



## **Analysis of the Impact of Covid-19 pandemic on television advertisements & consumer buying behaviour with respect to F.M.C.G. in Nagpur region**

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### **ABSTRACT**

Consumer buying behavior and advertisements are co-related in terms of measuring the effect and final consumption of the product. Covid-19 has changes the all aspects of the advertisements and its related activities which in terms change the process of targeting in advertisements, the aspects changes with the more focus on health and allied benefits of the products/services. Covid-19 has affected the market in terms of consumption and services, it makes consumer more aware towards the health and hence focus shifted towards the health benefit of the product, Which in term changes the pattern of targeting in advertisements. More emphasis on the cleanliness, micro-organism killing, germ free products and hygiene.

### **KEYWORDS**

covid-19, lockdown, marketing, pandemic impact, television advertisement, FMCG, consumer buying behavior, Nagpur region, business impact, management, covid-19 pandemic, lockdown-2, work-from-home, target audience, positioning of product.

### **Introduction.**

Advertising is a mode of communication in marketing which helps businesses to motivate people, in general or a particular section of them, to make a decision or continue with a previous decision regarding purchase of a product or accepting a service. It has become one of the most significant commercial activities in a business environment. Businesses employ advertisements as a vital tool in enhancing their sales and revenue. Advertisements use various approaches while impacting consumer behavior including emphasis on product quality, service, unique features, environmental friendliness, costs, availability in market etc.

Advertising can be dated back to ancient periods through outdoor signs, painting on walls, handbills etc. Modern advertising evolved from the beginning of 20th century when modern manufacturing led to increased number and quantity of consumer goods. The evolution of modern advertising towards the later decades of 20th century was attributed to the technological developments in broadcasting and communications. In modern day business, every possible media including television, print (newspapers, magazines, journals etc), radio, internet, direct selling, hoardings, mailers, contests, sponsorships, posters, clothes, events, colors, sounds, visuals and even celebrity endorsements have been used for advertising. Advancements in technology contribute to the constant transition in advertisement strategies. Advertisements have both short term and long term objectives. One of the primary objectives of advertisements is to provide information regarding various products, their brands, prices available in the market.

A fundamental objective of advertising includes making distinctions between various products and impressing upon the consumer to buy one product in preference to another. Advertising is objected to increase sales and build profits gradually. At the same time it also aims at keeping the existing consumers to adhere on to the product as well as switch consumers from the existing brand they are using to the new product. Essential to successful advertising is the appropriate understanding of what and how to advertise, fulfilling various objectives. According to Keuster (2012), consumer behavior is defined as the study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society.

It helps advertisers in formulating marketing strategies. It helps in perceiving the decision making processes of buyers, and especially through the influence of particular advertisement. "All marketing decisions are based on assumptions and knowledge of consumer behavior," ((Hawkins and Mothersbaugh, 2007). The Indian retail industry and consumer market are presently one of the

world's top five retail markets in terms of economic value and one of the fastest growing markets with a huge increase in the demand for FMCG products. In December 2019, a new disease with pneumonia-like symptoms was spreading throughout Wuhan in China which was entitled as novel corona virus disease or COVID -19 caused by the virus SARS CoV-2. Within a span of a few days, this disease became a global threat and was termed as a pandemic by the World Health Organization (WHO) on March 11, 2020, since then the disease has affected more than 1.5 crore people worldwide and around 6.9 lakh people in India as of July 5, 2020.

Covid-19 has become a pandemic that has affected the entire world. There was not much knowledge and information about this virus before December 2019. It was only after the virus that was first detected in Wuhan, China in 2019 that all the nations came into action to fight with this unknown virus. Corona viruses cause illness in animals and humans. It causes respiratory infections in humans ranging from common cold to more severe outcomes. This virus can spread through droplets from the nose or mouth which are expelled when a person carrying the virus sneezes, cough or speaks. And that is the reason that the virus travels and spreads very fast. There were a total of 13,824,739 confirmed cases worldwide and 1,038,716 cases in India as per the WHO data as on 18<sup>th</sup> July, 2020. India was under lockdown since 25<sup>th</sup> March, 2020 and this lockdown continued till 30<sup>th</sup> May, 2020. The government eased most of the restrictions of lockdown and rolled out 'Unlock 1.0' from 1<sup>st</sup> June, 2020. There were still restrictions on shopping malls, movie halls etc

The new working culture of Work-From-Home and restricted public participation during the period of lockdown and Unlock because of COVID -19 has impacted the consumers reach and effectiveness of advertisements for the decision making for buying. encouragement and enhancement of online platforms related to buying markets, enhanced used of social media, increased time of viewing hours for audio-visual media, considerable increase in TV audience & content. Social media platform's increased importance and contribution in decision making enhancement.

### **Literature review**

A large volume of previous literature, theoretical as well as empirical studies on advertisement process, market dynamics and consumer purchase behaviour has been used as a basis for this study. Extensive review of these literatures has helped in reviewing earlier research on the subject and thereby fills the necessary gaps. Marketing helps business firms in creating interests in new customers by assuring

better value to their money spent and to sustain present customers and further develop customer base (Kotler et al. 2008). Kotler(2010) explains that advertising is a component of 'promotional mix' comprising of public relations, direct marketing, sales promotion and personal selling.

Comprehending consumer behaviour has evolved to be a decisive aspect with a direct impact on the performance of business (Kotler and Keller, 2012). Lancaster (2002) gives a modified perspective that understanding consumer behaviour has become more critical particularly due to intense competition in industry. Consumer behaviour has been defined by Schiffman and Kanuk (2004) as the behavioural form of a consumer for evaluating, buying, consuming product, service or idea in order to fulfil own needs and the decision making of consumer in spending resources for acquiring products and services after comprehending what to buy, why to buy, how to buy, when to buy, where to buy, and how often to buy.

The aim of any business is to expand its customer base by influencing their buying behaviour, for which a significant amount of their investment is spent on advertisements. Achieving what the firms expect through advertisements, i.e., to increase customers for their product or service, is possible only if there is a proper understanding of the consumer behaviour of the market in which they operate. Business houses usually gather data regarding the social profile of the population to which they cater. But this is not sufficient as complex consumer behaviours cannot be comprehended just through profile data, but through detailed study of consumer behaviour (Arens, 1996). The study of consumer behaviour involves the study of economic, social and psychological factors which can help in determining the most preferential promotional strategy that businesses should select. The effectiveness of any advertising strategy can be measured directly by observing sales volumes during campaigns or indirectly by conducting surveys (Rix 2007). The objective of any study on consumer behaviour is to determine the factors that influence consumers to act in a particular way during the entire process of buying (Ayanwale et al., 2005).

Goldsmith and Lafferty (2002) postulates that after witnessing advertisement of any brand a consumer develops liking for the brand and then eventually become willing to purchase it. The consumer's ability to recall the advertisement of the brand at times of purchasing and otherwise is an aspect of effective advertisement, says Goldsmith and Lafferty. The terminology actual buying behaviour was suggested in earlier literatures (Adelaar, 2003). The relative likeness of a brand leads to recall of the advertisement at various instances and will depend on the extent to which consumer makes product related decisions,

which leads to the brand awareness (Keller,2006). Good advertising helps in brand building and branding helps to identify and distinguish the product among thousands of brands. Advertising promotes the brand name (Rix 2007 p.272). Braithwaite (1928) and Kaldor (1950) studied the persuasive aspect of advertising. Comanor and Wilson (1967), states that advertising has the ability to hold brand loyalty. Sharma (2007) opines that modern day consumer expects proper information about the product from advertisements apart from brand name, celebrity endorsement, quality of advertisement etc.

Since the area of study belongs to India, earlier studies pertaining to Indian market were also reviewed. Dubey and Patel (2004) have identified that young generation and female population in India are more influenced by advertisements. According to Dubey and Patel (2004) the female population is more influenced because the more number of advertisements are focused on them and youth is attracted by jingles, celebrities etc. Selvaraj (2007), states that businesses targeting Indian market should perceive opportunities of having a large youth population. A study by Philip (2007) 'The relationship between advertising and consumption in India' corroborates the postulation regarding Indian market by obtaining results of his study that changes in expenditure for advertising has positively made impacts on consumption expenditure.

### **Objectives**

The specific objectives of the study include:

1. To identify impact of advertisement on consumer purchasing preferences of FMCG products
2. A Study of effect of pandemic on television advertisements (content, mode, medium)
3. Pre-pandemic and post-pandemic changes in consumer buying behaviour
4. To determine the percentage of purchases motivated through advertisements.
5. To compare the impact of lockdown on buying behaviour of consumer
6. To determine the effect of lockdown and work-from-home on advertising mix for product advertising.

### **Research Methodology**

The process of this research comprises various stages

- formulation of a theoretical background based on secondary data and information,
- developing the research objectives based on theoretical background and hypotheses
- deciding the strategy for primary research based on survey
- data collection and analysis,

- finding conclusions

The significant secondary data and information required was the statistics of advertisements of various FMCG products available in Nagpur region markets and details of their reach through various media. The strategy for primary sampling is briefly described below:

#### **Coverage and Sampling**

Keeping in view of the above objectives and said research issues, the study is based on first hand data collected through surveys across a few selected districts of Nagpur region, among both urban and rural population. Sampling is an important feature for all research and proper sampling give better accurate results which reflect the general behaviour of the entire population. The consumers who use different types of FMCG products were taken as the population of this study. Probability sampling method was used and a total of 500 consumers were interviewed and the sample respondents were classified based on their gender, age, education and income levels.

#### **Data collection instruments and key parameters**

Primary data required for the research was collected through questionnaires and one questionnaire per sample respondent was used. The questionnaire is designed in such a fashion to obtain answers to the basic objectives mentioned earlier. The questionnaire contains both closed ended questions and open ended questions. While the closed ended questions made it easier to compare the views of the respondents, the open ended questions collected more expressive answers and views which needs quantitative analysis. The questionnaire has questions pertaining to: details of the respondents for their identification and their social profile; the brands and items of FMCG they use; the shopping patterns; the kinds of exposure to various advertising media and the styles of advertisements they are attracted to; the consumer preferences and loyalty specific products with reasons and the effects of the product's advertisements to the consumers.

Secondary data required for the research can be obtained from agencies monitoring the audio-visual media such as BARC (Broadcast research audience council) providing the daily metadata for the detailed analysis. BARC India is joint body representing Broadcasters, advertisers and advertising & media agencies, own and manage transparent, accurate and inclusive TV audience measurement system. Provides data based on various categorisation as Rural, Urban, income status, geographical categorisation etc.

#### **Analytical Framework**

Quantitative data as well as qualitative data will be obtained through the survey and therefore separate analytical methods are used for both. The analysis includes testing the data on the hypotheses, examine relationships and make

comparisons of the questions asked and to draw conclusions and to make recommendations. Survey data will be processed by using Excel spread sheet using statistical graphs which are implemented by using pivot tables to illustrate relationship between variables. For the purpose of primary data analysis, regression, correlation, ANOVA, standard deviation methods will be employed.

### **Research Work,**

- Random sampling for direct research has been taken as primary data with sample size of 200 people, whereas data from BARC(Broadcast Audience Research Council) is taken as a secondary data which represent the actual views and habit of viewership changes of audience.
- sampling from the varous sections of segmented audience, with different demographical and geographical locations has been taken.
- sampling diffe with the nature and age of audience to effectively undersatnd the changes in pattern of vievers.
- BARC data of covid-19 period including pre-covid, lockdown period and post-covid has been analyzed.

### **Findings,**

- There is a significant change in content of television advertisements.
- advertiesers started including the health-angel to the advertisements.
- The advertisers change the advertisements accordingly to shift and focus on covid-19 pandemic, causes, precautions and measures to averts pandemic.
- advertisrs includes the measures and precautions as a social massage in advertisements
- consumer gets informed about health related benefits of the products through adverisments
- consumer started to change the buying behavior with regards to the health focused information of product received through advertisements.

### **Conclusion**

- the advertisements chanegs the buying related behaviour of the customers
- advertisers are more focused on Health-related qualities of the product for information to consumer.
- the changes in shift focus on health related branding of the products.
- covid-19 changes the targetting aspects and scinario for the adveriements industry
- public awareness relted to the health consiousness has driven the changes in advertisments

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