

Fmcg fast moving consumer goods company marketing essay



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A questionnaire survey has been conducted in Penang by the Alpha Ltd an FMCG which is a Fast Moving Consumer Goods company which operates in South East Asia. As an assistant marketing manager of the company, I have been assigned to find out whether to launch a new detergent product in the market. The main task is to find out whether there is a demand or not in the South East Asia to market the new detergent product. A research has been designed with the aid of questionnaire to find out whether the company can come out with the detergent product.

The main purposes have been kept in mind to do the research for the company based on the detergent product. A period of two weeks time has been taken to conduct the research and the results were collected to analyze the data by using tables. Some graphical illustrations have been used to help reader to analyze the data easily.

Besides that, the questions used in the questionnaire was created in a strictly manner where the questions must be relevant with the main purpose of the survey which have been conducted. Some of the questions that have been used to make the survey as perfect as it can where the gender and the buying power of the consumers have been analyzed thoroughly with the information about their monthly spending on fast moving consumer goods. Another set of questions were used to find out the brand loyalty of the consumers.

It have been found that the consumers are willing to buy new products in the market which is cheaper and the data shows that consumers are willing to switch brands for their own needs and purposes.

2. 0 Introduction

Fast moving consumer goods are goods that will not be in the shelves for a longer period of time. The products or the goods will be sold off very fast due to the lower price and the demand for any particular product. Some of the examples of fast moving consumer goods are bread, vegetables, meat and even detergent itself as being used as the product that is going to be launched in South East Asia. Detergent falls under the cleaning products where the product will be in high demand among the consumer due to the fact that it is considered as one of the necessity product.

Besides that, the company is targeting mainly South East Asian countries such as Malaysia, India, China and Indonesia where the company is running its operations with Malaysia as the host company. Alpha Ltd which is a fast moving consumer goods company running its operations remotely from Malaysia in other South East countries where the demand for the fast moving consumer goods is being fulfilled by the company

There has been a task given to the Assistant Marketing Manager of the company to find out whether is there any possibility in coming out with a detergent product in the South East Asian countries. Literature review and research methods have been made to prove and come out with a conclusion that would help the company to make the decision whether to market the cleaning product. It all depends on the results of the survey and researches that will give a rough estimation and the decision that must be taken by the company to launch the cleaning product in the South East Asian countries.

3. 0 Literature Review

According to Stanley, there is a rise in the demand for cleaning products especially detergent brands in India. The brands are surging as time goes by and the competition is getting stiffer. Some of the leading companies in India such as Wheel and Sunlight are customizing their detergent products so that it meets the requirements of the customers.

Besides that, Alex Martin defines that China is a leading producer of low cost cleaning products such as detergent products. China seems to be able to pioneer in this market because the labor cost is very low which allows the country to produce detergent products in a large scale. The products are being sold throughout China and also being exported to other countries.

Based from Simmons fast moving consumer goods are in huge demand among South East Asians. The demand for the products such as bread, cigarettes, cleaning products as detergents are being cleared off from shelves in department stores around the globe.

4. 0 Research Methods

Information can be a powerful tool or a weapon for any organization as the saying goes that a man full of knowledge is not only powerful but fearless. The same strength will be instilled in the minds of corporate people when they have sufficient information. Getting the information is not an easy task where it involves some researches to be done such as interviews, surveys, literature reviews and even questionnaires. The method that was used to attain the purpose of the research was questionnaire method where 10 questions were used to classify the data.

4. 1 Subjects

The survey was done in Malaysia where the particular areas in Penang were targeted. People aged between 18 to 50 years and above were involved in the survey and both genders were included in the research. Exactly 100 people were used to conduct the survey where all the respondents were given self-administered questionnaires to be filled up.

4. 2 Research Instruments

The data collected was used to be analyzed by using Microsoft Excel which helps in illustrating the data easily. Graphs in forms of bar was used for this survey. It was made so simple and easy so that anyone can understand to read and interpret the data.

4. 3 Data Collection Method

The questions in the questionnaire was made in a way that would allow us to come out with a specific data or charts that can be used to produce results for the purpose of the survey. 100 random people were chosen in public places such as bus stations, shopping malls and supermarkets. Each questionnaire consists of 10 questions that use the approximation of the systematic sampling method. The whole period for the data to be collected was within 3 weeks.

5. 0 Data Analysis

5. 1 Gender

The survey done shows those 49 males and 51 females responded to the questionnaire. Refer to appendix 1. 0 for the bar chart of this data.

5. 2 Age

The range for the age that was used is from 18 to 50 years and above. The data shows that the highest age range that responded for the questionnaire was from age group 35 years to 40 years which covers around 34% that includes male and female. Refer to appendix 2. 0.

5. 3 Monthly Salary

The salary range that hit the highest group is for RM 2100 to RM 3000 which is about 45%. The lowest is for salary above RM 5000 which is 7%. Refer to appendix 3. 0.

5. 4 Expenditure per month

Expenses group was high which is about RM 1100 to RM 2000 that is 42%. The least amount of expenses goes to the above RM 5000 group which is 6%. Refer to appendix 4. 0.

5. 5 Types of goods consumed

The types of fast moving goods were used to determine the demand for cleaning products which in this survey it is made for detergent products. The highest number of product being used is dairy products 35%, baked goods 31% followed by toiletries 25%. Refer to appendix 5. 0.

5. 6 Detergent Products

A question has been asked to find out how many times detergent product is being used. The data shows that about twice consumers tend to purchase detergent which is the highest about 64%. Refer to appendix 6. 0. The consumers tend to switch brands of detergents that can be referred to

appendix 7. 0. There are some factors too that makes the consumers to switch brand where the price played the major role about 35%. Appendix 8. 0. Consumers do buy their detergents mostly from Hypermarkets which are about 45%. Appendix 9. 0. Respondent were asked a question whether they will buy a new detergent brand or not if the price is lower and the results were yes for 76%. Appendix 10. 0.

6. 0 Result of study

After further analysis and making some interpretation on the results, as an Assistant Marketing Manager for Alpha Ltd Company, I would take the decision to launch a new detergent product in the market for South East Asian countries. There are several reasons why Alpha Ltd can launch the product in the market.

One of the main reasons is that the results show us the demand for the detergent product is high and it is a good indicator for the company to launch the product. Besides that, the consumers are having buying power when it is compared with the difference between their salary and expenses.

The research done also proves that the consumers would buy a newly launched detergent product if the price of the product is lower that would enable the consumers to take risk in testing the product. There is evidence too based from the survey where the consumers would be willing to switch the brands of the detergent product under certain factors. This information can be used by Alpha Ltd Company to come out with a detergent product that can satisfy the needs of the consumers.

Therefore, based from the results I would encourage the company to take decision in introducing the new detergent product in South East Asian Countries.

1. 0 Introduction

Knowledge is power and applied knowledge is true power. That is the reason why most companies are willing to spend huge amount of money and time to do some researches and analysis before launching a new product or even to establish a new plan in the market. The reason is simple where the organizations intend to minimize risk with knowledge and information. With some accurate and proper information, any organization can come out with their business decision that will not fail or will have fewer failure rate due to a research that have been done thoroughly.

This does not apply to only large corporations but also any small businesses that have plans to grow bigger. The marketing research that is being done can be kept for future reference too where the company can use it for later use. There are few types of marketing research such as qualitative research and also quantitative research where both have its importance in marketing research.

A sweet confectionary manufacturing company named Zupapa located in Batu Pahat, Johor is planning to extend its biscuits business product line. The new products are targeted to be marketed not only in the local market, but also to the Middle East countries. To ensure the new biscuits are well accepted, a consumer research study needs to be conducted.

The company intends to conduct a qualitative research study for this purpose. As a marketing manager, I have been assigned to come out with a qualitative research methodology that can be used to conduct qualitative studies in coming out with results whether the products will be accepted by the target market or not.

2. 0 What is Qualitative Research?

The research that can be very popular when it comes to marketing is the qualitative research. This is a unique research because it is considered as a scientific research that involves the behaviors of humans and also their culture that responds in making any decision. To say it simply, qualitative research involves the questions that can lead to reasons or usually open ended questions.

It is done to seek answers for questions that the organizations intend to find. Besides that it is also done to collect evidence to show the proof that there is a demand or need for a particular product or services. Last but not least, qualitative research is done to produce results or findings that will be relevant for the use of the organization.

3. 0 Qualitative Research Methods

There are several qualitative research methods that is being used widely around the globe by organizations to produce outcomes relevant for their problems or questions that is being raised from the heart of marketing department.

The qualitative research methods that can be used depend on the circumstances or the problems being faced by the organization. The qualitative research methods are ways for an organization to solve their problem as in this case where the sweet confectionary manufacturing company named Zupapa intends to extend its product lines in the local and Middle East market. It is relying on qualitative research methods that will ensure whether their products will be well accepted by the target market. Some of the qualitative research methods that is being applied by organizations are the in-depth interviews, focus groups, sampling method and also projective techniques.

3. 1 In-Depth Interviews

In-depth interviews are a one to one interview that is made to get more information about a particular subject. Usually it will take very less time as about within one hour but it is one of the most effective qualitative research methods that is being used widely by most organizations. The interview will be done by someone professional or a well trained person whom knows a bit well about the subject to be questioned and also in how to ask the right questions that can lead to the answers that the organization is seeking for.

This is a very flexible method that is being used to get information easily. The method can appear simple but it will consume time if the interviewer is not being able to ask the right questions to get the right information. One of the disadvantages of this method is that it can be time and money consuming where the cost to hire an expert whom can ask questions that can lead to the solutions from the person whom is being interviewed.

Besides that, this method can be disastrous if the person being interviewed

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lacks knowledge in the particular field and what will happen is that the company will end up getting no right information.

The sweet confectionary shop can use this method to find out whether their products will be well accepted or not by their target market. One of the ways to do so is by interviewing the right person such as a local confectionary store owner whom sells our product. The questions that can be asked is how frequent customers are buying their product in his shop and also what makes the customers to buy the product whether the taste, quality, packaging, and also the marketing mixes which is price, place, promotion and product.

3. 2 Focus Group

Focus group can be one the powerful qualitative research methods that can be used to get information. To say it in simple terms it is a way of getting feedback. Most of the time companies will use this method before they launch a new product to the public. The feedback from the target group will be used as a reference. Most of the time focus group involves targeted people whom can resemble the company's target market. The advantage is that it allows space for free conversation. Besides that, it allows for a group discussion too. Disadvantage is that sometimes the group will be sidetracked with wrong topic.

3. 3 Random Sampling Method

This can be an interesting research method where the organization will target random people to get their feedbacks about the subject. The method varies according to the need of the organization where the interview will be

done either through phone or randomly asking a person in a city. This method can be useful to determine how people are responding to the product or services. Besides that, there will be a one to one session that can be very effective.

3. 4 Projective Techniques

This can be a scientific method that involves the beliefs and the behavior of the subject. The set of questions being asked can trigger their emotions and involves their respond at a deeper level from the subject's subconscious mind. Some of the ways the research can be done is by allowing the subject or the person whom will be representing the target market. The real purpose of the investigation will not be told to person or the subject due to the fact that the researchers want to make the person to answer questions naturally. The sweet confectionary manufacturing company Zupapa can do the research by giving the person different product or the competitors products then give Zupapa's product to find out which one being preferred by the person.

4. 0 Conclusion

It is very important to be careful and precise when it comes to producing results for the purpose of launching a new product or expanding to international market. The reason is simple where everything well planned will work effectively by reducing the risk factors. The effect of wrong research can be a very big disaster for the company because it will cost a lot of time and money for the organization. Once they fail, it is difficult to get back and win the customer's heart for the reason that there are lots of

competitors out there ready to provide the consumers with substitute
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product at a lower price. Most organizations are aware of this and they allocate millions of money just to ensure their product will not fail in the market.

Most importantly, the researches being done must be made with integrity and ethically. There should not be any fraud or cheating in producing the accurate results. Researchers must do research diligently and with honesty by interviewing the right people with right questions. That is the reason why most companies practice ethical ways to get information from people. Besides that, no one should be harmed to get the information and feedback where the target people must be willing to share the information with their values and rights being protected.

Any organization that intends to strive beyond the competition must be aware of the power of knowledge because when a company is falling down, the only thing that can save them would be the perfect knowledge beyond the imagination of competitors where they would be able to step up and rise again. It will not be easy to obtain such information and that is the reason why most companies out there are willing to monitor their competitors to ensure they are staying on the right track and trends. A successful company not only has a good management but it has access to quality information too.