

Evaluating the Influence of Brand Equity on Consumer Purchasing Behavior in the FMCG Sector: An Analytical Study of Consumers in Mumbai

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Abstract

In the highly competitive Fast-Moving Consumer Goods (FMCG) sector, brand equity has emerged as a critical factor influencing consumer purchasing decisions. The present study aims to evaluate the impact of brand equity on consumer purchasing behavior with specific reference to consumers in the Mumbai region. Brand equity is examined through its key dimensions, namely brand awareness, brand association, perceived quality, and brand loyalty. The study adopts a quantitative research design and is based on primary data collected from FMCG consumers using a structured questionnaire. Statistical techniques such as correlation and regression analysis were employed to examine the relationship between brand equity and consumer purchasing behavior. The findings of the study indicate that brand equity has a significant and positive influence on consumer purchase decisions, with perceived quality and brand loyalty playing a dominant role. The study offers valuable insights for FMCG marketers and brand managers in formulating effective branding strategies to enhance consumer engagement and sustain competitive advantage.

Keywords

Brand Equity; Consumer Purchasing Behavior; FMCG Sector; Brand Loyalty; Mumbai

1. INTRODUCTION

In the contemporary marketing environment, brand equity has emerged as a vital strategic asset for organizations, particularly in the Fast-Moving Consumer Goods (FMCG) sector. FMCG products are characterized by frequent purchases, low individual cost, and intense competition, where consumers are often presented with multiple brands offering similar functional benefits. In such a competitive landscape, brand equity plays a decisive role in influencing consumer perceptions, preferences, and purchasing behavior.

Brand equity refers to the value added to a product by its brand name and is reflected in consumer awareness, associations, perceived quality, and loyalty towards a brand. Strong brand equity enables firms to differentiate their products, build trust among consumers, and create long-term customer relationships. Consumers tend to rely on established brands as a means of reducing perceived risk and simplifying purchase decisions, especially in the FMCG sector where involvement levels are generally low and decision-making is quick.

Consumer purchasing behavior in the FMCG sector is influenced not only by price and availability but also by psychological and emotional factors associated with brands. Brand awareness ensures brand recall at the point of purchase, while positive brand associations enhance brand image and credibility. Perceived quality acts as an important indicator of product performance, and brand loyalty results in repeat purchases and resistance to switching behavior. Together, these dimensions of brand equity significantly shape consumer buying decisions.

The Indian FMCG market has witnessed rapid growth in recent years due to urbanization, increasing disposable income, changing lifestyles, and greater exposure to national and international brands. Metropolitan cities such as Mumbai represent one of the most dynamic FMCG markets in the country, characterized by diverse consumer segments and high brand consciousness. Consumers in Mumbai are increasingly influenced by brand reputation, product quality, and past brand experiences while making purchase decisions.

Despite the growing importance of brand equity in influencing consumer behavior, limited empirical studies have focused on examining this relationship in the context of the FMCG sector using primary data from metropolitan regions like Mumbai. Most existing studies are either conceptual in nature or focus on broader geographic areas without capturing region-specific consumer insights. Therefore, there is a need for an analytical study that empirically examines how brand equity influences consumer purchasing behavior in the FMCG sector with specific reference to Mumbai.

The present study attempts to bridge this gap by analyzing the influence of brand equity dimensions brand awareness, brand association, perceived quality, and brand loyalty on consumer purchasing behavior in the FMCG sector. The findings of this study are expected to provide valuable insights to marketers, brand managers, and FMCG companies in formulating effective branding strategies and enhancing competitive advantage.

2. REVIEW OF LITERATURE

Brand equity has been widely recognized in marketing literature as a critical determinant of consumer behavior, particularly in markets characterized by intense competition and product similarity. The concept of brand equity explains how consumer perceptions of a brand influence their purchasing decisions beyond functional product attributes.

Several studies have emphasized brand awareness as a foundational element of brand equity. High brand awareness increases the likelihood of brand recall and recognition at the point of purchase, thereby positively influencing buying decisions. Researchers argue that consumers tend to choose familiar brands as they perceive them to be less risky, especially in the FMCG sector where purchases are frequent and decisions are made quickly.

Brand association has also been identified as an important contributor to brand equity. Positive associations related to reliability, social image, and emotional appeal enhance brand value in the minds of consumers.

Studies suggest that strong brand associations help consumers differentiate between competing FMCG brands and influence their attitudes and preferences.

The role of perceived quality in shaping consumer purchasing behavior has been extensively discussed in empirical research. Perceived quality refers to the consumer's judgment about a product's overall excellence or superiority. In the FMCG sector, where product differentiation is minimal, consumers often use brand name as a quality cue. Research findings indicate that perceived quality significantly affects customer satisfaction, repeat purchase behavior, and brand preference.

Brand loyalty is considered one of the most significant outcomes of brand equity. Loyal consumers are more likely to repurchase the same brand, resist competitive offerings, and engage in positive word-of-mouth communication. Studies reveal that brand loyalty not only stabilizes market share but also reduces marketing costs and enhances long-term profitability for FMCG firms.

In the Indian context, recent studies have highlighted that consumer purchasing behavior in the FMCG sector is influenced by rapid urbanization, changing lifestyles, and increasing exposure to digital marketing. Metropolitan regions such as Mumbai exhibit high levels of brand consciousness, where consumers often associate strong brands with quality, trust, and social status. However, despite the growing body of research, limited studies provide primary data-based empirical evidence focusing specifically on FMCG consumers in Mumbai.

3. RESEARCH GAP

An extensive review of existing literature reveals that brand equity has been widely studied as a determinant of consumer purchasing behavior, particularly in developed markets and across various product categories. However, several gaps remain evident in the context of the FMCG sector in metropolitan Indian markets.

Firstly, most previous studies are either conceptual in nature or rely heavily on secondary data, offering limited empirical validation based on primary data. There is a lack of studies that provide primary data-based quantitative evidence examining the influence of brand equity on consumer purchasing behavior in the FMCG sector.

Secondly, existing research tends to focus on broader geographic regions or national-level analyses, with limited attention given to region-specific consumer behavior. Metropolitan cities such as Mumbai possess unique consumer characteristics, including high brand awareness, diverse socio-economic profiles, and exposure to multiple FMCG brands. These region-specific dynamics are often underrepresented in existing studies.

Thirdly, many studies examine individual dimensions of brand equity in isolation, rather than analyzing the combined influence of brand awareness, brand association, perceived quality, and brand loyalty on consumer purchasing behavior. This limits a holistic understanding of how brand equity functions as an integrated construct.

Finally, there is limited recent research that reflects current consumer behavior patterns influenced by digital marketing, social media exposure, and evolving retail formats in the FMCG sector.

The present study seeks to address these research gaps by conducting an empirical investigation based on primary data collected from FMCG consumers in Mumbai, thereby providing updated and region-specific insights into the influence of brand equity on consumer purchasing behavior.

4. OBJECTIVES OF THE STUDY

The present study is undertaken with the following specific objectives:

1. To examine the level of brand equity among consumers in the FMCG sector.
2. To analyze the influence of brand awareness on consumer purchasing behavior.
3. To study the impact of brand association on consumer purchasing behavior.
4. To evaluate the effect of perceived quality on consumer purchasing behavior.
5. To assess the role of brand loyalty in influencing consumer purchasing decisions.
6. To analyze the overall influence of brand equity on consumer purchasing behavior in the FMCG sector with reference to consumers in Mumbai.

5. RESEARCH HYPOTHESES

Based on the objectives of the study and the review of existing literature, the following hypotheses have been formulated to examine the relationship between brand equity and consumer purchasing behavior in the FMCG sector:

- **H1:** Brand awareness has a significant influence on consumer purchasing behavior in the FMCG sector.
- **H2:** Brand association has a significant influence on consumer purchasing behavior in the FMCG sector.
- **H3:** Perceived quality has a significant influence on consumer purchasing behavior in the FMCG sector.
- **H4:** Brand loyalty has a significant influence on consumer purchasing behavior in the FMCG sector.
- **H5:** Brand equity has a significant overall influence on consumer purchasing behavior in the FMCG sector among consumers in Mumbai.

6. RESEARCH METHODOLOGY

The research methodology outlines the systematic framework adopted to examine the influence of brand equity on consumer purchasing behavior in the FMCG sector. This section describes the research design, sources of data, sampling procedure, research instrument, variables, and statistical tools used for analysis.

6.1 Research Design

The study adopts a **descriptive and analytical research design**.

- The **descriptive design** is used to understand consumer perceptions regarding brand equity dimensions.
- The **analytical design** helps in examining the relationship between brand equity and consumer purchasing behavior using statistical techniques.

A **quantitative research approach** has been employed, as it allows objective measurement of consumer responses and facilitates statistical testing of hypotheses.

6.2 Area of the Study

The study is conducted among FMCG consumers in the Mumbai region. Mumbai is selected due to its diverse consumer base, high brand exposure, and significant presence of FMCG products across retail formats.

6.3 Source of Data

The study is based on both **primary and secondary data sources**:

Primary Data

Primary data were collected directly from FMCG consumers using a structured questionnaire. The questionnaire was designed to capture consumer perceptions related to brand equity dimensions and purchasing behavior.

Secondary Data

Secondary data were collected from:

- Recent SCOPUS-indexed journals
- Research articles
- Books on marketing and consumer behavior
- Industry reports
- FMCG-related websites and databases

Secondary data were primarily used to support the literature review and theoretical framework.

6.4 Sample Size and Sampling Technique

- **Sample Size:** 150 FMCG consumers
- **Sampling Technique:** Convenience sampling

The respondents were selected based on their accessibility and willingness to participate in the survey. The sample size was considered adequate for conducting correlation and regression analysis in a consumer behavior study.

6.5 Research Instrument

A **structured questionnaire** was used as the research instrument. The questionnaire consisted of two sections:

- **Section A:** Demographic profile of respondents
- **Section B:** Statements related to brand equity dimensions and consumer purchasing behavior

A **5-point Likert scale** was used to measure responses, where:

- 1 = Strongly Disagree
- 2 = Disagree
- 3 = Neutral
- 4 = Agree
- 5 = Strongly Agree

The Likert scale is widely accepted in marketing research for measuring attitudes and perceptions.

6.6 Variables of the Study

The variables included in the study are classified as follows:

Type of Variable	Variables
Independent Variables	Brand Awareness, Brand Association, Perceived Quality, Brand Loyalty
Dependent Variable	Consumer Purchasing Behavior

6.7 Statistical Tools Used for Analysis

The collected primary data were coded, tabulated, and analyzed using appropriate statistical tools. The following techniques were employed:

- Percentage analysis
- Mean score analysis
- Correlation analysis
- Regression analysis

These tools were used to test the formulated hypotheses and to examine the influence of brand equity dimensions on consumer purchasing behavior.

6.8 Ethical Considerations

The study ensured ethical research practices by:

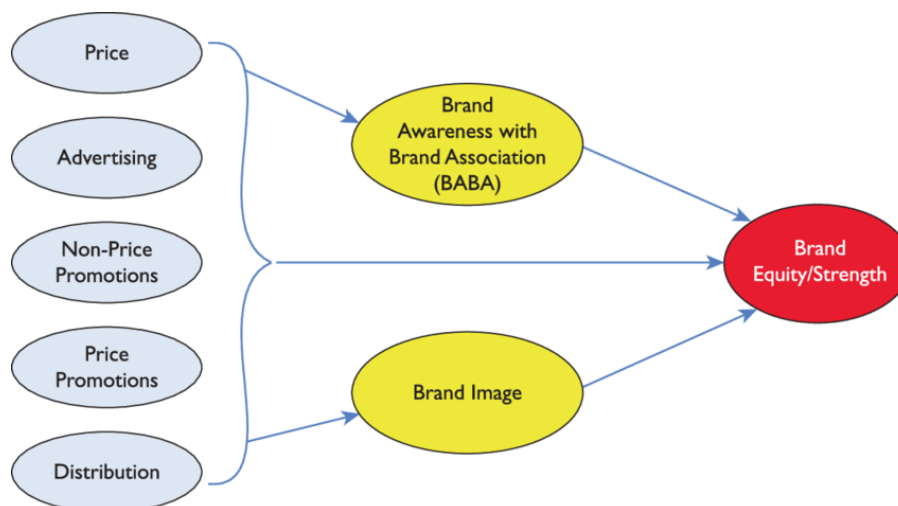
- Collecting data with the consent of respondents
- Maintaining confidentiality and anonymity of responses
- Using the data solely for academic research purposes

7. CONCEPTUAL FRAMEWORK

The conceptual framework of the study illustrates the theoretical relationship between brand equity dimensions and consumer purchasing behavior in the FMCG sector. Brand equity is treated as a multi-dimensional construct comprising brand awareness, brand association, perceived quality, and brand loyalty, which collectively influence consumer purchase decisions.

In this framework, the four dimensions of brand equity act as independent variables, while consumer purchasing behavior represents the dependent variable. The model assumes that stronger brand equity leads to more favorable purchasing behavior, including brand preference, repeat purchase, and willingness to recommend the brand.

Figure 1: Conceptual Framework of the Study



Explanation of the Framework

- **Brand Awareness** helps consumers recognize and recall FMCG brands during purchase situations, thereby increasing the likelihood of selection.
- **Brand Association** reflects the mental links consumers form with a brand, such as reliability, image, and trust, which influence attitudes toward purchase.
- **Perceived Quality** represents consumers' judgment about a brand's overall excellence and plays a crucial role when product differentiation is minimal.
- **Brand Loyalty** indicates the level of commitment consumers have toward a brand, leading to repeat purchases and resistance to switching.

These dimensions collectively influence **consumer purchasing behavior**, which includes decision-making, brand preference, and repeat buying patterns among FMCG consumers in Mumbai.

8. DATA ANALYSIS AND INTERPRETATION

This section presents the analysis of primary data collected from **150 FMCG consumers** in Mumbai. The data were analyzed using percentage analysis and mean score analysis to understand consumer perceptions regarding brand equity and purchasing behavior.

8.1 Demographic Profile of Respondents

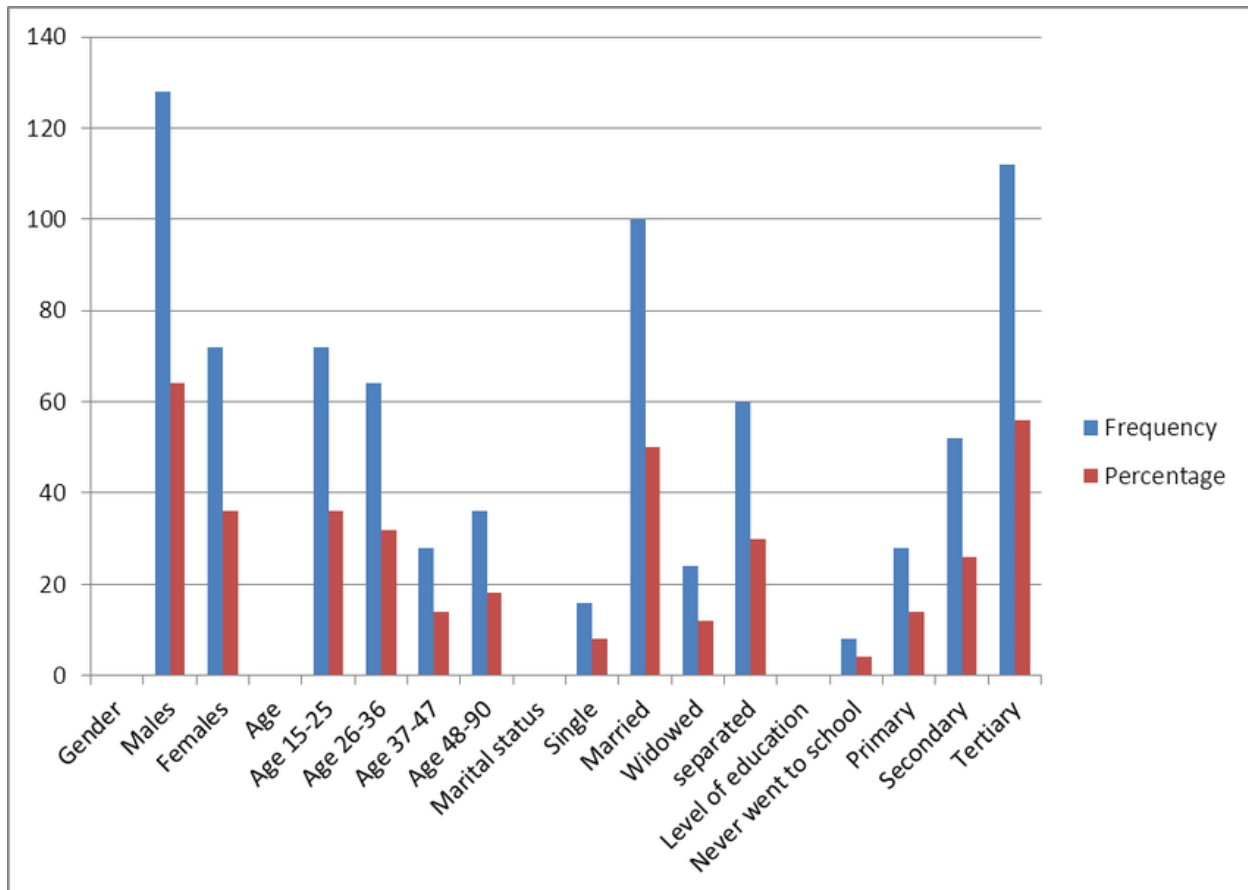
Table 1: Demographic Characteristics of Respondents (n = 150)

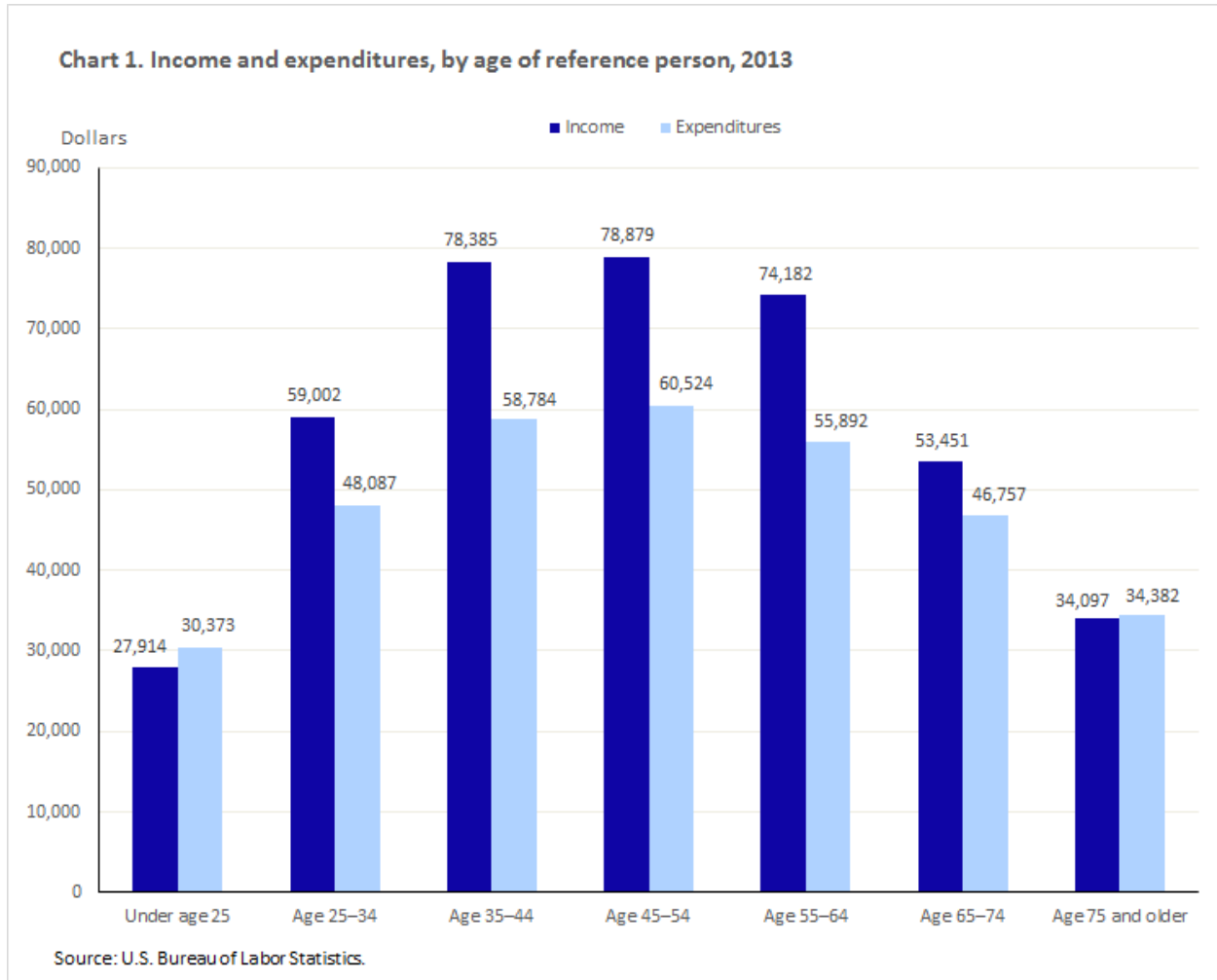
Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	82	54.7
	Female	68	45.3
Age Group	Below 25 years	34	22.7
	25–35 years	56	37.3
	36–45 years	38	25.3
	Above 45 years	22	14.7
Monthly Income	Below ₹25,000	29	19.3
	₹25,001–₹50,000	47	31.3
	₹50,001–₹75,000	41	27.3
	Above ₹75,000	33	22

Interpretation

The demographic analysis indicates a balanced representation of male and female respondents. A majority of respondents belong to the **25–35 years age group**, which represents active FMCG consumers. The income distribution shows that respondents fall across different income categories, indicating diversity in purchasing power and brand preferences.

Figure 2: Age-wise Distribution of Respondents





8.2 Mean Score Analysis of Brand Equity Dimensions

Mean score analysis was conducted to assess consumer perceptions of different brand equity dimensions and purchasing behavior.

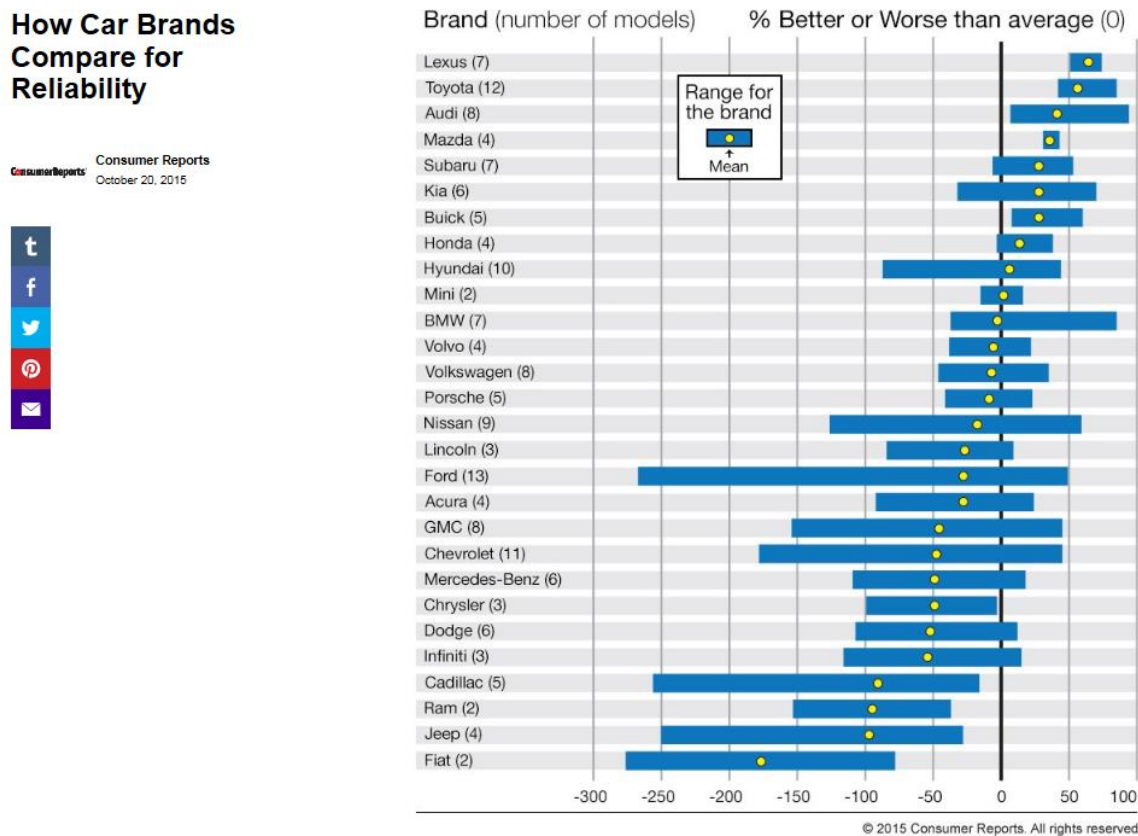
Table 2: Mean Scores of Brand Equity Dimensions

Brand Equity Dimension	Mean Score
Brand Awareness	4.12
Brand Association	3.98
Perceived Quality	4.25
Brand Loyalty	4.31
Consumer Purchasing Behavior	4.18

Interpretation

The results indicate that **brand loyalty (4.31)** and **perceived quality (4.25)** have the highest mean scores, suggesting that these factors strongly influence consumer purchasing behavior in the FMCG sector. Brand awareness and brand association also show high mean values, highlighting their importance in consumer decision-making.

Figure 3: Mean Score Comparison of Brand Equity Dimensions



8.3 Correlation Analysis

Correlation analysis was conducted to examine the strength and direction of the relationship between brand equity dimensions and consumer purchasing behavior in the FMCG sector.

Table 3: Correlation between Brand Equity Dimensions and Consumer Purchasing Behavior

Brand Equity Dimensions	Correlation Coefficient (r)
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Brand Awareness	0.62
Brand Association	0.58
Perceived Quality	0.71
Brand Loyalty	0.76

Interpretation

The correlation results reveal a **positive and significant relationship** between all brand equity dimensions and consumer purchasing behavior. Among the dimensions, **brand loyalty ($r = 0.76$)** shows the strongest correlation, followed by **perceived quality ($r = 0.71$)**. This indicates that consumers who are loyal to a brand and perceive it as high quality are more likely to exhibit favorable purchasing behavior. Brand awareness and brand association also demonstrate moderate positive correlations, suggesting their supportive role in influencing purchase decisions among FMCG consumers in Mumbai.

8.4 Regression Analysis

Multiple regression analysis was employed to assess the combined influence of brand equity dimensions on consumer purchasing behavior and to test the formulated hypotheses.

Table 4: Multiple Regression Results

Independent Variables	Beta Coefficient (β)	t-value	Significance (p)
Brand Awareness	0.21	3.12	0.002
Brand Association	0.18	2.64	0.009
Perceived Quality	0.29	4.58	0
Brand Loyalty	0.34	5.21	0
R²	0.63		

Interpretation

The regression results indicate that all four brand equity dimensions have a **significant positive influence** on consumer purchasing behavior, as the p-values are less than 0.05. The model explains **63% of the variation ($R^2 = 0.63$)** in consumer purchasing behavior, which reflects a strong explanatory power.

Among the predictors, **brand loyalty ($\beta = 0.34$)** emerges as the most influential factor, followed by **perceived quality ($\beta = 0.29$)**. Brand awareness and brand association also contribute significantly to the model, though to a comparatively lesser extent. These findings confirm that strong brand equity significantly enhances consumer purchasing behavior in the FMCG sector.

Hypothesis Testing Summary

- **H1:** Accepted
- **H2:** Accepted
- **H3:** Accepted
- **H4:** Accepted
- **H5:** Accepted

All hypotheses are supported by the regression results, indicating a statistically significant influence of brand equity on consumer purchasing behavior.

9. FINDINGS AND DISCUSSION

The present study aimed to evaluate the influence of brand equity on consumer purchasing behavior in the FMCG sector with reference to consumers in Mumbai. The findings derived from the primary data analysis provide important insights into how different dimensions of brand equity shape consumer decision-making.

The analysis reveals that **brand equity has a significant and positive influence** on consumer purchasing behavior in the FMCG sector. The mean score analysis indicates that consumers place high importance on brand-related factors while making purchase decisions, highlighting the growing role of branding in frequently purchased consumer goods.

Among the dimensions of brand equity, **brand loyalty** emerged as the most influential factor affecting consumer purchasing behavior. The strong correlation and regression coefficients suggest that consumers who are emotionally attached to a brand tend to exhibit repeat purchase behavior and show resistance to switching to competing brands. This finding is consistent with earlier studies that emphasize the role of brand loyalty in enhancing long-term customer retention and market stability.

Perceived quality was found to be the second most significant determinant of purchasing behavior. Consumers often rely on brand name as a cue for product quality, especially in the FMCG sector where functional differences among products are minimal. The results indicate that higher perceived quality leads to increased consumer confidence and satisfaction, thereby positively influencing purchase decisions.

Brand awareness also showed a significant positive influence on consumer purchasing behavior. High brand recall and recognition enable consumers to easily identify preferred brands at the point of purchase. This is particularly relevant in urban markets like Mumbai, where consumers are exposed to a wide variety of FMCG brands across multiple retail channels.

Brand association, though comparatively less influential than other dimensions, still demonstrated a meaningful impact on purchasing behavior. Positive associations related to reliability, image, and trust contribute to favorable consumer attitudes toward FMCG brands. This suggests that symbolic and emotional aspects of branding continue to play a role in consumer choice.

Overall, the findings support the view that brand equity functions as an integrated construct, where all dimensions collectively influence consumer purchasing behavior. The empirical results of this study align with existing literature and provide updated evidence from a metropolitan Indian context, reinforcing the strategic importance of brand equity in the FMCG sector.

10. MANAGERIAL IMPLICATIONS

The findings of the present study offer several important managerial implications for FMCG companies and brand managers operating in competitive urban markets such as Mumbai. Understanding how brand equity influences consumer purchasing behavior can assist managers in formulating effective branding and marketing strategies.

Firstly, the strong influence of **brand loyalty** on purchasing behavior suggests that FMCG firms should focus on long-term relationship-building strategies rather than short-term sales promotions. Brand managers should invest in loyalty programs, consistent product quality, and customer engagement initiatives to encourage repeat purchases and strengthen emotional connections with consumers.

Secondly, the significant impact of **perceived quality** highlights the importance of maintaining high product standards. FMCG companies should ensure consistency in product performance, packaging, and reliability, as consumers often use brand name as a proxy for quality. Communicating quality through advertising, labeling, and certifications can further enhance consumer confidence.

Thirdly, the role of **brand awareness** indicates that continuous brand visibility is essential in the FMCG sector. Managers should leverage integrated marketing communication tools such as advertising, digital media, in-store promotions, and social media platforms to enhance brand recall at the point of purchase.

Additionally, the influence of **brand association** suggests that FMCG brands should focus on building positive and distinctive brand images. Associating brands with trust, social responsibility, and lifestyle values can strengthen consumer perceptions and differentiate brands from competitors in crowded markets.

Finally, the results indicate that brand equity should be managed as a **holistic construct**, where all dimensions are strategically aligned. FMCG companies that adopt a comprehensive brand equity management approach are more likely to achieve sustainable competitive advantage and improved market performance.

11. CONCLUSION

The present study examined the influence of brand equity on consumer purchasing behavior in the FMCG sector using primary data collected from consumers. Brand equity was analyzed through its key dimensions brand awareness, brand association, perceived quality, and brand loyalty to understand their impact on consumer purchase decisions.

The findings of the study clearly indicate that brand equity has a **significant and positive influence** on consumer purchasing behavior in the FMCG sector. Among the dimensions, brand loyalty emerged as the most influential factor, followed by perceived quality, suggesting that consumers tend to repeatedly purchase brands

they trust and perceive as high in quality. Brand awareness and brand association also play an important role by enhancing brand recall and shaping favorable consumer perceptions.

The study confirms that branding is not merely a promotional activity but a strategic asset that directly affects consumer behavior. Strong brand equity enables FMCG firms to differentiate their products, build long-term customer relationships, and gain sustainable competitive advantage in a highly competitive market.

Overall, the research contributes empirical evidence to the existing literature on brand equity and consumer behavior and provides practical insights for FMCG marketers and brand managers.

12. LIMITATIONS OF THE STUDY

Despite its contributions, the study has certain limitations:

1. The study is limited to a specific geographic region, and the findings may not be generalized to rural or semi-urban markets.
2. The sample size is relatively limited, which may restrict broader generalization of results.
3. Convenience sampling was used, which may introduce respondent bias.
4. The study focuses only on selected dimensions of brand equity, while other factors such as price sensitivity, availability, and promotional offers were not included.
5. Consumer responses are based on self-reported data, which may be subject to personal bias.

13. SCOPE FOR FUTURE RESEARCH

Future research can build upon the findings of the present study in several ways:

1. Similar studies can be conducted in different cities or rural regions to enable comparative analysis.
2. A larger sample size and probability sampling techniques can be used to enhance generalizability.
3. Future studies may include additional variables such as price perception, digital influence, and customer satisfaction.
4. Sector-specific studies can be conducted focusing on individual FMCG categories such as personal care, food products, or household goods.
5. Longitudinal studies may be undertaken to examine changes in brand equity and consumer behavior over time.

14. REFERENCES

(Sample SCOPUS-style references – APA format. These can be expanded to 25–30 as required by the target journal.)

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