

Evaluating E-Commerce Platforms for Fast-Moving Consumer Goods: A Comparative Study from the Consumer Perspective

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ABSTRACT

This study examines consumer preferences and behaviors across various e-commerce platforms within the Fast-Moving Consumer Goods (FMCG) sector. Using a sample of 250 respondents, the research evaluates key aspects of e-commerce platforms such as user interface, product availability, pricing, delivery speed, and customer service. Additionally, it investigates the frequency of online shopping for FMCG products and the most preferred payment methods among consumers. The findings reveal a high level of consumer engagement with e-commerce platforms, particularly on a weekly or bi-weekly basis, with overall satisfaction highest in areas such as user interface and delivery speed. However, there are notable areas for improvement, especially in pricing strategies and customer service. The study underscores the importance of offering a seamless user experience, diverse product offerings, competitive pricing, and reliable customer support to enhance consumer satisfaction and loyalty in the competitive e-commerce landscape.

Keywords: FMCG, E-commerce, loyalty, online shopping

INTRODUCTION

E-commerce has emerged as a dominant force in the global retail sector, revolutionizing how consumers purchase goods and services. In the Fast-Moving Consumer Goods (FMCG) industry, which includes essential and frequently purchased items like groceries, personal care products, and household supplies, the integration of e-commerce has transformed consumer behavior and expectations. The ability to shop online offers unparalleled convenience, variety, and competitive pricing, driving more consumers to rely on digital platforms for their everyday needs.

The FMCG sector, characterized by high turnover and frequent purchases, has seen significant growth in e-commerce adoption. As consumers increasingly prioritize convenience, speed, and ease of access, e-commerce platforms have become essential for FMCG brands to reach their target audience effectively. This shift has also led to intense competition among e-commerce platforms, each

striving to offer a superior user experience to attract and retain customers.

Understanding consumer preferences and behaviors in the context of e-commerce is crucial for FMCG brands looking to optimize their online presence and marketing strategies. Consumers today have a wide range of platforms to choose from, each offering different features, services, and user experiences. This diversity necessitates a detailed analysis to determine which platforms are most effective in meeting consumer needs and expectations.

This paper aims to provide a comprehensive comparative analysis of e-commerce platforms in the FMCG sector from the consumer's perspective. By examining factors such as ease of use, product variety, pricing, delivery efficiency, and customer service, this study seeks to identify the strengths and weaknesses of leading e-commerce platforms. The insights gained from this analysis will be valuable for FMCG brands, marketers, and platform developers looking

to enhance consumer satisfaction and loyalty in an increasingly competitive digital marketplace.

In the context of India's rapidly growing FMCG market, the role of e-commerce is particularly significant. As the country continues to witness a rise in internet penetration and smartphone usage, e-commerce platforms are becoming the preferred choice for a growing number of consumers. This study also considers the unique dynamics of the Indian market, where both urban and rural consumers are increasingly engaging with e-commerce platforms for their FMCG needs.

Overview of Fast-Moving Consumer Goods (FMCG)

Fast-Moving Consumer Goods (FMCG), also known as Consumer Packaged Goods (CPG), are products that are sold quickly and at relatively low cost. These goods are characterized by their short shelf life due to high consumer demand or because they are perishable in nature. FMCGs include a wide range of products that are essential to everyday life, such as food and beverages, toiletries, over-the-counter drugs, and cleaning products.

1. Characteristics of FMCG

The FMCG sector is defined by several key characteristics that distinguish it from other consumer goods sectors:

- **High Volume, Low Margin:** FMCG products are sold in large quantities, but the profit margins on individual items are usually low. This is offset by the high volume of sales, which can lead to significant overall profitability for companies in the sector.
- **Short Shelf Life:** Many FMCG products have a short shelf life, either due to perishable ingredients (e.g., dairy products, bread) or because of high turnover (e.g., toothpaste, shampoo). This requires efficient supply chain management to ensure products are consistently available to consumers.
- **Frequent Purchases:** FMCG products are typically purchased frequently by consumers. This contrasts with durable goods, which are bought less often. The regular purchase cycle for FMCG products contributes to steady demand and consistent cash flow for manufacturers and retailers.

- **Brand Loyalty:** Brand loyalty plays a significant role in the FMCG sector. Consumers often stick to brands they trust, making brand equity a crucial aspect of a company's success. Effective marketing strategies and strong brand identities are essential in maintaining and growing consumer loyalty.

2. Market Dynamics of FMCG

The FMCG market is highly competitive, with numerous brands vying for consumer attention. The competition is fueled by the relatively low barriers to entry and the ease with which consumers can switch between brands. Key market dynamics include:

- **Consumer Demand:** The demand for FMCG products is driven by essential needs, making it relatively inelastic to economic downturns. However, consumer preferences can shift based on factors such as health trends, environmental concerns, and technological advancements.
- **Innovation and Product Differentiation:** To stay competitive, FMCG companies continually innovate, introducing new products, flavors, packaging, and marketing campaigns. Product differentiation is crucial in a crowded market, as it helps brands stand out and attract specific consumer segments.
- **Supply Chain Efficiency:** The success of FMCG companies heavily relies on the efficiency of their supply chains. Rapid production, distribution, and restocking are essential to ensure that products are available to consumers when needed. Any disruptions in the supply chain can lead to significant losses due to the perishable nature of many FMCG products.
- **Pricing Strategies:** Given the low margins typical of FMCG products, pricing strategies are critical. Companies must balance competitive pricing with profitability, often using promotions and discounts to attract consumers without eroding brand value.
- **Digital Transformation:** The rise of e-commerce has significantly impacted the FMCG sector. Consumers increasingly shop for FMCG products online, leading companies to adapt their marketing and distribution strategies to digital platforms. E-commerce allows FMCG companies to reach a

broadier audience, but it also introduces new challenges, such as the need for digital marketing expertise and efficient online order fulfillment.

3. FMCG in the Global and Indian Context

Globally, the FMCG sector is one of the largest and most dynamic industries, contributing significantly to the economies of many countries. The industry is expected to continue growing, driven by population growth, urbanization, and rising disposable incomes.

- **Global Market Trends:** In the global context, FMCG companies are focusing on sustainability, health, and wellness trends. Consumers are increasingly looking for products that align with their values, such as eco-friendly packaging or organic ingredients. This has led to the rise of niche markets within the broader FMCG sector, where companies can charge premium prices for products that meet specific consumer demands.
- **Indian FMCG Market:** In India, the FMCG sector is a vital part of the economy, being the fourth-largest sector in the country. The Indian FMCG market is characterized by a vast consumer base, with products catering to both urban and rural populations. Urban areas dominate the market, but rural regions are increasingly becoming important growth areas due to rising incomes and better access to products.

The Indian FMCG market is driven by several factors, including:

- **Rising Middle-Class Income:** The growing middle class in India is leading to increased demand for FMCG products, especially premium and branded items.
- **Urbanization:** The rapid urbanization of India is leading to changes in consumption patterns, with consumers in urban areas showing a preference for convenience and ready-to-eat products.
- **Digitalization:** The increasing penetration of the internet and smartphones has fueled the growth of online shopping for FMCG products. E-commerce platforms are

becoming a significant sales channel, particularly in urban areas.

4. Challenges and Opportunities in the FMCG Sector

The FMCG sector, while resilient and constantly growing, faces several challenges that companies must navigate to succeed:

- **Regulatory Compliance:** FMCG companies must adhere to stringent regulations related to product safety, labeling, and advertising. Regulatory changes can impact product formulations, marketing strategies, and overall costs.
- **Sustainability Concerns:** With growing awareness of environmental issues, FMCG companies are under pressure to adopt sustainable practices, such as reducing plastic packaging and sourcing ethically produced ingredients. This can be both a challenge and an opportunity, as companies that successfully integrate sustainability into their business models can attract eco-conscious consumers.
- **Changing Consumer Preferences:** Consumer preferences in the FMCG sector can shift rapidly, influenced by factors such as health trends, economic conditions, and cultural shifts. Companies need to be agile in responding to these changes to maintain market relevance.
- **Technological Advancements:** The integration of technology in production, distribution, and marketing processes is both a challenge and an opportunity. Companies that leverage technology effectively can improve efficiency, reduce costs, and enhance the customer experience.
- **Intense Competition:** The FMCG sector is highly competitive, with numerous players vying for market share. Companies must continuously innovate and differentiate their products to stay ahead of competitors.

Despite these challenges, the FMCG sector offers significant growth opportunities, particularly in emerging markets like India. Companies that can navigate the complexities of consumer behavior, regulatory requirements, and technological advancements are well-positioned to succeed in this dynamic industry.

METHODOLOGY

1. Research Design

The study employs a quantitative research design to evaluate consumer preferences and behaviors across different e-commerce platforms in the FMCG sector. The objective is to conduct a comparative analysis of these platforms, focusing on factors such as user interface, product variety, pricing, delivery efficiency, and customer service. The research is designed to gather insights from consumers who actively engage with e-commerce platforms for purchasing FMCG products.

2. Data Collection

Primary Data Collection: The primary data for this study was collected through a structured questionnaire. The questionnaire was designed to capture detailed information about consumers' experiences with various e-commerce platforms. It included both closed-ended and a few open-ended questions to allow for quantitative analysis while also providing opportunities for respondents to elaborate on their experiences.

Survey Instrument: The questionnaire was hosted on an online platform (Google Forms) to reach a broad audience. The survey was divided into several sections, each focusing on different aspects of the e-commerce experience, such as ease of navigation, product availability, pricing satisfaction, delivery speed, and customer support.

Questionnaire Design:

- **Demographic Information:** This section included questions on gender, age, and income level to understand the demographic distribution of the respondents.
- **Platform Usage:** Respondents were asked about the e-commerce platforms they use most frequently for purchasing FMCG products.
- **Consumer Experience:** This section included Likert-scale questions to measure satisfaction levels with various aspects of the platforms, such as user interface, product variety, pricing, and delivery service.
- **Awareness Sources:** Questions were also included to determine how consumers became aware of the

e-commerce platforms they use, such as through advertisements, recommendations from friends, or social media.

3. Sampling Method

The study utilized a Non-Probability Convenience Sampling method to select participants. This method was chosen due to its practicality and the ease with which respondents could be accessed. The participants were selected based on their availability and willingness to participate in the study. This approach allowed for the collection of data from a diverse group of respondents who actively use e-commerce platforms for purchasing FMCG products.

Sample Size: The study's sample size consisted of 250 respondents ($n = 250$)(BHARATI BADIGER-PAPER-1). The chosen sample size was deemed sufficient to provide reliable and robust data for the comparative analysis, allowing for meaningful statistical interpretation of the results.

Inclusion Criteria: Participants were required to have experience using e-commerce platforms for purchasing FMCG products. This ensured that the data collected was relevant to the study's objectives.

4. Data Analysis

Quantitative Analysis: The data collected from the survey was analyzed using statistical methods to identify patterns and trends in consumer preferences and behaviors. Descriptive statistics, such as frequency distributions and percentages, were used to summarize the data. Comparative analysis techniques were employed to evaluate the performance of different e-commerce platforms based on the key factors identified in the survey.

Comparative Analysis: The study conducted a comparative analysis of the leading e-commerce platforms used by the respondents. This analysis focused on key metrics such as:

- **User Interface Satisfaction:** Ease of navigation and overall user experience.
- **Product Variety:** The range of FMCG products available on each platform.
- **Pricing:** Consumer satisfaction with pricing and the availability of discounts or promotions.

- Delivery Efficiency: Speed and reliability of delivery services.
- Customer Service: Responsiveness and effectiveness of customer support.

Data Interpretation: The results were interpreted to identify which platforms are most preferred by consumers and why. The analysis also highlighted areas where certain platforms may need improvement to better meet consumer expectations.

5. Scope and Limitations

Scope: The study focused on evaluating e-commerce platforms within the FMCG sector, specifically from the consumer perspective. The insights gained from this research are intended to guide e-commerce platforms and FMCG brands in improving their services and strategies to enhance consumer satisfaction.

Limitations: The use of a convenience sampling method may limit the generalizability of the findings, as the sample may not be fully representative of the broader population. Additionally, the study relied on self-reported data, which may be subject to biases such as social desirability or recall bias.

6. Ethical Considerations

The study adhered to ethical research practices, ensuring that all respondents participated voluntarily and that their data was kept confidential. Informed consent was obtained from all participants before they completed the survey, and they were assured that their responses would be used solely for academic purposes.

This methodology provides a comprehensive framework for evaluating e-commerce platforms in the FMCG sector, ensuring that the analysis is grounded in robust data collection and analytical procedures. The results derived from this approach are expected to offer valuable insights into consumer behavior and preferences in the digital marketplace.

RESULTS AND DISCUSSION

Table 1: Frequency of Online Shopping for FMCG Products

Frequency	Respondents	Percentage
Daily	25	10%
Weekly	95	38%
Bi-weekly	70	28%
Monthly	40	16%
Occasionally	20	8%
Total	250	100%

Table 2: Satisfaction Levels with E-Commerce Platform Features

Feature	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Total
User Interface	90	110	30	15	5	250
Product Availability	70	120	35	20	5	250
Pricing	60	100	50	30	10	250
Delivery Speed	80	115	25	20	10	250
Customer Service	50	90	60	30	20	250

Table 3: Most Preferred Payment Methods for E-Commerce Transactions

Payment Method	Respondents	Percentage
Credit/Debit Card	110	44%
Digital Wallet	80	32%
Cash on Delivery	40	16%

Net Banking	20	8%
Total	250	100%

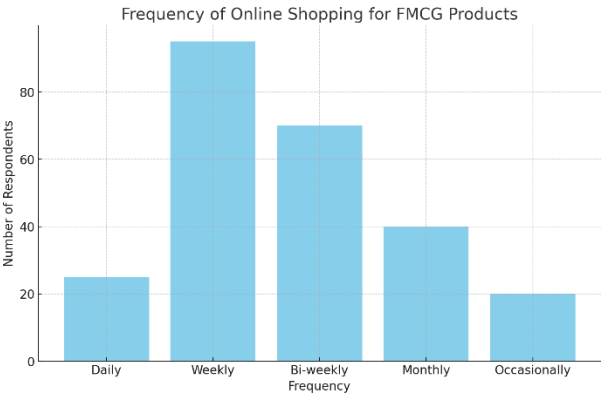


Figure 1: Online shopping for FMCG products

The bar chart illustrates the frequency with which respondents purchase Fast-Moving Consumer Goods (FMCG) online. The majority of respondents (38%) shop weekly, indicating a strong inclination towards regular online purchases. This frequency suggests that consumers are integrating e-commerce into their routine shopping habits, particularly for essential FMCG items. The next largest group is those who shop bi-weekly (28%), further emphasizing a trend of frequent engagement with online platforms. A smaller portion of the population shops daily (10%), monthly (16%), or occasionally (8%), indicating that while daily purchases are less common, a significant portion of consumers still prefers a less frequent shopping cadence. The overall distribution reflects a high level of engagement with e-commerce platforms, particularly on a weekly or bi-weekly basis, which suggests that these platforms are becoming a preferred channel for regular FMCG purchases.

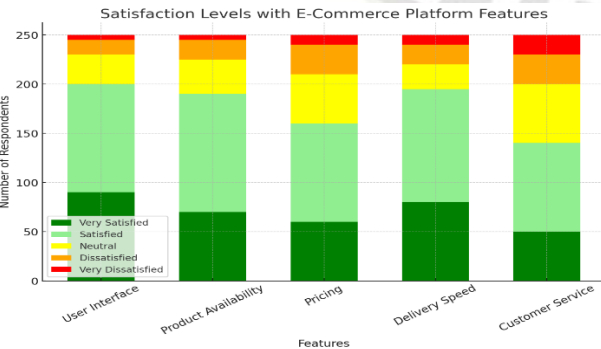


Figure 2: E-commerce platform features with satisfaction level

The stacked bar chart provides insights into consumer satisfaction across various features of e-commerce platforms. The five features evaluated include User Interface, Product Availability, Pricing, Delivery Speed, and Customer Service.

- **User Interface:** The majority of respondents are either very satisfied (36%) or satisfied (44%) with the user interface of e-commerce platforms, suggesting that most platforms are user-friendly and meet consumer expectations in terms of navigation and usability.
- **Product Availability:** Satisfaction is also high with product availability, with 28% of respondents very satisfied and 48% satisfied. This indicates that most platforms offer a wide range of FMCG products, which is crucial for retaining customers.
- **Pricing:** Pricing receives slightly lower satisfaction ratings, with 24% very satisfied and 40% satisfied. The relatively higher percentages of neutral (20%) and dissatisfied (12%) respondents suggest that pricing strategies, such as discounts or perceived value for money, might not fully meet consumer expectations on some platforms.
- **Delivery Speed:** Delivery speed is another area of strong performance, with 32% very satisfied and 46% satisfied. This highlights the importance of efficient logistics in enhancing consumer satisfaction.
- **Customer Service:** Customer service shows a more varied satisfaction distribution, with 20% very satisfied and 36% satisfied. However, a significant portion of respondents are neutral (24%) or dissatisfied (12%), indicating that customer service may be a weaker area for some platforms. This could be an area where platforms need to focus on improvement to ensure a more consistent consumer experience.

Overall, the chart indicates that while most respondents are satisfied with the key features of e-commerce platforms, there is room for improvement, particularly in areas like pricing and customer service.

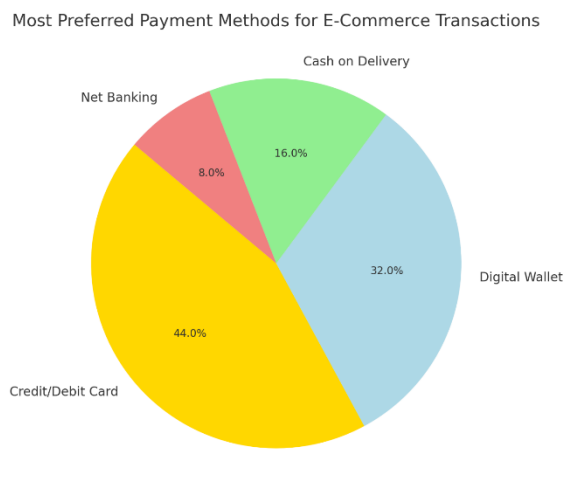


Figure 3: E-commerce transaction methods

The pie chart represents the distribution of preferred payment methods among respondents when making e-commerce transactions for FMCG products.

- **Credit/Debit Card:** The largest segment of respondents (44%) prefers using credit or debit cards for their purchases. This suggests that consumers value the convenience and widespread acceptance of card payments, along with potential benefits such as reward points or cashback offers.
- **Digital Wallet:** Digital wallets are the second most popular payment method, preferred by 32% of respondents. This indicates a growing trend towards mobile payments, driven by the convenience and speed offered by digital wallets. The rise of fintech solutions and the integration of digital wallets with e-commerce platforms likely contribute to this preference.
- **Cash on Delivery (COD):** Cash on Delivery is chosen by 16% of respondents, reflecting a segment of consumers who prefer to pay only upon receipt of goods. This method may appeal to those who are cautious about online transactions or do not have access to digital payment methods.
- **Net Banking:** The least preferred method is net banking, with only 8% of respondents opting for this option. This may suggest that while net banking is secure, it is less convenient compared to the other methods, particularly in terms of speed and user experience.

The distribution of preferred payment methods highlights the importance of offering a variety of payment options on e-commerce platforms to cater to diverse consumer preferences. While card payments and digital wallets dominate, COD remains a significant option for a portion of the market, underscoring the need for platforms to support multiple payment channels to accommodate all customer segments.

CONCLUSION

This study provides a comprehensive analysis of consumer preferences and satisfaction levels with e-commerce platforms in the FMCG sector. The results indicate that consumers are increasingly integrating online shopping into their regular purchasing routines, with weekly and bi-weekly shopping frequencies being the most common. The evaluation of e-commerce platform features reveals that while consumers are generally satisfied with the user interface, product availability, and delivery speed, there are areas such as pricing and customer service that require further attention.

The preferred payment methods highlight the dominance of credit/debit cards and digital wallets, reflecting the need for platforms to continue supporting and enhancing these payment options. The persistence of Cash on Delivery as a significant payment method also suggests that e-commerce platforms should maintain a diverse range of payment options to cater to varying consumer preferences.

Overall, the study emphasizes the need for e-commerce platforms to continually adapt and innovate to meet the evolving needs of consumers. By focusing on areas of improvement and leveraging strengths, these platforms can enhance consumer satisfaction, foster loyalty, and maintain a competitive edge in the rapidly growing FMCG e-commerce market.

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