Exploring Success Factors for New Product Selling in Fast-Moving Consumer Goods

Vivek Kourav [1]
Arbuda Sharma [2]

Abstract

Purpose : Innovations in fast-moving consumer goods (FMCGs) play a substantial role in the growth and sustainability of the FMCG industry. Companies invest resources to design and launch new products to meet evolving consumer demands and to improve their sales effectiveness. Therefore, it is critical to identify the factors that help firms acquire and retain customers for their new products. Several factors have been severally discussed in various contexts and sectors that may affect the success or failure of products. This study tried to consolidate all the factors associated with new product selling in the FMCG sector and identified the hierarchy among these factors.

Design : Factors were identified through an exhaustive literature review, and the hierarchical relationships were identified with the help of the total interpretive structural modeling technique. A judgmental sample of 19 domain experts was selected for the study.

Findings : The findings revealed that labeling and environmental consciousness are the critical respective driving product-centric and consumer-centric factors that influenced other success factors and thus determined the success or failure of new product selling (NPS).

Practical Implications : The findings will help the stakeholders in the FMCG industry to develop appropriate strategies for selling new products by taking into account these factors and their hierarchical relationships.

Originality/Value : The factors that help firms to succeed in new product selling in the FMCG sector in the Indian context have not been explored in previous research studies. Moreover, this study contributed to developing hierarchical relationships to elucidate the most significant driving factors.

Keywords : new product selling, total interpretive structural modelling, product-centric factors, consumer-centric factors, FMCGs

Paper Submission Date : November 20, 2022 ; Paper sent back for Revision : February 3, 2023 ; Paper Acceptance Date : February 15, 2023 ; Paper Published Online : March 15, 2023

The fast-moving consumer goods (FMCG) industry is among the largest industries in India. Increased awareness, easier reach, and dynamic lifestyles are some of the sector's recent main growth drivers. The urban segment accounts for most of India's FMCG sector revenues. However, in recent years, rural India's rising income and higher aspiration levels present a high market potential in the FMCG sector (Roy et al., 2021). These prospects drive FMCG brand engagement, supply chain visibility, and high visibility across organized retail markets, thereby improving consumer spending and pouring new product launches. Branded goods are becoming

[1] *Student,* FORE School of Management, "Adhitam Kendra," B-18, Qutub Institutional Area, New Delhi - 110 016. (Email : 153116@fsm.ac.in) ; ORCID iD : https://orcid.org/0000-0003-2936-904X

[2] *Assistant Professor (Corresponding Author),* FORE School of Management, "Adhitam Kendra," B-18, Qutub Institutional Area, New Delhi - 110 016. (Email : arbudasharma@gmail.com ; arbuda.sharma@fsm.ac.in)
ORCID iD : https://orcid.org/0000-0003-3974-0623

increasingly popular in semi-urban and rural India due to expanding modern retail and catering to targeted segments. As a result, the organized sector is growing faster than the declining unorganized sector's share of the FMCG industry. The growing youth population that forms most of the workforce is another factor driving demand for culinary services in India since the youth rarely have time to cook. However, whether a newly launched product will succeed in the market is yet to be explored. With such prospects in the FMCG sector, innovations are inevitable. The existing research describes several factors that affect customers' buying decisions in the context of novel products in varied sectors. However, limited knowledge is available about the factors that affect new product selling in the FMCG sector. How these factors influence each other has also not been explored much. This study focuses on identifying these factors in the context of Indian FMCG markets and determining their inter-relationships. In today's world, with so many new products succumbing to the competition and failing to establish themselves, this research is relevant to the FMCG market players who intend to invest in innovations. It attempts to explore the factors disparately known to affect the success and failure of products in different markets but in the context of new product selling (NPS). It also explores the challenges these factors create with NPS in the market and what alterations may help companies to overcome the same.

Literature Review

Products perceived as new to the customers are termed new products (Kotler & Armstrong, 2013). These are developed by the firms through their research efforts and are novel due to innovation or a modification or as a new brand. New products contribute to the company's progress and market share while generating profits (Coad et al., 2016). Novel products and innovations are critical for a company's long-term growth, development, and survival (Dangelico, 2016; Slater et al., 2014). However, not every new idea sells. Several factors determine the success of selling new products. Several companies have discovered that careful customer exposure to newly developed products improves sales, in contrast to methods in which customers are informed of the benefits of the new product but have no point of comparison. Internal marketing (IM), originating from the service industry, influences new product sales and innovation. Marketing activities conducted among employees impact their motivation and job satisfaction. It also leads to innovation development. IM focuses on effective communication, assistance in management, and rewarding practices (Wu et al., 2013). Engaging employees and power-sharing encourage an innovative culture, particularly in sales.

The product launch also affects new product selling performance and is often considered the most expensive step in new product development. Around four out of 10 products fail at launch, and two in every three companies fail to achieve their desired annual profits from these newly developed products (Cooper, 2019). The launch time must be carefully determined to improve the odds of success (Dikert et al., 2016). Customer knowledge development is also critical to the success of a new product and improves the product's performance (Cui & Wu, 2016). Advertising plays a significant role in developing customers' awareness and beliefs about newly launched products (Truscott & Chiam, 2019).

Moreover, the distribution strategy, especially in the FMCG sector, also affects the success of new products (Trihatmoko & Mulyani, 2018). Buyers get influenced by the place marketing strategies of FMCG firms that achieve higher reach than their competitors (Kotler & Armstrong, 2013). Promotions also have varied effects on consumers' buying behaviors (Bandyopadhyay et al., 2021; Sharma et al., 2020).

Brands play a vital role in customer acquisition and satisfaction, value addition, and tapping new markets (Panigrahi et al., 2021; Shashishekar & Anand, 2019). Multi-brand strategy, product flanking, brand improvements, product development, product life cycle strategy, and using the network's vast distribution are the primary tactics FMCG companies use to make their brands stand out compared to their competitors. The expansion of product brands and product categories, also known as brand strategies, in the form of line extensions,

brand extensions, multi-brands, and new brands, is part of the "developing/innovating" new product strategy (Kotler & Armstrong, 2013). Product performance encompasses attributes related to the design and quality of the products and their brands' features, such as the nomenclature, symbols, and slogans. Marketing agents must first identify at what level the quality of their product exists for making decisions related to targeting and positioning their brands (Kotler & Armstrong, 2013). Brand loyalty ensuing from good product performance determines the level of product demand, which eventually sets the product's sales turnover. A diversification strategy allows entering a new market or business that the company hasn't done in a long time and creating a new market. Brands grow due to diversification strategies that rely on years of keen inferences about consumer behavior. Furthermore, consumer research on growth strategies has demonstrated that top organizations increase their permeation and outperform their competition by making logical investments in quantity and quality (Yoganandham & Sankar, 2016).

A company's resources, talents, and capabilities are found to be necessary for successfully innovating and competing (Dikert et al., 2016). Research and development form part of technology and growth strategy, which eventually translates into a competitive advantage to help the firms strengthen their relative market position (De Medeiros et al., 2022). Firms capture new buyers by innovating and thus gaining distinct competitive advantages. Implementing fresh ideas in various sectors creates high profits (Agarwal et al., 2021; Kuniyal et al., 2013). Ethical and environmentally friendly products can acquire environmentally conscious buyers (Jose & Koshy, 2018; Laheri, 2020; Premi et al., 2021). A company is likely to succeed if it performs research and development and invests marketing efforts in creating and introducing a new product (De Medeiros et al., 2022).

For a consumer product, the packaging is the first thing noticed and is critical for both the customer and the company (Mohamed et al., 2018), especially in the food industry, to improve its safety, shelf life, as well as quality (Rundh, 2016; Saraniya et al., 2020; Wyrwa & Barska, 2017). A product delivers a variety of cues that consumers use to make decisions about which product to buy. An extrinsic signal (such as a label) is a surrogate for the relevant hidden cues to assist customers in finding the necessary traits. Customers can voice their acceptance or dislike of a product or brand. The degree of brand recognition achieved is a measure of management's ability to carve out a niche market, and it significantly impacts decisions about place, price, and promotion.

Sales promotion is often used to launch new products, attract new consumers, persuade existing customers to buy more, increase sales even during the off-season, and stay competitive (Buil et al., 2013). These may be discounts, bonus quantities, free samples, or trials. Such incentives tend to influence consumer buying behavior sooner or later (Xu & Huang, 2014). Before delivering any form of sales promotion, companies repeatedly conduct research to learn about their customer's preferences and their buying behavior.

It is worthwhile to also pay attention to the distinct actors, such as the distributors and retailers involved in the multistage purchasing process. Retailers are critical since they may be the only point of contact between producers and consumers. The customer's trust in the company, the product, and the retailer influence purchase intentions and buying behaviors (Barrane et al., 2021), and marketing strategies significantly influence customer choices (Jain, 2022; Sivathanu, 2017). The perceived trustworthiness of a store influences the perceived trustworthiness of the products offered. In addition, it appears that uncertainty is a necessary prerequisite for the effective transfer of retailer qualities to the provided product brands. According to Morden (2017), advertising provides information about a product and helps people form opinions about it. Consumer perceptions are influenced by adding emotional value to the offered products, and trust is ensured in the quality delivery. Pricing also influences buying decisions since people prefer buying FMCG products based on income.

All these factors influence the purchasing decision of buyers up to some extent and thus determine the success or failure of newly launched and old products. The extant literature describes this influence with only one or two factors. However, there is limited scholarly proof that unambiguously reports the influence of multiple factors on new product selling regarding a specific industry or a product line. Additionally, all the existing research has been conducted about different industries and geographic areas. Without standardization of the industry and market,

comparing these factors' influence on one another is impossible. This study, therefore, takes into account a specific industry and market for the collection and analysis of the data, which will make the results comparable. The study also considers important factors, and cross-comparison of factors, to closely observe the extent of their influence on consumers' buying behavior.

With this purpose, the study's objective is to identify the overall factors that influence the selling/buying of new products in the FMCG category, classify them, and develop a hierarchical framework of these classified factors. The study uses the existing literature and lists down the factors taken as the basis known to influence the buying decision of consumers for a new/existing product. These listed factors will be used for the realization of the second objective of the study. The second part of this study will focus on finding the hierarchical relationships among the factors influencing customers' buying decisions and behavior in a particular industry. The results will enable us to understand which factors are more influential in consumer decision-making and ought to be prioritized by the seller for profit maximization.

Study Design

To achieve the objectives of the study, a qualitative approach was adopted. The study period was May – October 2022. Initially, an exhaustive literature review was done to determine the factors influencing new product selling (NPS) in the FMCG industry. This was followed by classifying these identified factors into product and customer-centric factors. Further, hierarchical frameworks of these individual sets of factors were developed using the total interpretive structural modelling technique (Sushil, 2012). TISM is a novel extension of interpretive structural modelling (ISM) useful for understanding the relationships among the factors (Sharma & Sagar, 2018).

As a holistic sampling frame, judgemental sampling can facilitate the research output with ground field knowledge and literature to obtain an in-depth and bias-free response from experts, which may vary in several contexts in the same domain. We used judgmental sampling to select the experts based on the criteria that they must be from the FMCG industry with experience in sales/marketing, academia, or a consultant in the domain. Additionally, they must have more than 5 years of experience in NPS. By using this sampling framework, a pool of 19 experts was identified and approached through personal communication and social media. The participants were informed about the research context and consented to their participation. Data were collected using Google forms. Information was collected about whether the experts considered one factor influencing another and how. Further analysis of the data involved executing the steps of TISM to reach the hierarchical relationships among the identified factors. The findings were then corroborated with the literature.

Analysis and Results

Table 1 describes the factors identified from the literature explained in the previous section, and Table 2 categorizes these factors into two defined groups.

Table 1. *Definitions of New Product Selling Factors*

Factors	No.	Definition	Source
Product Exposure	F1	Carefully exposing customers to a new product	Van der Borgh & Schepers (2018)
Internal Marketing	F2	Marketing activities conducted among employees	Ružić & Benazić (2018)
Employee Empowerment	F3	Providing employees power and discretion over certain task-related tasks	
Launch Time	F4	When the launch takes place from the perspective of the company, the competition, and the customer	Dikert et al. (2016)

Customer Knowledge Development	F5	How the customer understands the product and what are their preferences	Cui & Wu (2016)
Product Distribution Strategy	F6	Product placements are distributed or implemented to bring a product closer to potential buyers or its target market	Trihatmoko & Mulyani (2018)
Product Performance	F7	Product performance encompasses quality attributes, product features, and design, as well as the brand, which includes attributes such as a name, word, sign, symbol, or design aspect	Trihatmoko (2020)
Brand Loyalty	F8	The measure of attachment that a consumer has toward a brand	Aaker (1991)
Diversification	F9	Entering a new market or business that the company hasn't done in a long time as well as creating a new market	Yoganandham & Sankar (2016)
Research and Development	F10	Creation and introduction of a new/better product with the help of the company's resources	De Medeiros et al. (2022)
Market Share	F11	Share of product in the relevant market	
Packaging	F12	Activities in product planning which involves designing and producing the container or wrapper for a product (William J. Stanton)	Rundh (2016) ; Singh & Kushwaha (2017)
Branding	F13	A brand is an image people have of your company or product (Ann Handley)	
Labelling	F14	A label is part of a product that carries verbal information about the producer or seller (W. J. Stanton)	
Promotion	F15	It includes advertising, personal selling, sales promotion, and other selling tools (Stanton)	Mathy & Ponramu (2021)
Retailing	F16	All the activities involved in selling goods or services to the final customers	Beck & Kenning (2015)
Advertisement	F17	The non-personal communication of information usually paid for and usually persuasive in nature about products	Rasool et al. (2012)
Price	F18	The amount of money charged for a product or service	Sisodiya & Sharma (2018) ; Kotler & Armstrong (2013)
Salesman	F19	According to W.G Carter, "Salesmanship is an attempt to induce people to buy goods."	Sharma & Sagar (2018)
Perceived Value	F20	Consumer's overall evaluation of a product or service's net benefit based on the consumer's appraisal	Ariffin et al. (2016)
Emotional Value	F21	Emotional value is when customers have a positive experience with an organisation's products	Ariffin et al. (2016)
Environment Consciousness	F22	The degree to which individuals are aware of environmental issues	Laheri (2020)
Perceived Quality	F23	Perceived quality refers to a consumer's opinion of a product's quality	Tsiotsou (2006)

Table 2. *Classification of NPS Factors*

Product Centric factors	Customer Centric Factors
• Product exposure	• Brand loyalty
• Product performance	• Perceived value
• Packaging	• Emotional value
• Labelling	• Environment consciousness
• Price	• Perceived quality
• Promotion	
• Retailing	
• Diversification	

Development of a Hierarchical Framework of Product-Centric Factors

The data collected with the help of a questionnaire is presented in the following reachability matrix. Table 3 only represents the product-centric factors and their influence on other factors; 1 in the table represents that the factors in the rows significantly influence factors in the columns, and 0 represents no significant relationship. The product centric factors are F1 - Product Exposure, F7 - Product Performance, F12 - Packaging, F14 - Labelling, F18 - Price, F15 - Promotion, F16 - Retailing, F6 - Distribution. Based on responses of experts from the survey and further analysis, the reachability matrix for these factors was derived based on the majority of Yes (1) or No (0) (Table 3).

Table 3. Reachability Matrix of Product-Centric Factors

	F1	F7	F12	F14	F18	F15	F16	F6
F1	–	1	0	0	0	1	1	0
F7	1	–	0	0	1	1	1	1
F12	1	1	–	0	1	1	1	1
F14	1	0	1	–	0	1	1	1
F18	1	0	0	0	–	1	1	1
F15	1	1	0	0	0	–	1	1
F16	1	0	0	0	1	1	–	1
F6	1	1	0	0	1	0	1	–

Table 4. Product-Centric Factors' Reachability Matrix with Transitivity

	F1	F7	F12	F14	F18	F15	F16	F6
F1	–	1	0	0	1a	1	1	1a
F7	1	–	0	0	1	1	1	1
F12	1	1	–	0	1	1	1	1
F14	1	1a	1	–	1a	1	1	1
F18	1	1a	0	0	–	1	1	1
F15	1	1	0	0	1a	–	1	1
F16	1	1a	0	0	1	1	–	1
F6	1	1	0	0	1	1a	1	–

Table 5. Partitioning of the Product-Centric Factors

Iteration 1

Factors	Reachability	Antecedents	Intersection	Level
F1	F1, F7, F15, F16, F18, F6	F1, F7, F12, F14, F18, F15, F16, F6	F1, F7, F15, F16, F18, F6	I
F7	F1, F7, F15, F16, F18, F6	F1, F7, F12, F14, F18, F15, F16, F6	F1, F7, F15, F16, F18, F6	I
F12	F1, F7, F15, F16, F18, F6, F12	F12, F14	F12	
F14	F1, F7, F15, F16, F18, F6, F12, F14	F14	F14	
F18	F1, F7, F15, F16, F18, F6	F1, F7, F12, F14, F18, F15, F16, F6	F1, F7, F15, F16, F18, F6	I
F15	F1, F7, F15, F16, F18, F6	F1, F7, F15, F16, F18, F6, F12, F14	F1, F7, F15, F16, F18, F6	I
F16	F1, F7, F15, F16, F18, F6	F1, F7, F15, F16, F18, F6, F12, F14	F1, F7, F15, F16, F18, F6	I

F6	F1, F7, F15, F16, F18, F6	F1, F7, F15, F16, F18, F6, F12, F14	F1, F7, F15, F16, F18, F6	I
Iteration 2				
Factors	Reachability	Antecedents	Intersection	Level
F12	F12	F12, F14	F12	II
F14	F12, F14	F14	F14	
Iteration 3				
Factors	Reachability	Antecedents	Intersection	Level
F14	F14	F14	F14	III

Indirect relationships among factors were further identified to arrive at the final reachability matrix (Table 4). Here, 1a represents a transitive relationship between the two factors. Partitioning was carried out next to identify the levels of each factor (Table 5).

The hierarchy, therefore, is found to be: Level 1– Product Exposure, Product Performance, Price, Promotion, Retailing, Distribution; Level 2 – Packaging; and Level 3 – Labelling. The knowledge base of the factors was developed based on the responses for interpreting the factor relationships, as shown in Table 6.

Table 6. *Knowledge Base of the Product-Centric Factors*

S. No.	Element No.	Paired Comparison of Factors	Yes/No	In What Way Will One Factor Influence the Other Factor?
1.	F1–F7	Product exposure will influence product performance.	Yes	Awareness causes people to purchase, leading to higher revenues.
2.	F1–F12	Product exposure will influence packaging.	No	
3.	F1–F14	Product exposure will influence labeling.	No	
4.	F1–F18	Product exposure will influence the price.	No	
5.	F1–F15	Product exposure will influence the promotion.	Yes	The product gets publicized through more information availability of the product.
6.	F1–F16	Product exposure will influence retailing.	Yes	Products' visibility promotes selling the product.
7.	F1–F6	Product exposure will influence the distribution.	No	
8.	F7–F1	Product performance will influence product exposure.	Yes	As the product performs better, it gets more noticed through word of mouth.
9.	F7–F12	Product performance will influence packaging.	No	
10.	F7–F14	Product performance will influence labeling.	No	
11.	F7–F18	Product performance will influence the price.	Yes	Higher customer-perceived value allows the manufacturers to price the products higher.
12.	F7–F15	Product performance will influence the promotion.	Yes	More revenues imply higher consumption of the products and better budgets for promotion, and good consumer feedback.
13.	F7–F16	Product performance will influence retailing.	Yes	If products perform well, their distributions are gradually more streamlined as the demand increases.
14.	F7–F6	Product performance will influence the distribution.	Yes	Increased profits lead to the expansion and extension of distribution channels.
15.	F12–F7	Packaging will influence product performance.	Yes	Better packaging attracts purchases.
16.	F12–F1	Packaging will influence product exposure.	Yes	Aesthetic, clean, and durable packaging creates an impression and is visually appealing.

17.	F12–F14	Packaging will influence labeling.	No	
18.	F12–F18	Packaging will influence the price.	Yes	Sophisticated packaging leads to a higher price.
19.	F12–F15	Packaging will influence the promotion.	Yes	Better packaging communicates better with potential customers.
20.	F12–F16	Packaging will influence retailing.	Yes	Fragile vs. durable packaging follows different retailing formats.
21.	F12–F6	Packaging will influence the distribution.	Yes	The distribution mechanisms of different varieties of packaging are different.
22.	F14–F7	Labeling will influence product performance.	No	
23.	F14–F12	Labeling will influence packaging.	Yes	Good labelling helps in understanding the packaging.
24.	F14–F1	Labeling will influence product exposure.	Yes	Label stimulates awareness of the brand identity.
25.	F14–F18	Labeling will influence the price.	No	
26.	F14–F15	Labeling will influence the promotion.	Yes	Creativity can influence promotion.
27.	F14–F16	Labeling will influence retailing.	Yes	Bigger labels get preferred visual merchandise.
28.	F14–F6	Labeling will influence the distribution.	Yes	Bigger labels have streamlined channels.
29.	F18–F7	Price will influence product performance.	No	
30.	F18–F12	Price will influence packaging.	No	
31.	F18–F14	Price will influence labeling.	No	
32.	F18–F1	Price will influence product exposure.	Yes	Pricing denotes the customer perceived value of the product and thus relates to the amount of awareness about it.
33.	F18–F15	Price will influence the promotion.	Yes	Promotion elements, such as content, theme, and cause branding vary according to the brand image, and, thus, the value perceived.
34.	F18–F16	Price will influence retailing.	Yes	Product categorization in FMCGs based on pricing signifies the profile of customers and, thus, the retailing.
35.	F18–F6	Price will influence the distribution.	Yes	A higher price provides more margin for distributing the product.
36.	F15–F7	Promotion will influence product performance.	Yes	Efficient promotion will expand the customer base.
37.	F15–F12	Promotion will influence packaging.	No	
38.	F15–F14	Promotion will influence labeling.	No	
39.	F15–F18	Promotion will influence the price.	Yes	Efficient promotion will increase the customer base and, thus, demand and price.
40.	F15–F1	Promotion will influence product exposure.	Yes	Relevant advertising which communicates brand identity well will improve awareness of the product.
41.	F15–F16	Promotion will influence retailing.	Yes	Relevant advertising also influences retailers, making products available as per the demand.
42.	F15-F6	Promotion will influence the distribution.	Yes	Relevant and targeted publicity of the product will increase demand and thus affect distribution.
43.	F16–F7	Retailing will influence product performance	No	
44.	F16–F12	Retailing will influence packaging.	No	
45.	F16–F14	Retailing will influence labeling.	No	
46.	F16–F18	Retailing will influence the price.	Yes	Retailing also causes demand generation. Pricing is based on the demand and the perceived value of the product.

47.	F16–F15	Retailing will influence the promotion.	Yes	Visual merchandise presented by retailers also promotes the product.
48.	F16–F1	Retailing will influence product exposure.	Yes	Visual merchandise presented by retailers also makes people recognize the products.
49.	F16–F6	Retailing will influence the distribution.	Yes	Retailers command the distribution in pull strategies.
50.	F6–F7	Distribution will influence product performance.	Yes	The larger the types and the number of channels, the higher the probability of increasing the sales volume.
51.	F6–F12	Distribution will influence the packaging.	No	
52.	F6–F14	Distribution will influence labeling.	No	
53.	F6–F18	Distribution will influence the price.	Yes	Better distribution improves consumption and, thus, demand & price.
54.	F6–F15	Distribution will influence the promotion.	No	
55.	F6–F16	Distribution will influence retailing.	Yes	The types and number of channels selected and the intermediary partners involved create a different perception and have a different rapport with the retailers.
56.	F6–F1	Distribution will influence product exposure.	Yes	The types and number of channels selected, as well as the intermediary partners involved, all create a different perception and have a different rapport with the retailers and thus play a role in the visual merchandise of the products, which affects product awareness.

Figure 1. *Digraph of the Product-Centric Factors*
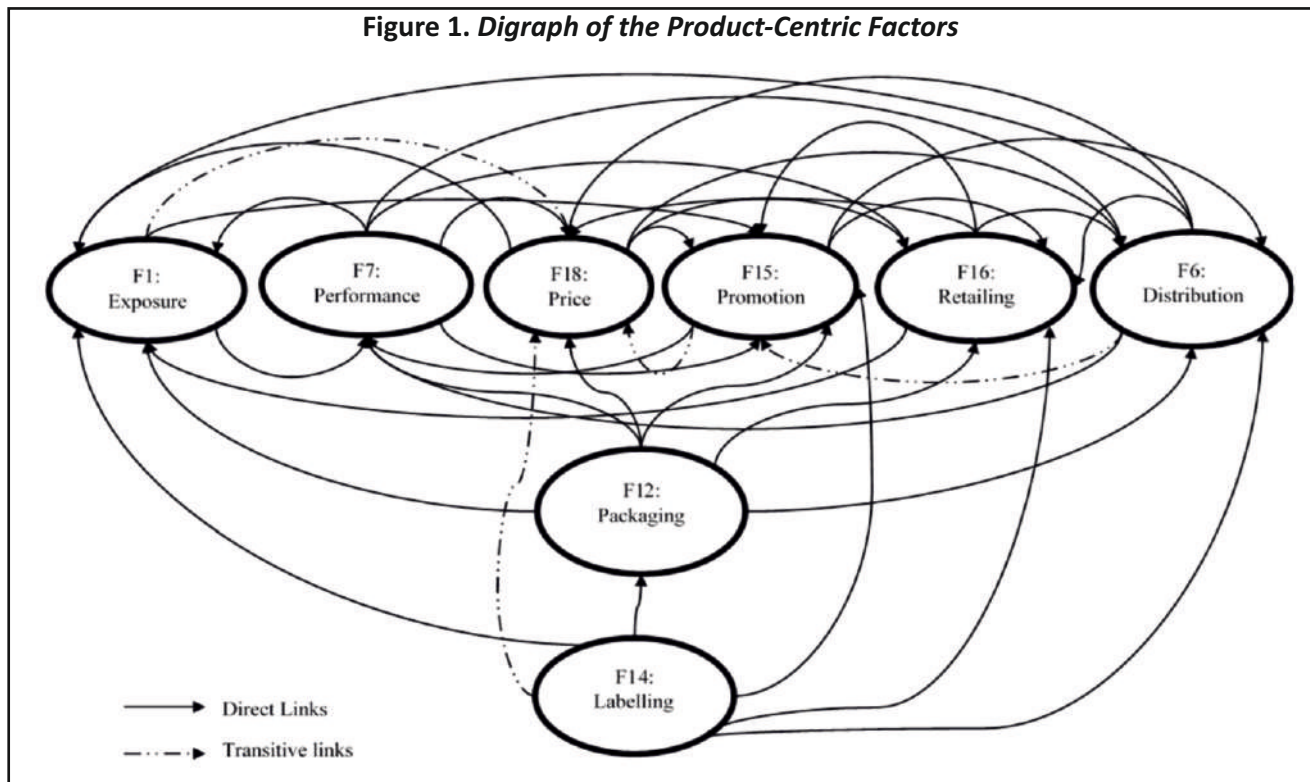
We formed a digraph with significant transitive links using the reachability matrix, partitioning, and knowledge base (Figure 1). We did not add the digraph with interpretations labeled over the links due to its complexity and non-readability.

Development of a Hierarchical Framework of Consumer-Centric Factors

The consumer-centric factors identified through an exhaustive literature review included- F8 - Brand Loyalty, F20 - Perceived Value, F21 - Emotional Value, F22 - Environmental Consciousness, and F23 - Perceived Quality. We used the procedure of TISM to determine the influence of each factor on other factors. The initial and the final reachability matrices obtained through the analysis are shown in Tables 7 and 8. Partitioning iterations to find out the levels of the factors are shown in Table 9.

Table 7. *Reachability Matrix of Consumer-Centric Factors of NPS*

	F8	F20	F21	F22	F23
F8	–	1	1	0	1
F20	1	–	1	0	1
F21	1	1	–	0	0
F22	1	1	1	–	1
F23	1	1	0	0	–

Table 8. *Final Reachability Matrix of Consumer-Centric Factors of NPS*

	F8	F20	F21	F22	F23
F8	–	1	1	0	1
F20	1	–	1	0	1
F21	1	1	–	0	1a
F22	1	1	1	–	1
F23	1	1	1a	0	–

Table 9. *Partitioning Iterations of Consumer-Centric Factors of NPS*

Iteration 1				
Factors	Reachability	Antecedents	Intersection	Level
F8	F8, F20, F21, F23	F8, F20, F21, F22, F23	F8, F20, F21, F23	I
F20	F8, F20, F21, F23	F8, F20, F21, F22, F23	F8, F20, F21, F23	I
F21	F8, F20, F21, F23	F8, F20, F21, F22, F23	F8, F20, F21, F23	I
F22	F8, F20, F21, F22, F23	F22	F22	
F23	F8, F20, F21, F23	F8, F20, F21, F22, F23	F8, F20, F21, F23	I
Iteration 2				
Factors	Reachability	Antecedents	Intersection	Level
F22	F22	F22	F22	II

After successfully partitioning consumer-centric factors, F8, F20, F21, and F23 were found to be at Level I and F22 at Level II. The knowledge base providing interpretations of the relationships is given in Table 10. The digraph of these factors is shown in Figure 2. A detailed digraph for these factors, with the interpretation of each of the links, is explained in Figure 3.

Table 10. *Knowledge Base of Consumer-Centric Factors of NPS*

S. No.	Element No.	Paired Comparison of Factors	Yes/No	In What Way Will One Factor Influence the Other Factor?
1.	F8–F20	Brand loyalty will influence perceived value.	Yes	Sustaining the customers signifies that customers need satisfaction and continued demand; hence, denoting better value perception.
2.	F8–F21	Brand loyalty will influence emotional value.	Yes	Loyalists involve themselves emotionally with products such as branded chocolate. A consumer feels pleasure every time he/she has a bar of chocolate, a particular branded soap consumer feels refreshed or hygienic on using it, and so on.
3.	F8–F22	Brand loyalty will influence environmental consciousness.	Yes	Cause branding is one of the reasons people associate themselves with a brand, which further makes them more environmentally aware.
4.	F8–F23	Brand loyalty will influence perceived quality.	Yes	Loyalists perceive their owned products to be of superior quality than other alternatives available in the market.
5.	F20–F8	Perceived value will influence brand loyalty.	Yes	The higher the value of a product perceived by the customers, the higher the stickiness of that product.
6.	F20–F21	Perceived value will influence emotional value.	Yes	Increasing perceived value leads to feelings of pride in owning that product and higher satisfaction.
7.	F20–F22	Perceived value will influence environmental consciousness.	Yes	Consumers feel products with a high perceived value are safer for the environment and believe that the products reach them after following ethical norms.
8.	F20–F23	Perceived value will influence perceived quality.	Yes	Higher-value products are perceived to be of high standards in quality.
9.	F21–F8	The emotional value will influence brand loyalty.	Yes	Repeat purchases are made once emotional involvement in the product gets generated.
10.	F21–F20	The emotional value will influence the perceived value.	Yes	Once customers attach an emotional value to a product, their value perception of the product improves.
11.	F21–F22	The emotional value will influence environmental consciousness.	Yes	Products with cause branding associated with them create emotional involvement and environmental consciousness.
12.	F21–F23	The emotional value will influence the perceived quality.	Yes	Customers think of a product that fulfills their requirements and makes them happy, satisfied, and so on.
13.	F22–F8	Environmental consciousness will influence brand loyalty.	Yes	Cause branding makes the brand image more appealing and resonates with environmentally conscious individuals and thus improves their stickiness.
14.	F22–F20	Environmental consciousness will influence the perceived value.	Yes	Product value is perceived to be higher if environmentally conscious individuals find the products to be eco-friendly.
15.	F22–F21	Environmental consciousness will influence emotional value.	Yes	Products perceived not to harm the environment tend to create a feeling of pride.
16.	F22–F23	Environmental consciousness will influence the perceived quality.	Yes	Products perceived to safeguard or not harm the environment are of superior quality.

17.	F23–F8	Perceived quality will influence brand loyalty.	Yes	As customers feel a product to be of high quality, they tend to purchase it repeatedly.
18.	F23–F20	Perceived quality will influence perceived value.	Yes	Better quality products, as perceived by customers, make them give higher value to the products.
19.	F23–F21	Perceived quality will influence emotional value.	Yes	Customers who think a product to be of poor quality find it unsatisfactory.
20.	F23–F22	Perceived quality will influence environmental consciousness.	Yes	A product perceived to be of better quality makes people think of the product to be sensitive toward the environment too.

Figure 2. *Digraph for Consumer-Centric Factors of NPS*

Figure 3. *Labelled Digraph of Consumer-Centric Factors of NPS*
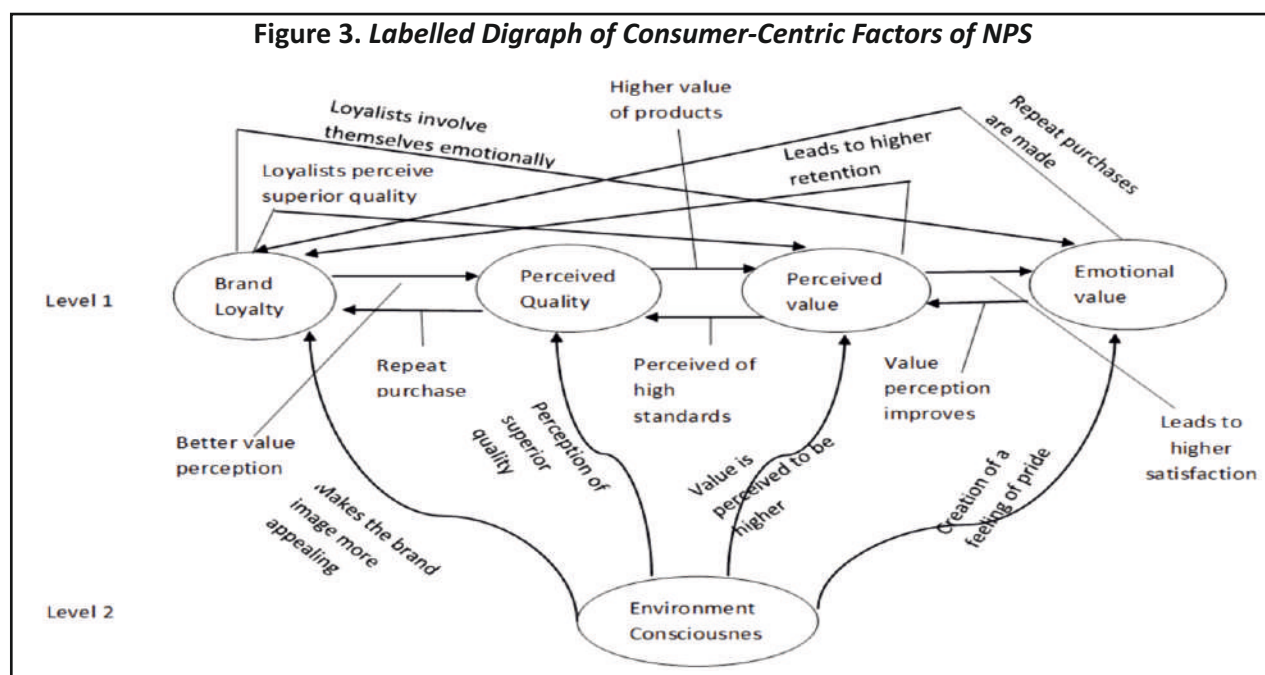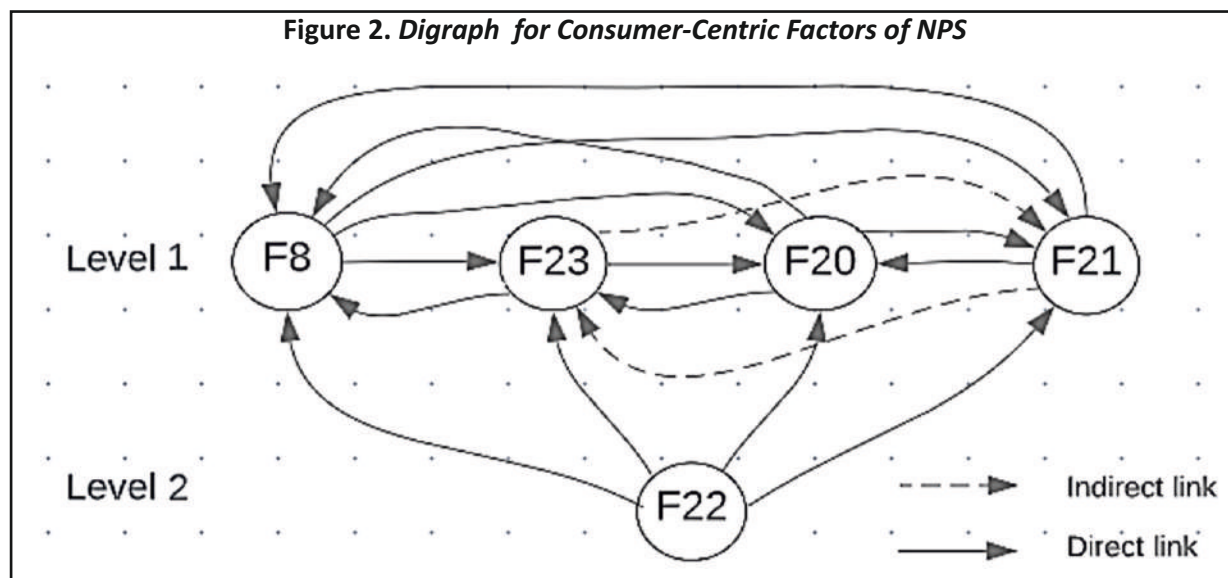
Discussion

A careful exposure of the product through marketing strategies that enable the potential customers to relate to the product helps to boost sales effectiveness. The exposure can be done in the form of publicity and advertising before or at a product's launch (Burmester et al., 2015). This idea is further supported by the results of this study, as product exposure is one of the factors at the first level and directly affects the selling of new products. Customer satisfaction is based on how expectations and product performance interact (Oliver, 2014). Customers will use product performance to evaluate product quality, such as manufacturer standards and particular product qualities (Beneke et al., 2013). As the first market, the products' success is measured by the buyer's choice to purchase or forego a new product. The results of our study thus confirm that one of the key elements influencing the sales of new products is product performance. According to Sisodiya and Sharma (2018), pricing is one of the most significant factors influencing customer purchasing behaviour for FMCG products. A greater number of offers result from lower prices for the same item than higher prices. In any case, cost occasionally serves as a sign of value. A product with a too-low value could be considered to be of low quality. Price has a significant impact on sales of new products, both positively and negatively. Additionally, value in sales promotions makes it easy to recognize the customers' purchasing intentions (Teck Weng & Cyril de Run, 2013). Promotion influences customers' behaviour directly by motivating them to make purchases. Tools for sales promotion significantly affect consumers' purchasing decisions (Mathy & Ponramu, 2021).

Consumer micromarketing and tighter control of the supply chains are important for implementing new retailing strategies for demand generation and boosting sales (Hussain, 2019). Pricing is determined by demand and the product's perceived value, which directly impacts how many new products are sold. Retailers' visual merchandising helps customers distinguish their goods, ultimately boosting sales. Thus, as this study's findings further demonstrate, retailing is important for helping in improving a new product's sales. To determine how well a product performs, suppliers also evaluate their distribution policies based on the market captured by them, the demand generated by them, their reputation, and the brand's dependability and sales. The distribution strategy impacts the market's competitive environment in product distribution (Trihatmoko, 2020). The findings of this study reaffirm these ideas in the context of new FMCG products.

Managerial and Theoretical Implications

Theoretically, the outcomes of this study significantly augment the existing body of knowledge about the factors that must be deliberated in creating plans for new FMCG products. The conceptual hierarchical frameworks of product-centric and consumer-centric factors provide insights into what drives the fate of new product selling in the context of the FMCG sector.

These also form the key takeaways for the research and development and the marketing and sales teams of the FMCG firms that often weigh which factors need to be emphasized from manufacturing and marketing to distributing the newly launched goods such as labeling, retailing, packaging, pricing, promotion, distribution performance, environmental consciousness, perceived value and quality, emotional value, and brand loyalty.

Conclusion

Carefully introducing any new product to the customer impacts sales more effectively than a strategy where customers are informed of its benefits without a referential point. The study's findings support this notion because exposure to a new product is one of the first-level elements directly influencing its sale. At the most basic level, the success of the new product strategy is determined by the consumer's decision to buy or pass on a new product. Our TISM results' output thus supports the idea that one of the major factors affecting how well new items do at the

market is their performance. Price significantly impacts new product sales, both favorably and unfavorably. This study supports the notion that pricing is a crucial factor that directly influences the sales of new goods. A new retailing strategy emphasizes consumer micromarketing and tighter supply chain control to maximize sales value. Retailing, therefore, plays a critical role in promoting the sales of new products, as this study further shows. Predicting clients' purchasing intentions is simpler when you consider how valuable they are to sales promotions. Promotions directly impact customers' behaviour by encouraging them to make purchases, which is further confirmed by this study. Distribution strategy affects the competition in the market. The study's findings are consistent with the notion that distribution strategy affects new product sales significantly, either positively or negatively. Further, researchers may verify the findings empirically and test the outcomes in the context of other sectors. Moreover, we have separately established the hierarchy of product-centric and consumer-centric factors. The inter-relationships between the two are yet to be explored.

Limitations of the Study and Scope for Further Research

The study focuses on exploring specific product-centric and customer-centric factors that influence the success or failure of selling new FMCG products and determining hierarchical relationships among the factors. However, our scope was limited to analyzing the relationships through qualitative methods. The relationships may be tested empirically in the future. Further, the context of the study was India and the FMCG sector. Inductive studies may be conducted to generalize the results to other markets.

Authors' Contribution

Vivek Kourav performed the literature review, questionnaire development, data collection and analysis, and initial draft preparation. Dr. Arbuda Sharma conceived the idea, developed the research design, supervised the data collection, analyzed the data, verified the results, reviewed the paper, and prepared the final draft.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial or non-financial interest in the subject matter or materials discussed in this manuscript.

Acknowledgement

Funding Acknowledgement

References

Agarwal, A., Bansal, K. M., Gupta, A., & Khurana, R. (2021). Online education: A booming product for institutes post-COVID-19? *Marketing Education Review, 31*(3), 262–272. https://doi.org/10.1080/10528008.2021.1958346

Ariffin, S., Yusof, J. M., Putit, L., & Shah, M. I. (2016). Factors influencing perceived quality and repurchase intention towards green products. *Procedia Economics and Finance, 37*, 391–396. https://doi.org/10.1016/S2212-5671(16)30142-3

Bandyopadhyay, N., Sivakumaran, B., Patro, S., & Kumar, R. S. (2021). Immediate or delayed! Whether various types of consumer sales promotions drive impulse buying? : An empirical investigation. *Journal of Retailing and Consumer Services, 61*, 102532. https://doi.org/10.1016/j.jretconser.2021.102532

Barrane, F. Z., Ndubisi, N. O., Kamble, S., Karuranga, G. E., & Poulin, D. (2021). Building trust in multi-stakeholder collaborations for new product development in the digital transformation era. *Benchmarking: An International Journal, 28*(1), 205–228. https://doi.org/10.1108/BIJ-04-2020-0164

Beck, S., & Kenning, P. (2015). The influence of retailers' family firm image on new product acceptance: An empirical investigation in the German FMCG market. *International Journal of Retail & Distribution Management, 43*(12), 1126–1143. https://doi.org/10.1108/IJRDM-06-2014-0079

Beneke, J., Flynn, R., Greig, T., & Mukaiwa, M. (2013). The influence of perceived product quality, relative price and risk on customer value and willingness to buy: A study of private label merchandise. *Journal of Product & Brand Management, 22*(3), 218–228. https://doi.org/10.1108/JPBM-02-2013-0262

Buil, I., De Chernatony, L., & Martínez, E. (2013). Examining the role of advertising and sales promotions in brand equity creation. *Journal of Business Research, 66*(1), 115–122. https://doi.org/10.1016/j.jbusres.2011.07.030

Burmester, A. B., Becker, J. U., van Heerde, H. J., & Clement, M. (2015). The impact of pre-and post-launch publicity and advertising on new product sales. *International Journal of Research in Marketing, 32*(4), 408–417. https://doi.org/10.1016/j.ijresmar.2015.05.005

Coad, A., Segarra, A., & Teruel, M. (2016). Innovation and firm growth: Does firm age play a role? *Research Policy, 45*(2), 387–400. https://doi.org/10.1016/j.respol.2015.10.015

Cooper, R. G. (2019). The drivers of success in new-product development. *Industrial Marketing Management, 76*, 36–47. https://doi.org/10.1016/j.indmarman.2018.07.005

Cui, A. S., & Wu, F. (2016). Utilizing customer knowledge in innovation: Antecedents and impact of customer involvement on new product performance. *Journal of the Academy of Marketing Science, 44*, 516–538. https://doi.org/10.1007/s11747-015-0433-x

Dangelico, R. M. (2016). Green product innovation: Where we are and where we are going. *Business Strategy and the Environment, 25*(8), 560–576. https://doi.org/10.1002/bse.1886

De Medeiros, J. F., Garlet, T. B., Ribeiro, J. L., & Cortimiglia, M. N. (2022). Success factors for environmentally sustainable product innovation: An updated review. *Journal of Cleaner Production, 345*, 131039. https://doi.org/10.1016/j.jclepro.2022.131039

Dikert, K., Paasivaara, M., & Lassenius, C. (2016). Challenges and success factors for large-scale agile transformations: A systematic literature review. *Journal of Systems and Software, 119*, 87–108. https://doi.org/10.1016/j.jss.2016.06.013

Hussain, S. (2019). Sensory marketing strategies and consumer behaviour: Sensible selling using all five senses. *IUP Journal of Business Strategy, 16*(3), 34–44.

Jain, A. (2022). Perceiving the consumer's desire and transforming it into a business model: A case study of morning fresh, India's no. 1 hangover cure & detox drink. *Indian Journal of Marketing, 52*(9), 26–42. https://doi.org/10.17010/ijom/2022/v52/i9/171983

Jose, H., & Koshy, M. P. (2018). Factors influencing young consumers of organic food products to lead a healthy lifestyle. *Indian Journal of Marketing, 48*(10), 7–19. https://doi.org/10.17010/ijom/2018/v48/i10/132323

Kotler, P., & Armstrong, G. (2013). *Principles of marketing* (15th ed.). Prentice Hall.

Kuniyal, C. P., Kuniyal, P. C., Butola, J. S., & Sundriyal, R. C. (2013). Trends in the marketing of some important medicinal plants in Uttarakhand, India. *International Journal of Biodiversity Science, Ecosystem Services & Management, 9*(4), 324–329. https://doi.org/10.1080/21513732.2013.819531

Laheri, V. K. (2020). Moderating effect of facilitators and barriers for purchase of green products in India. *Indian Journal of Marketing, 50*(3), 7–21. https://doi.org/10.17010/ijom/2020/v50/i3/151026

Mathy, T. A., & Ponramu, P. (2021). Consumer perception of free sample sales promotion tools towards FMCG products. *International Journal of Advanced Research in Commerce Management and Finance, 1*(1), 80–89.

Mohamed, N. B., Medina, I. G., & Romo, Z. G. (2018). The effect of cosmetics packaging design on consumers' purchase decisions. *Indian Journal of Marketing, 48*(12), 50–61. https://doi.org/10.17010/ijom/2018/v48/i12/139556

Morden, T. (2017). *Principles of management.* Routledge.

Oliver, R. L. (2014). *Satisfaction: A behavioural perspective on the consumer.* Routledge. https://doi.org/10.4324/9781315700892

Panigrahi, S. K., Azizan, N. A., & Al Shamsi, I. R. (2021). Product innovation, customer satisfaction, and brand loyalty of using smartphones among university students: PLS-SEM approach. *Indian Journal of Marketing, 51*(1), 8–25. https://doi.org/10.17010/ijom/2021/v51/i1/156931

Premi, H., Sharma, M., & Dangayach, G. S. (2021). Green marketing: A systematic literature review. *Indian Journal of Marketing, 51*(8), 39–57. https://doi.org/10.17010/ijom/2021/v51/i8/165761

Rasool, M. S., Rafique, Y., Naseem, M. A., Javaid, S., Najeeb, M., & Hannan, M. (2012). Impact of advertisement on consumer behaviour of FMCG in Lahore city. *Academic Research International, 2*(3), 571–574.

Roy, G., Debnath, R., Mitra, P. S., & Shrivastava, A. K. (2021). Analytical study of low-income consumers' purchase behaviour for developing marketing strategy. *International Journal of System Assurance Engineering and Management, 12*, 895–909. https://doi.org/10.1007/s13198-021-01143-6

Rundh, B. (2016). The role of packaging within marketing and value creation. *British Food Journal, 118*(10), 2491–2511. https://doi.org/10.1108/BFJ-10-2015-0390

Ružić, E., & Benazić, D. (2018). Can new product selling and innovation in sales be improved by using internal marketing and empowerment? *Market-Tržište, 30*(1), 61–75. https://doi.org/10.22598/mt/2018.30.1.61

Saraniya, M. C., Bhide, K., Thaj, H., & Khadir, F. (2020). Impact of colours of FMCG packaging on consumer buying behavior. *Ushus - Journal of Business Management, 19*(2), 31–48. https://doi.org/10.12725/ujbm.51.3

Sharma, A., & Sagar, M. (2018). New product selling challenges (key insights in the ICT sector). *Journal of Indian Business Research, 10*(3), 291–319. https://doi.org/10.1108/JIBR-11-2017-0216

Sharma, A., Wali, O. P., & Joshi, R. M. (2020). A critical investigation of consumer response for monetary and non-monetary promotions across E-services. *Paradigm, 24*(2), 195–207. https://doi.org/10.1177/0971890720959530

Shashishekar, M. S., & Anand, S. (2019). The impact of proficiency of marketing activities and value proposition innovation on new intelligent products' performance. *Indian Journal of Marketing, 49*(12), 7–20. https://doi.org/10.17010/ijom/2019/v49/i12/149107

Singh, A., & Kushwaha, T. (2017). Impact of packaging, branding, labelling for new product on consumer behaviour in modern age. *International Journal in Management & Social Science, 5*(1), 10–13.

Sisodiya, P., & Sharma, G. (2018). The impact of marketing mix model/elements on consumer buying behaviour: A study of FMCG products in Jaipur City. *International Journal of Technical Research & Science, 3*(1), 29–33. https://doi.org/10.30780/IJTRS.V3.I1.2018.016

Sivathanu, B. (2017). Food marketing and its impact on adolescents' food choices. *Indian Journal of Marketing, 47*(8), 46–60. https://doi.org/10.17010/ijom/2017/v47/i8/117432

Slater, S. F., Mohr, J. J., & Sengupta, S. (2014). Radical product innovation capability: Literature review, synthesis, and illustrative research propositions. *Journal of Product Innovation Management, 31*(3), 552–566. https://doi.org/10.1111/jpim.12113

Sushil. (2012). Interpreting the interpretive structural model. *Global Journal of Flexible Systems Management, 13*, 87–106. https://doi.org/10.1007/s40171-012-0008-3

Teck Weng, J., & Cyril de Run, E. (2013). Consumers' personal values and sales promotion preferences effect on behavioural intention and purchase satisfaction for consumer product. *Asia Pacific Journal of Marketing and Logistics, 25*(1), 70–101. https://doi.org/10.1108/13555851311290948

Trihatmoko, R. A. (2020). Performance and success of new product strategies in market competition: Business buyer behavior and marketing mix series of fast moving consumer goods (FMCG). *Quality Access to Success, 21*(176), 51–55.

Trihatmoko, R. A., & Mulyani, R. (2018). Distribution strategy for new product marketing success: Fast moving consumer goods (FMCG) business. *Management and Human Resource Research Journal, 7*(12), 19–32.

Truscott, P., & Chiam, M. (2019). Belief-based marketing vs. conjoint: An illustration using the Indian mobile phone market. *Indian Journal of Marketing, 49*(4), 7–19. https://doi.org/10.17010/ijom/2019/v49/i4/142973

Tsiotsou, R. (2006). The role of perceived product quality and overall satisfaction on purchase intentions. *International Journal of Consumer Studies, 30*(2), 207–217. https://doi.org/10.1111/j.1470-6431.2005.00477.x

Van der Borgh, M., & Schepers, J. (2018). Are conservative approaches to new product selling a blessing in disguise? *Journal of the Academy of Marketing Science, 46*, 857–878. https://doi.org/10.1007/s11747-017-0521-1

Wu, W.-Y., Tsai, C.-C., & Fu, C.-S. (2013). The relationships among internal marketing, job satisfaction, relationship marketing, customer orientation, and organisational performance: An empirical study of TFT-LCD companies in Taiwan. *Human Factors and Ergonomics in Manufacturing & Service Industries, 23*(5), 436–449. https://doi.org/10.1002/hfm.20329

Wyrwa, J., & Barska, A. (2017). Innovations in the food packaging market: Active packaging. *European Food Research and Technology, 243*, 1681–1692. https://doi.org/10.1007/s00217-017-2878-2

Xu, Y., & Huang, J.-S. (2014). Effects of price discounts and bonus packs on online impulse buying. *Social Behavior and Personality: An International Journal, 42*(8), 1293–1302. https://doi.org/10.2224/sbp.2014.42.8.1293

Yoganandham, G., & Sankar, P. J. (2016). Impact of diversification strategy of FMCG companies in Indian rural market. *International Academic Institute for Science and Technology, 3*(1), 240–244.

About the Authors

Vivek Kourav is pursuing an MBA in international business and marketing at the FORE School of Management, New Delhi. His academic interest lies in marketing in various sectors, including the FMCG sector.

Dr. Arbuda Sharma has 10 years of experience in prominent academic and research institutions in various domains like pharma, fashion, foreign trade, real estate, and international business. She is currently teaching as a Faculty at the FORE School of Management, India.

INDIAN JOURNAL OF MARKETING