



# AWARENESS OF FMCG GOODS AFTER IMPLEMENTATION OF GST IN NAMAKKAL DISTRICT OF TAMILNADU

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**Abstract:** The present study has been made to attempt the awareness of FMCG goods after implementation of GST in Namakkal district of Tamilnadu. The food products have been introduced to publishing, advertising and distribution industry is highly aware of competitive and dynamic after implementation of GST. Consumers have a growing preference for healthier and more sustainable price, driving the industry to adopt new technologies that can help improve their product quality and transparency. GST (General Sales Tax) is a tax levied on the sale of most goods and services in India. The technology sector has been monitoring GST closely as it could potentially impact their business. GST is a complex tax regime that could impact different sectors differently. Many companies are trying to understand the awareness of GST on their business, and are working to adopt the necessary changes to their business models. In this study of research revealed how the consumer perceived about the awareness for their taking decision to purchase the products in FMCG later than implementation of GST. For this purpose 150 customers are taken as respondents from Namakkal District based on the convenience sampling method. The data are analyzed using the ANOVA. The consumer plays a crucial role for every FMCG products especially personal care products survival with their awareness on GST. So the researcher concluded that consumer perception to influence the awareness of FMCG products after GST implementation.

**Key Words:** GST, FMCG, Tax levied, Awareness, Influence.

## 1.1 Introduction:

GST has been plays a curcial role on every part of the business in FMCG sectors in Indian. Customers are much aware of GST while purchasing their goods in the different aspect of buying behaviour. Goods and services tax (GST) is the major tax reform in Indian tax system. It includes excise tax, service tax, central sales tax, luxury tax, lottery tax, entertainment tax, octroi, state surcharge, and other surcharge on supply of goods and services (Adeel Hussain Alie). A single grouping of tax created by amalgamating diverse types of indirect taxes by both State and Central Government under single head, known as GST (Sreekumar). GST will have a biggest attainment impact on business sector in India and persuasive organizations to realign their bottlenecks. India is one of the huge leading producers for a number Fast Moving Consumer Goods which offers a large and growing market sector. The collision of GST on the Indian fast-moving consumer goods is going to be a manifold. Due to the accomplishment of GST to their transparency and the tax liability will be moving to the consumers only for the quantity and quality that they had consumed for sustainable price.

## 1.2 NEED AND IMPORTANCE OF THE STUDY

Today consumers are facing a huge range of problems on continues changes in unstable pricing of FMCG products for the consumers later than implementation of GST. The study has been made in the Namakkal district of Tamilnadu, in order to getting the awareness, changing in the buying behavior on FMCG goods from the consumer later on GST. In the present system allows for multiplicity of taxes being collected through an incompetent and non transparent system. In the present era FMCG products plays a vital role in day to day life of consumers depends upon their needs. So in this study to need find out the buying behavior of consumers on FMCG products due to continue changes in pricing fluctuation under GST regime.

## 1.3 STATEMENT OF THE PROBLEM

In this study the researcher find out the problems of GST on FMCG products for the consumer buying behavior and its attitude of purchasing power of the end users after implementation of GST. Today consumers are not having much aware of the GST on FMCG products due to pricing fluctuation. Consumers of the present day are well knowledgeable about the FMCG products that they would like to purchase, particularly consumable products.

## 1.4 OBJECTIVES OF THE STUDY

- ✓ To determine the influence to awareness of GST on FMCG products by the end users.

## 1.5 SCOPE OF THE STUDY

The scope of the study is to identify the impact of GST on FMCG products by the end users in Namakkal district of Tamilnadu. Fast moving consumer goods (FMCG) that are sold quickly and at comparatively less cost with a reasonable price to reach the consumer. In this study the researcher has been carried on three major segments of FMCG consumable products. In this research work consumer buying behavior has been dramatically change due to unstable pricing fluctuation on FMCG products by GST.

## 1.6 HYPOTHESIS TESTING

- ✓ There is no association between demographic profile and factors influencing customer awareness of GST on FMCG products.

## 1.7 RESEARCH METHODOLOGY

Research methodology is a way to solve the research problem, systematically. It may be understood as a science of studying how research is done scientifically. Thus, research methodology deals not only with the research methods but also considers the logic behind the methods we use in the context of research study and explain why we are using a particular method or technique and why we are not using others, so that, research results are capable of being evaluated either by the researcher himself or by others. This research has its focus on the influence to awareness of GST on end users towards FMCG products in select Namakkal district of Tamilnadu.

## 1.8 ANALYSIS AND INTERPERTATION

### 1.8.1 INFLUENCE OF DEMOGRAPHIC PROFILE AND AWARENESS OF FMCG PRODUCTS (ANOVA)

The customer awareness has three factors such as price flexibility, consumption power and purchase decision, which is analyzed to measure the consumer influence. Awareness of FMCG products such as price flexibility, consumption power and purchase decision are taken as dependent variables and the demographic variables like gender, age, marital status, educational qualification, occupation, family income, members in a family, place of residence and types of family has been taken as independent variables. One way ANOVA is applied find the influence of independent variables on dependent variables.

**TABLE 1.8.1**  
**Influence of gender on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	16.289	1	16.289	40.861	.000
	Within Groups	350.813	880	.399		
	Total	367.102	881			
Consumption power	Between Groups	4.633	1	4.633	8.190	.004
	Within Groups	497.811	880	.566		

	Total	502.444	881			
Purchase Decision	Between Groups	18.182	1	18.182	53.435	.000
	Within Groups	299.433	880	.340		
	Total	317.615	881			

The ANOVA results divulges from the table 1.8.1 that the factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with gender at 5% level of significant.

The below table explores the influence of age on factors of awareness on FMCG products

**TABLE 1.8.2**  
**Influence of age on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	28.977	3	9.659	25.081	.000
	Within Groups	338.125	878	.385		
	Total	367.102	881			
Consumption power	Between Groups	13.049	3	4.350	7.804	.000
	Within Groups	489.395	878	.557		
	Total	502.444	881			
Purchase Decision	Between Groups	5.092	3	1.697	4.769	.003
	Within Groups	312.522	878	.356		
	Total	317.615	881			

The ANOVA results divulges from the table 1.8.2 that the factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with age at 5% level of significant.

The below table explores the influence of Marital Status on factors of awareness on FMCG products

**TABLE 1.8.3**  
**Influence of Marital Status on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	8.958	1	8.958	22.012	.000
	Within Groups	358.144	880	.407		
	Total	367.102	881			
Consumption power	Between Groups	2.929	1	2.929	5.160	.023
	Within Groups	499.516	880	.568		
	Total	502.444	881			
Purchase Decision	Between Groups	.272	1	.272	.755	.385
	Within Groups	317.342	880	.361		
	Total	317.615	881			

The ANOVA results evaluated from the table 1.8.3 that the factors of awareness such price flexibility and consumption power has differs significantly with Marital Status at 5% level of significant.

The below table reveals the influence of Educational Qualification on factors of awareness on FMCG products

**TABLE 1.8.4**  
**Influence of Educational Qualification on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	40.593	5	8.119	21.782	.000
	Within Groups	326.509	876	.373		
	Total	367.102	881			
Consumption power	Between Groups	19.251	5	3.850	6.980	.000
	Within Groups	483.193	876	.552		
	Total	502.444	881			
Purchase Decision	Between Groups	9.883	5	1.977	5.626	.000
	Within Groups	307.732	876	.351		
	Total	317.615	881			

The ANOVA results observed from the table 1.8.4 that the factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with Educational Qualification at 5% level of significant.

The below table shows the influence of Occupation on factors of awareness on FMCG products

**TABLE 1.8.5**  
**Influence of Occupation on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	60.514	5	12.103	34.581	.000
	Within Groups	306.588	876	.350		
	Total	367.102	881			
Consumption power	Between Groups	33.354	5	6.671	12.458	.000
	Within Groups	469.090	876	.535		
	Total	502.444	881			
Purchase Decision	Between Groups	6.350	5	1.270	3.574	.003
	Within Groups	311.265	876	.355		
	Total	317.615	881			

The ANOVA results indicated from the table 1.8.5 that the factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with Occupation at 5% level of significant.

The below table shows the influence of Family monthly income on factors of awareness on FMCG products

**TABLE 1.8.6**  
**Influence of Family monthly income on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	28.508	3	9.503	24.641	.000
	Within Groups	338.594	878	.386		
	Total	367.102	881			
Consumption power	Between Groups	3.221	3	1.074	1.888	.130
	Within Groups	499.224	878	.569		
	Total	502.444	881			
Purchase Decision	Between Groups	2.578	3	.859	2.395	.067
	Within Groups	315.037	878	.359		
	Total	317.615	881			

The ANOVA results indicated from the table 1.8.6 that the factors of awareness such as price flexibility have differs significantly with Family monthly income at 5% level of significant.

The below table explores the influence of Members in a family on factors of awareness on FMCG products

**TABLE 1.8.7**  
**Influence of Members in a family on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	20.440	3	6.813	17.256	.000
	Within Groups	346.662	878	.395		
	Total	367.102	881			
Consumption power	Between Groups	26.864	3	8.955	16.532	.000
	Within Groups	475.580	878	.542		
	Total	502.444	881			
Purchase Decision	Between Groups	26.079	3	8.693	26.180	.000
	Within Groups	291.535	878	.332		
	Total	317.615	881			

The ANOVA results indicated from the table 1.8.7 that the factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with Members in a family at 5% level of significant.

The below table explores the influence of Place of residence on factors of awareness on FMCG products

**TABLE 1.8.8**  
**Influence of Place of residence on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	1.120	1	1.120	2.693	.101
	Within Groups	365.982	880	.416		
	Total	367.102	881			
Consumption power	Between Groups	5.668	1	5.668	10.040	.002
	Within Groups	496.777	880	.565		
	Total	502.444	881			
Purchase Decision	Between Groups	18.956	1	18.956	55.854	.000
	Within Groups	298.659	880	.339		
	Total	317.615	881			

The ANOVA results indicated from the table 1.8.8 that the factors of awareness such as consumption power and purchase decision have differs significantly with Place of residence at 5% level of significant.

The below table explores the influence of Types of family on factors of awareness on FMCG products

**TABLE 1.8.9**  
**Influence of Types of family on factors of awareness of FMCG products**

Factors		Sum of Squares	Df	Mean Square	F	Sig.
Price flexibility	Between Groups	10.866	1	10.866	26.842	.000
	Within Groups	356.236	880	.405		
	Total	367.102	881			
Consumption power	Between Groups	2.119	1	2.119	3.726	.054
	Within Groups	500.326	880	.569		
	Total	502.444	881			
Purchase Decision	Between Groups	13.705	1	13.705	39.684	.000
	Within Groups	303.909	880	.345		
	Total	317.615	881			

The ANOVA results indicated from the table1.8.9 that the factors of awareness such as price flexibility and purchase decision have differs significantly with types of family at 5% level of significant.

## 1.9 FINDINGS

- ✓ The factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with gender.
- ✓ The factors of awareness such as price flexibility, consumption power and purchase decision have differs significantly with age.
- ✓ The factors of awareness such price flexibility and consumption power has differs significantly with Marital Status.
- ✓ The factors of awareness such as price flexibility and purchase decision have differed significantly with types of family.

## 1.10 SUGGESTION

In this study the researcher suggested that influence to awareness of GST on FMCG products for the consumer buying behavior and its attitude of purchasing power of the end users are significantly different. Today consumers are having much aware of the GST on FMCG products due to pricing fluctuation. Consumers of the present day are well knowledgeable about the FMCG products that they would like to purchase, particularly consumable products with their sustainable price.

## 1.11 CONCLUSION

The study concluded that to identify the influence to awareness of GST on FMCG products by the end users. Fast moving consumer goods (FMCG) that are sold quickly and at comparatively less cost with a reasonable price to reach the consumer. In this study the researcher has been carried on three major segments of FMCG consumable products. In this research work consumer buying behavior has been dramatically change due to unstable pricing fluctuation on FMCG products by aware of GST.

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