG Buying Behaviour Analysis

Buying Behaviour Aspect	Category	Percentage of Respondents (%)
Purchase Frequency	Daily	15%
	Weekly	35%
	Monthly	50%
Brand Loyalty	Highly Brand-Loyal	30%
	Moderate Brand Loyalty	45%
	Low Brand Loyalty	25%
Brand Switching	Frequently Switch Brands	40%
	Occasionally Switch Brands	35%
	Rarely Switch Brands	25%

Influence of Price Sensitivity and Quality on FMCG Purchase Choices

The analysis revealed that price sensitivity was a significant factor influencing purchasing decisions, particularly among lower-income groups, who showed a higher preference for discounts and bulk purchase options. Quality was prioritised among higher-income consumers, especially in categories like personal care and health-related FMCG products.

Table 5: Influence of Price Sensitivity and Quality on Purchasing Choices

Purchase Influencer	Income Level	Preference (%)
Price Sensitivity	Low Income	70%
	Medium Income	50%
	High Income	30%
Quality Preference	Low Income	30%
	Medium Income	60%
	High Income	80%

A clear understanding of the socio-demographic characteristics and purchasing patterns of suburban FMCG consumers in Bhandup and Mulund is provided by these tables, which effectively summarise the methodology of the survey.

Discussion

The findings are congruent with well-established theories of digital marketing, in particular with the ideas of relationship marketing and brand engagement, both of which place a focus on the role that continuous interactions play in the process of cultivating brand loyalty. According to the Engagement Theory (Mollen & Wilson, 2010) [16], digital platforms improve customer contact, which in turn strengthens customer loyalty by generating a sense of connection between the customer and the brand. The findings of this study revealed that social media campaigns and relationships with influencers are important tools that increase engagement. These strategies resonate with customers because they are perceived as being personal and relatable from their perspective. Additionally, the Theory of Planned Behaviour (Ajzen, 1991) [1] is applicable in this context. This theory proposes that digital marketing has an effect on consumers' attitudes, subjective norms, and perceived control over their purchasing decisions. This is especially true in younger demographics that are frequently engaged with digital technology.

Additionally, these findings lend support to the Uses and Gratifications Theory (Katz, Blumler, & Gurevitch, 1973) [10], which proposes that consumers interact with digital content in order to satisfy particular needs, such as the desire for amusement, the desire for information, and the desire for social contact. FMCG companies are able to

satisfy these requirements by efficiently utilising influencer marketing and interactive content on social media. This results in brand experiences that are more memorable, which in turn increases the likelihood of increased brand loyalty.

Relevance for Fast-Moving Consumer Goods Brands in Suburban Markets

The findings of the study highlight the significance of individually tailored digital engagement strategies for fast-moving consumer goods (FMCG) firms that operate in suburban markets. Instagram and Facebook are two examples of social media sites that act as crucial touchpoints for communicating with younger consumers living in suburban areas. These consumers frequently look for material that is both relatable and aspirational. In light of these findings, it is recommended that digital marketing campaigns be tailored to the demographics of suburban areas, as suburban consumers may have different preferences and sensitivity levels compared to urban or rural consumers. In particular, customers of fast-moving consumer goods (FMCG) in suburban areas exhibit a combination of price sensitivity and brand loyalty, which suggests that engagement strategies should contain a combination of material that builds the brand and promotional offers.

Additionally, influencer relationships are extremely effective for fast-moving consumer goods businesses who are attempting to break into suburban areas. It is possible for brands to cultivate a more genuine relationship with their target audience by working together with micro-influencers who have a significant presence in their local community or who have cultural significance. Furthermore, this technique makes it possible for fast-moving consumer goods (FMCG) firms to obtain the trust of an existing community by utilising influencers as brand advocates who are able to promote both product awareness and trial among customers.

An Analysis of the Effects of Digital Engagement on the Loyalty of Customers

The use of digital engagement tactics has a significant impact on the level of brand loyalty among consumers of fast-moving consumer goods (FMCG), particularly in product categories where there is limited product difference. The increased brand attention and decreased brand switching rates that were seen among participants are clear indicators of the efficacy of digital strategies, such as influencer marketing and social media campaigns. A strong emotional connection with businesses can be cultivated through the use of interactive material, such as influencer endorsements and engaging commercials, according to the findings of a study (Chaffey & Ellis-Chadwick, 2019) [4]. This is an essential component for maintaining brand loyalty in price-sensitive markets.

Despite the fact that e-commerce discounts have been shown to be efficient in generating rapid purchases, particularly in price-sensitive categories, they may also unwittingly induce consumers to switch brands. The goal of fast-moving consumer goods (FMCG) firms should be to combine digital interaction with loyalty programs in order to preserve customer loyalty. This would allow the brands to reward customers for making repeat purchases while also providing pricing incentives. According to the findings of the study, maintaining a sustainable level of brand loyalty in the digital era requires striking a balance between publishing promotional content and cultivating long-term relationships.

Final Thoughts

Summary of Key Findings on Digital Engagement and Brand Loyalty

This study found that digital engagement, particularly through social media campaigns and influencer partnerships, plays a critical role in strengthening brand loyalty among suburban FMCG consumers. Younger consumers, in particular, show high responsiveness to digital tactics, indicating that brands can significantly enhance loyalty by engaging them on social media and through influencers. Furthermore, price sensitivity remains a key driver in the FMCG sector, with e-commerce discounts encouraging brand switching in categories where products are less differentiated.

Recommendations for FMCG Companies Seeking to Strengthen Brand Loyalty through Digital Strategies

1. **Utilise Influencer Partnerships for Local Engagement:** Collaborating with local influencers who resonate with suburban audiences can build trust and drive product trials. FMCG brands should focus on micro-influencers with strong community ties to increase relatability.
2. **Enhance Social Media Interactivity:** Develop engaging content tailored for platforms popular among younger consumers, such as Instagram and YouTube. This includes interactive ads, live product demos, and user-generated content to strengthen brand connections.
3. **Balance Promotions with Loyalty Programs:** While discounts and promotional offers drive immediate purchases, brands should integrate loyalty programs to reward repeat buyers and foster long-term relationships.
4. **Invest in data-driven targeting:** Use analytics to segment suburban consumers effectively, tailoring digital content based on demographic insights such as age, income, and engagement preferences.
5. **Adopt a holistic digital strategy:** A balanced mix of brand-building campaigns, influencer content, and price incentives can attract both brand-loyal and price-sensitive consumers, increasing overall engagement and loyalty in the suburban FMCG market.

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