

Exploring Consumer buying Behavior of detergent in Tier 2 Indian cities

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***Abstract**

The purpose of this research is to explore consumer buying behavior of detergent in Tier 2 cities. The study aims to understand the impact of various values such as other-oriented values, environment-oriented values, and self-oriented values on the purchase decision of detergent powder. The study uses a combination of primary and secondary data collection methods. The primary data was collected through a survey of 100 consumers in Tier 2 cities. The secondary data was collected from various sources such as government reports, industry publications, and academic journals. The data was analyzed using SPSS software. The analysis showed that price is the most significant factor influencing consumer purchase decisions for detergent powder in Tier 2 cities. Other factors such as fragrance, whitening/stain removal capabilities, and packaging were also found to be significant, but to a lesser extent. The study's findings have implications for detergent powder marketers. Marketers should focus on developing products that are affordable and offer good value for money. They should also focus on promoting their products in a way that highlights the benefits of using their products.

***KEYWORDS:** Detergent powder, consumer buying behavior, Tier 2 cities, other-oriented values, environment-oriented values, self-oriented values, price, fragrance, whitening/stain removal capabilities, packaging

INTRODUCTION

Consumer behavior is the complex study of the factors influencing a customer during the buying process. It is directly involved in the acquisition, use, and disposal of items and

services, as well as the decision-making process and subsequent actions. The consumption pattern of people residing in tier-II Indian cities changes with time and with the change in the consumers' surroundings. Detergent is one of the most extensively used household goods, consumed by consumers of all ages to wash their clothes on a regular basis.

The project studies the impact of an internal or external determinant of consumer behavior on consumption preferences and patterns in a specific category of products i.e., detergent. The aim of the project is to understand upon which values namely, self-oriented, other oriented and environment oriented values, does the consumer buying behavior of detergent of Indian tier-II cities depend. Marketing in tier-II Indian cities will require a sound understanding of consumer buying behavior and find which factor one needs to focus upon and what will help a brand to get an upper hand in the market, thus understanding the consumer behavior is crucial from a marketing perspective as well

LITERATURE REVIEW

In the International Journal of Advancements in Research & Technology Volume 2, Issue4, April-2013 ISSN 2278-7763, "CONSUMER BEHAVIOUR OF SOAPS AND DETERGENT WITH REFERENCE TO THANJAVUR DISTRICT, TAMILNADU"

The Indian detergent market is characterized by intense competition and high penetration levels, according to the report. As a result of rapid urbanization, there is an increasing demand for higher-quality household products. There is a huge opportunity for branded and high-quality products at a reasonable price for consumers. The Indian detergent market is characterized by intense competition and high penetration levels, according to the report. As a result of rapid urbanization, there is an increasing demand for higher-quality household products. There is a huge opportunity for branded and high-quality products at a reasonable price for consumers. According to a study of detergent consumer behavior, most consumers make purchasing decisions based on brand name, quality, and price. The soap and detergent market is highly competitive, so in order for manufacturers to thrive there, they must promote various sales promotional activities and in order to keep current customers and draw in new ones, introduce different package sizes and designs and to find suitable channels to sustain the market.

IMARC Group (2024) analyzed the Indian laundry detergent market, highlighting a significant shift towards eco-friendly products. The study noted that leading brands are expanding their portfolios to include plant-based formulations and sustainable practices, catering to environmentally conscious consumers. This trend is particularly evident in Tier 2 cities, where increased awareness and disposable incomes drive demand for premium, eco-friendly detergents.

Mintel (2024) provided insights into the household cleaning market in India, noting that safety and environmental concerns are becoming central to consumer choices. The report highlighted that heavy users of cleaning products, including detergents, are prioritizing non-toxic formulations and sustainable packaging. This shift reflects a growing demand for transparency and eco-friendly innovations, particularly among consumers in urban and semi-urban areas, including Tier 2 cities.

The New Indian Express (2024) discussed the rapid growth of Tier 1 and Tier 2 cities as markets for Fast-Moving Consumer Goods (FMCG) brands. The report indicated that these cities are emerging as the fastest-growing markets in modern trade, with consumers gravitating towards premium brands in homecare categories, including detergents. This trend suggests an increased willingness among Tier 2 city consumers to invest in higher-quality products.

Jonathan Gutman and Donald E. Vinson (1979) contend in their paper "Value Structures and Consumer Behavior" that values are a powerful explanatory factor in consumer behavior, potentially surpassing influences like attitudes, product attributes, deliberation levels, classifications, and lifestyles. They propose a more nuanced view of values, where some align, necessitating similar behaviors, and acknowledge that values with shared virtues can be

diametrically opposed. This perspective offers a complex and sometimes contradictory understanding of consumer values and their impact on behavior.

Geetha and Tyagi (2013), in their study titled "Consumer Behaviour and Fascinating Challenges on Household Laundry and Dishwashing," emphasize the profound impact of contemporary urban lifestyles, increased disposable income, economic expansion, and heightened consumer awareness on consumer behavior across various geographical areas, including cities, towns, and rural regions. Their research underscores that in the context of Indian washing product purchases, the most crucial factors guiding consumer decisions are price, quality, fragrance, and promotional activities. This highlights the dynamic interplay between socio-economic factors and consumer preferences in the household laundry and dishwashing product market

Consumer behavior is directly involved in the acquisition, consumption, and disposal of products and services, including the decision process and subsequent action. Their expectations about purchasing a product change over time. Rural marketing is becoming increasingly important because it is one of India's fastest-growing markets. The consumption pattern, lifestyle, and purchasing behavior of people living in rural areas are also changing. People of all ages use detergent powder, one of the most commonly used household items, on a daily basis to clean their clothes.

Detergent preference is generally determined by product quality, safety, functionality, and packaging. Consumers' purchases of different detergent brands are influenced by a variety of factors, including family preferences, brand advertisements on television, radio, and newspapers, as well as various schemes such as discounts, offers, and coupons

OBJECTIVE OF THE STUDY

The principal aim of our consumer behavior study was to explore detergent consumption patterns among consumers residing in tier-II Indian cities. We sought to investigate the diverse factors, both internal and external, that influence the choices and preferences of consumers representing various sub-sections within these cities.

SCOPE OF THE STUDY

- Geographical Coverage: The study will span multiple tier-II Indian cities to provide a broader understanding of regional variations in consumer buying behavior.
- Consumer Segmentation: It will analyze consumer preferences, choices, and attitudes

towards detergent brands, types, and packaging options, while considering demographic, psychographic, and socioeconomic variables.

- Factors Influencing Buying Behavior: The research will delve into the internal and external factors that impact consumers' decision-making processes, including price sensitivity, quality perception, brand loyalty, and promotional influences

RESEARCH METHODOLOGY

DATA COLLECTION

- The data collection process in our research methodology comprises both primary and secondary research methods. Primary data is obtained through the distribution of survey questionnaires to consumers residing in tier-II cities, soliciting their insights and opinions on detergent-related matters. Concurrently, secondary data is sourced from a variety of documented materials, including research documents, articles, and previously published research studies, further enriching our study with a comprehensive foundation of existing knowledge in the field
- The data collection process involved the design of a questionnaire comprising 20 questions. These questions were carefully formulated utilizing the Nominal scale, Ordinal scale, and Rank-order scale, allowing respondents to provide structured responses. The survey was conducted across various tier-II cities in India, employing a random sampling technique to ensure the representation of diverse perspectives and demographics in the study.

DATA ANALYSIS AND FINDING

The data analysis in the research methodology involved 100 respondents who participated in the consumer behavior survey. The determination of the sample size was carried out using statistical methods, specifically the Kaiser-Meyer-Olkin (KMO) and Bartlett's tests within the SPSS software. The distribution of questionnaires was conducted electronically through Google Forms, resulting in the collection of 100 valid samples from consumers.

Upon collection, the gathered questionnaire data were entered as numerical values.

Subsequently, a range of statistical tools, including percentage analysis, visual representations in the form of graphics, and measures of central tendency, were employed to analyze and interpret the dataset, providing a comprehensive understanding of consumer behavior patterns and preferences.

1. CRONBACH'S ALPHA

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.675	.678	12

- When the value of Cronbach's Alpha is 0.6-0.7 it indicates a moderate level of reliability of internal consistency of our matrix with the data sample
- The Cronbach Alpha value for our scale resulted to be 0.67 i.e., 67% which means the scale is consistent but it's on borderline. This means the responses received have some deviation within it
- To understand the deviation it can be inferred that the value based buying behavior differs from consumers to consumers

2. CROSSTABS

Gender * 10. Which detergent brand are you most likely to purchase based on the images given below? Crosstabulation

Count

		10. Which detergent brand are you most likely to purchase based on the images given below?		Total
		Image1	Image2	
Gender	Female	19	27	46
	Male	25	29	54
Total		44	56	100

Table 1: Relationship between age and how frequently salon and spa services are availed

Image 1 shows detergent endorsed by a celebrity, which tries to capture

consumers' inclination towards other oriented value, whereas image 2 shows the fragrance aspect of detergent, which aims at capturing self oriented value.

According to our responses collected 53% of males and 58% of females are more likely to purchase detergent based on the image 2, which shows that



buyers give more weightage to the potency of the detergent rather than a celebrity endorsing it.

3. KMO & BARTLETT'S TEST

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.660
Bartlett's Test of Sphericity	Approx. Chi-Square	163.614
	df	66
	Sig.	.000

We got a value of 0.66 for the KMO test which is greater than 0.6 and Bartlett's test gives a significance level of 0.000 which is less than 0.05 which signifies that the sample size is adequate and significant.

4. TOTAL VARIANCE

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.713	22.606	22.606	2.713	22.606	22.606	1.667	13.894	13.894
2	1.510	12.586	35.192	1.510	12.586	35.192	1.598	13.313	27.207
3	1.274	10.620	45.812	1.274	10.620	45.812	1.500	12.502	39.708
4	1.149	9.575	55.387	1.149	9.575	55.387	1.474	12.283	51.991
5	1.009	8.405	63.792	1.009	8.405	63.792	1.416	11.801	63.792
6	.873	7.277	71.069						
7	.763	6.355	77.424						
8	.650	5.415	82.839						
9	.588	4.897	87.735						
10	.582	4.853	92.588						
11	.482	4.014	96.602						
12	.408	3.398	100.000						

Extraction Method: Principal Component Analysis.

Total Variance explained - This shows how much variance is being explained by this model. We use Principal component as an extraction method.

Eigenvalue - We should consider those components whose value is greater than 1. Only components with high Eigenvalues are likely to represent real underlying factors. Applying this simple rule to the previous table, our 12 variables seem to measure 5 underlying factors. Here we can observe that 63% of the model is defined by these 5 components.

5. CLUSTER ANALYSIS

Iteration History ^a		
Iteration	Change in Cluster Centers	
	1	2
1	5.128	5.352
2	.420	.199
3	.199	.109
4	.151	.082
5	.113	.065
6	.000	.000

Number of Cases in each Cluster	
Cluster 1	36.000
Cluster 2	64.000
Valid	100.000
Missing	.000

The cluster analysis converged after a total of 6 iterations. The analysis determined that the dataset can be best divided into two distinct clusters based on the underlying patterns and similarities among the data points. Therefore, the optimal number of clusters for this study is found to be 2

In our cluster analysis, it's noteworthy that two of the identified clusters exhibit a population size exceeding 10%. As a result, both of these clusters hold significant importance within our dataset. When we consider the distribution of respondents across these clusters with $k=6$:

- Cluster 1 comprises 36% of the total population.
- Cluster 2, on the other hand, encompasses a substantial 64% of the total population.

This distribution emphasizes the significance of these two clusters in shaping our understanding of the data and highlights their prominence in the context of our analysis.

CONCLUSION

Detergents are low involvement products which means purchasing detergent do not require much thought from the consumer as the risk involved is low. In tier 2 cities, detergent is a low involvement product. Therefore, consumers purchase the product which is their family's preference without putting much thought into it.

Consumers both male and female thought fragrance was a more important factor while choosing a detergent rather than a celebrity endorsement, i.e. consumers are more self-oriented (sensual gratification) when purchasing a product like detergent is concerned There are majorly 5 components that influences the buying decision of a tier 2 Indian customer which. Those five parameters include utilitarian value, availability and functionality, influencing factors, promotional offers, and brand engagement

A percentage of respondents preferred a detergent brand that showed themes of inclusivity and celebrity endorsements

Based on the consumer responses, the consumers can be segmented into two buckets, namely as internalized vs externalized

RECOMMENDATION

Marketers should invest more on highlighting the functional uses of the detergent rather than spending on casting celebrities and brand ambassadors

Discounts and promotions have a significant impact as well, thus brands should focus on creating promotional offers to enhance the sales of the brand

Brands can have curated brand engagement strategies which can increase the consumers' brand engagement. They can include themes of inclusivity, diversity, gender equality, and so on

For consumers in the internalized consumer bucket, detergent brands should primarily focus on its functional value i.e., the stain removal capacity, fragrance, fabric softening capacity etc.

The externalized group can be targeted by an online presence, ease of availability of product and marketers can drive brand engagement as well using discounting and creative advertisements

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