

Empirical Study on Consumer Perception for ITC's Branded Food Product

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Abstract:

Study the consumer behavior for buying of Ready to eat food products and to find their brand loyalty and brand awareness towards ITC Brand. Questionnaire is basically a form containing a set of questions, especially one addressed to a statistically significant number of subjects as a way of gathering information for a survey. Questionnaires are versatile, allowing the collection of both subjective and objective data through the use of open or closed format questions. ITC was incorporated on August 24, 1910 under the name Imperial Tobacco Company of India Limited. As the Company's ownership progressively Indianised, the name of the Company was changed from Imperial Tobacco Company of India Limited to India Tobacco Company Limited in 1970 and then to I.T.C. Limited in 1974. In recognition of the Company's multi-business portfolio encompassing a wide range of businesses - Fast Moving Consumer Goods comprising Foods, Personal Care, Cigarettes and Cigars, Branded Apparel, Education and Stationery Products, Incense Sticks and Safety Matches, Hotels, Paperboards & Specialty Papers, Packaging, Agri-Business and Information Technology - the full stops in the Company's name were removed effective September 18, 2001. There have been many factors which influence the customers towards a specific brand.

Quality of the product has been considered as the most important factor while other factors include the brand image, retailers influence, and reasonable price of product, availability of product, attractive packaging and creative advertisement. ITC must make its brand well associated with the parent company so that its brand also get the limelight of ITC. The major findings are Brand including Kitchens of India must be advertised more so that people become aware of the products offered by the company, People must be made aware about the different offerings of the products and the varieties that are available in the market, ITC must increase its sales for Kitchens of India by doing sales promotion activities, providing samples , discounts etc, Providing testimonials of existing users will help in making people aware of the good taste of the products, People who do not consume ready to eat food can also be targeted and make them felt the need of the ready to eat food, Ready to eat Deserts is dominated by different brand, thus ITC must improve its product offering so that people get diverted towards ITC brand. There has been good demand for the ready to eat food. People who are already using such products can be targeted by ITC. People who don't like to use ready to eat food product can be convinced by showing testimonials and giving sample and offers. Products such as deserts which are mostly used of different brand can be improved and make the consumer use the product of ITC brand. Many of the people are not aware of the brands "Kitchens of India" and "Aashirvaad". Many people are also not aware that the parent company of these brands is ITC. Different reasons applies for different consumer for consuming the product. Brand loyalty of customers also varies according to their trust in the brand.

Keyword: ICT, Kitchens of India, Aashirvaad, MDH

Introduction

If you wish to have gourmet style food that melts in your mouth and cuddles your taste buds but are at your wit's end because you do not possess such expertise then there is no reason to worry because the markets are flooded with a wide variety of excellent ready

to eat preparations and you can grab them anytime any moment by going to your nearest store or shopping for them online. They serve as a wonderful quick meal alternative and save you the hassles of having cooked when times are not exactly favorable. Besides, they act like the saving grace when you have a lot of unexpected guests to keep you busy or are fed up of having the same boring dishes every other day.

These Ready to eat food are made keeping in mind the nutritional values, the trans fat level and the sodium content in them. High fructose corn syrup is also used in many preparations instead of the traditional sugar to check a number of diseases and make the end result healthy for your system. Besides, they are packaged in a manner that is hygienic and conforms to international standard.

There are mealtime accompaniments and Indian desserts available as well. These ready to eat food meals go a long way in capturing the essence of age long traditions and the best of cooking techniques to delight lovers of rich cuisines and foodies who simply want to indulge in a burst of flavors.

Objectives of the Study

- To analyze the consumer behavior over ready to eat food products
- To analyze the awareness of ITC brand
- To analyze brand loyalty of the consumer
- To analyze consumer perception about the brand

Significance of the Study:

- It would help in knowing the needs and wants of the customer, their awareness of the ITC brand and their loyalty towards the brand.
- Due to this research, the company might find the areas where they need to improve to increase their sales
- Taking certain steps will increase the brand image of the company

Research Methodology:

The research instrument used for this research is a questionnaire. A questionnaire is a powerful evaluation tool. Design begins with an understanding of the capabilities of a questionnaire and how they can help the research. Questionnaire is basically a form containing a set of questions, especially one addressed to a statistically significant number of subjects as a way of gathering information for a survey. Questionnaires are versatile, allowing the collection of both subjective and objective data through the use of open or closed format questions. It is therefore essential to design the questionnaire with great care so as to extract the right & high quality data from the concerned person.

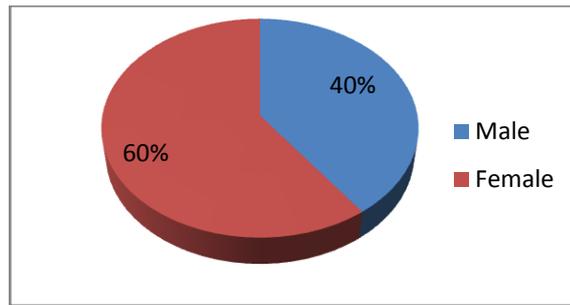
Data Collection Sources

Utilized a well drafted questionnaire in Mumbai region among various age group people and people having different tastes and preferences also combining both the genders to get accurate results.

Interpretation and Analysis:

Gender of the respondent

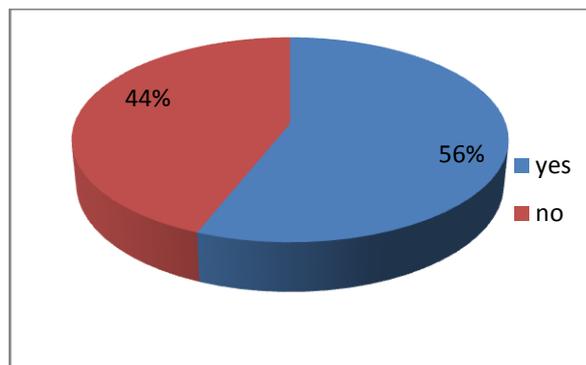
Sr. No	Respondents	Number
1	Male	20
2	Female	30
3	Total	50



It has been observed that 60% of the respondents were female and 40% were male. This clearly shows maximum were females.

Do you know the brand “Kitchens of India”?

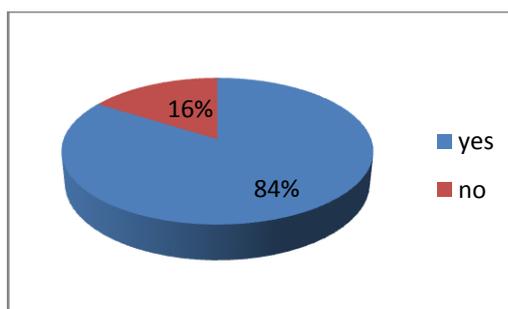
Sr. No	Respondents	Number
1	Yes	28
2	No	22
3	Total	50



56% of the people are aware about the brand, but this seems to be very less number. ITC must make the people aware about their brand Kitchens of India so that it will help them in increasing their sales and generate more revenue for the company.

Do you know the brand “Aashirvaad”?

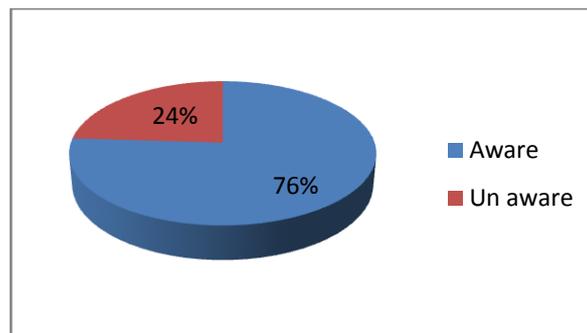
Sr. No	Respondents	Number
1	Yes	42
2	No	8
3	Total	50



84% of the people are aware about the brand which is good number, but as our target audience has been in the age group of 22-35, these are the people who are well versed with the brands and thus company must increase its awareness to make sure that 100% people are aware about their brands.

Do you know that the above brands belong to ITC Company?

Sr. No	Respondents	Number
1	Yes	38
2	No	12
3	Total	50



76% of the respondents are aware that Kitchens of India and Aashirvaad belongs to ITC, this clearly states that ITC needs to associate well with its brand so that people will become aware about the parent company to which a particular brand belongs.

Do you eat “Ready to eat” Food?

Sr. No	Respondents	Number
1	Yes	28
2	No	22
3	Total	50

76% of people says that they eat “Ready to eat ” food that means there are still 24% of people available where the need can be generated and in the current 76% people there is opportunity for the company that they can use Ready to eat food of ITC brand.

Name of the Brand, which you use, for Ready to eat Biryani?

Sr. No	Respondents	Number
1	ITC Kitchens of India	13
2	Everest	5
3	Own prepared	32
4	Total	50

64% people prefer to eat Biryani made at home but out of remaining 36% people, 24% use ITC Kitchens of India product. This number can further be increased by making the non-users of Ready to eat Biryani use the product. It can be done through sampling and by making them realize that the product is really worth trying and if they like the product definitely that consumer will repurchase the product.

Name of the Brand, which you use for Ready to eat Curry?

Sr. No	Respondents	Number
1	ITC Kitchens of India	11
2	Everest	2
3	MDH	3
4	Own prepared	34
5	Total	50

68% people prefer to eat Currys made at home but out of remaining 32% people, 22% use ITC Kitchens of India product. Very few people use other brands product. This number can further be increased by making the non-users of Ready to eat Currys use the product. It can be done through sampling and making people aware about the likability of Ready to eat Currys through Testimonials

Name of the Brand, which you use, for Ready to eat Dessert?

Sr. No	Respondents	Number
1	ITC Kitchens of India	5
2	Milkmaid	7
3	Amul	35
4	Own prepared	3
5	Total	50

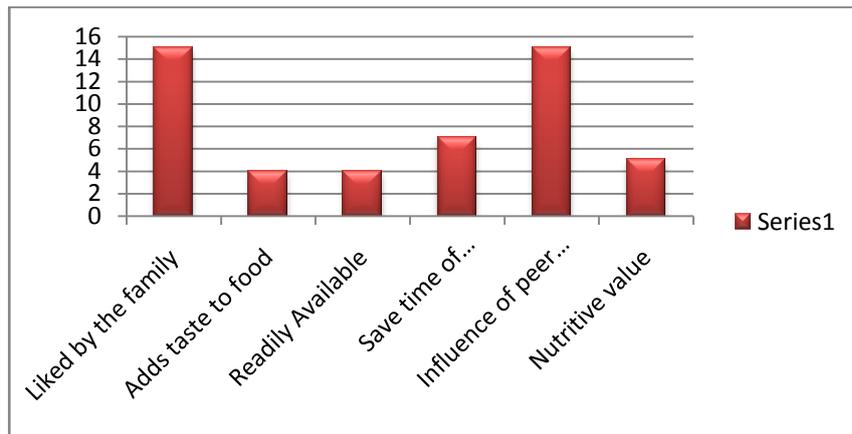
Here the figures state a totally different story. There are just 6% who prefer own prepared desert while Amul has dominance with 70% in the minds of the consumer for the deserts. Only 10% of people use ITC kitchens of India products. This shows that the company needs to improve on the product as well as the promotion of the product to make it competitive with Amul.

Name of the Brand, which you use, for Ready to eat Masala Mix?

Sr. No	Respondents	Number
1	ITC Kitchens of India	11
2	Everest	17
3	MDH	6
4	Baadshah	4
5	Bedekar	3
6	Own prepared	9
7	Total	50

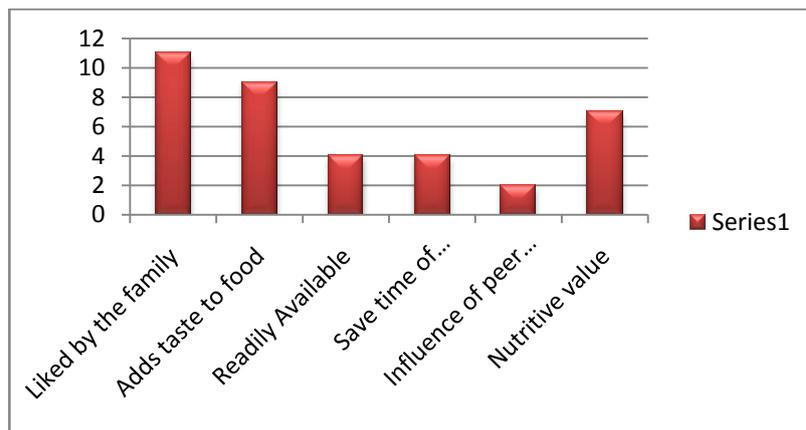
For Ready to eat Masala Mix, there has been mixed reviews from the consumers. Brands such as Bedekar, Baadshah and MDH have nearly similar low response while ITC kitchens of India and non users of ready to eat Masala Mix contribute similar medium response and Everest have somewhat higher response with 34% of consumer using it. Thus ITC can increase its usability by making its product more valuable and competitive in the market.

Reasons for consuming Ready to eat Biryani.



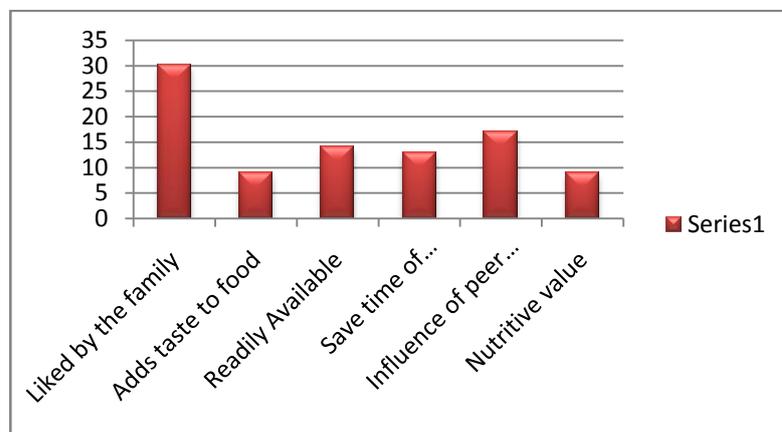
Many people prefer ready to eat biryani as it is liked by the family or are influenced by the peer groups while the other factors like adding taste to the food, its availability, its nutritive value and preparation time are considered by few people. Thus considering the aspects where maximum people rely on is the taste that is liked by the family and is thus promoted by peer groups as well

Reasons for consuming Ready to eat Curry



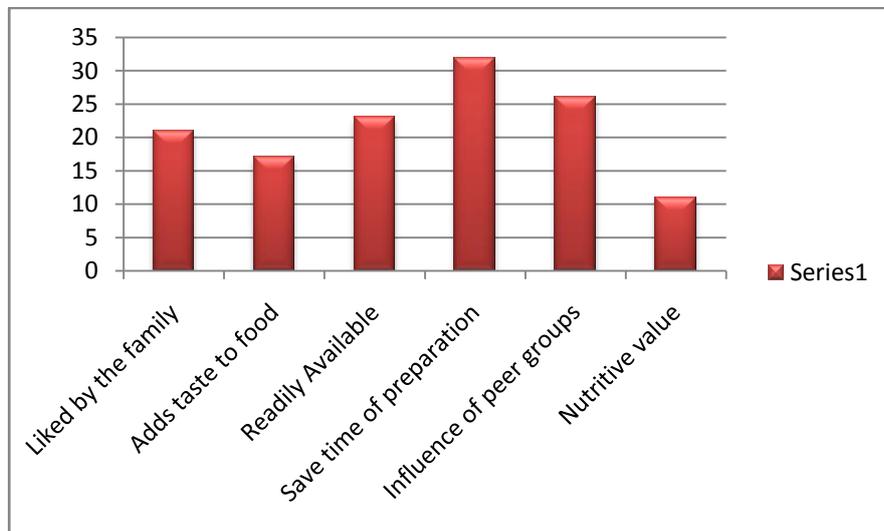
Ready to eat Curry is liked by the family of many people, which states that it has good taste. Also according to many respondents it adds taste to the food while some people feel that it have good nutrition whole very few people take the aspect of its availability, preparation time and influence of peer groups.

Reasons for consuming Ready to eat Dessert



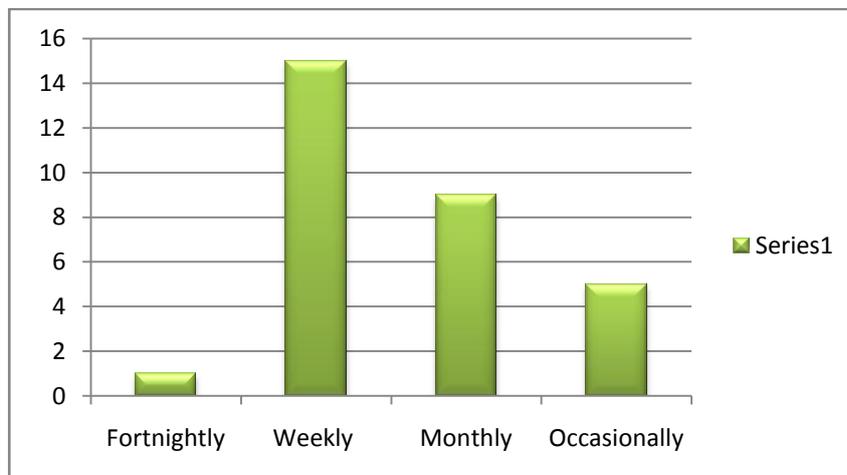
The dominating factor for buying of Ready to eat Desert is its liking by the family, which clearly shows it has good taste. All the remaining factors are some or the other way considered by few of the respondents respectively.

Reasons for consuming Ready to eat Masala Mix



Ready to eat Masala Mix is mostly consumed as it saves time for preparation while influence of peer groups and its availability also matters to much extent. Other factors also have similar response for the product.

Frequency of purchasing Ready to eat Biryani



Maximum people prefer consuming Ready to eat Biryani on weekly basis while there is good number of people consuming it on monthly basis as well. Very few people like to eat it on daily basis.

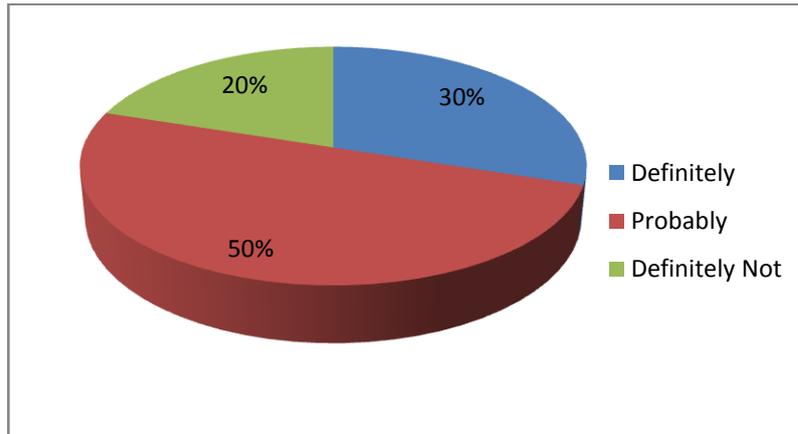
What are the sources of information for Ready to eat Masala Mix?

For ready to eat Masala Mix TV/Radio advertisement and retail shop display plays an important role in making the consumer aware about the product, while other factors also contributes to some extent.

Brand loyalty of the respondents towards the brand they use

A) Confirm to use the brand

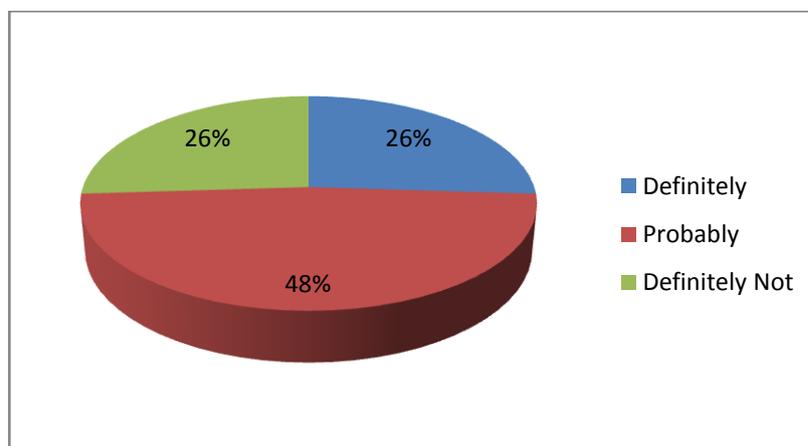
Sr. No	Respondents	Number
1	Definitely	15
2	Probably	25
3	Definitely Not	10
4	Total	50



30% of the respondents are committed buyer of the brand and are going to definitely use the brand while 50% are not sure of their commitment and the remaining 20% are definitely not going to continue with the brand. Thus, it becomes the target audience for ITC, the consumers who fall in the 70% (probably using and definitely not using the brand) and are non ITC users can be targeted.

B) Recommend the brand to others

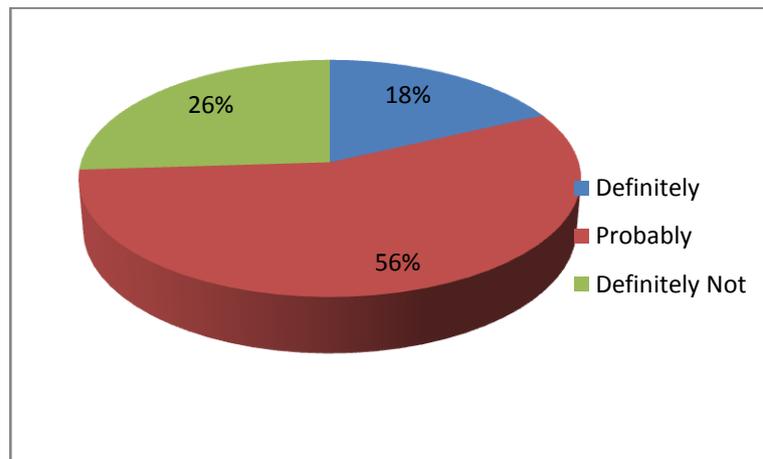
Sr. No	Respondents	Number
1	Definitely	13
2	Probably	24
3	Definitely Not	13
4	Total	50



26% of the people are friend of the brand as they not only use themselves but recommend it to others a well while 48% might recommend depending upon various situations and the remaining 26% are definitely not going to recommend the brand to others.

C) Purchase the brand even if the price increases

Sr. No	Respondents	Number
1	Definitely	9
2	Probably	28
3	Definitely Not	13
4	Total	50



Only 18% of the people are not price sensitive while 56% are not sure about their behavior with the change in price of the product and the remaining 26% are much price sensitive that they are surely not going to use the product with the increase in price of the product.

D) Purchase the same brand even in case of absence of sales promotion

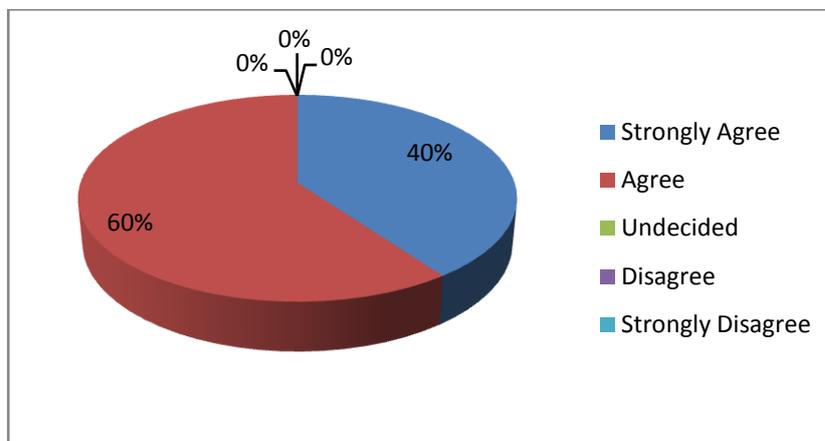
Sr. No	Respondents	Number
1	Definitely	27
2	Probably	14
3	Definitely Not	9
4	Total	50

29% of people trust the brand and thus they does not require any sales promotion for them to buy it while 53% are not sure about their trust towards the brand and the remaining 18% are sure that they are going to buy the product only in case of sales promotion.

Factors, which influence the brand preference

A) Quality

Sr. No	Respondents	Number
1	Strongly Agree	20
2	Agree	30
3	Undecided	0
4	Disagree	0
5	Strongly Disagree	0
6	Total	50



100% people rate the quality of product as an important factor for the preference of the brand.

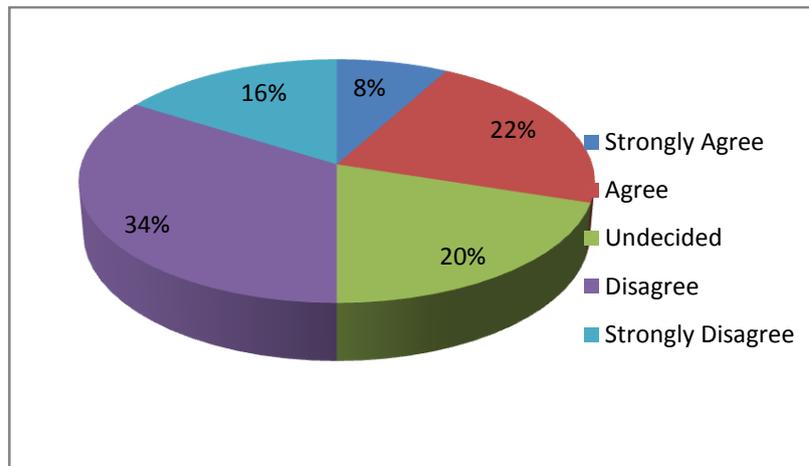
B) Brand Image

Sr. No	Respondents	Number
1	Strongly Agree	10
2	Agree	10
3	Undecided	23
4	Disagree	7
5	Strongly Disagree	0
6	Total	50

46% of people are neutral towards the brand image while 40 % agree that they prefer a particular brand as per the image of the brand and remaining 14% does not consider brand image as an important factor for considering the preference of the brand.

C) Retailers Influence

Sr. No	Respondents	Number
1	Strongly Agree	4
2	Agree	11
3	Undecided	10
4	Disagree	17
5	Strongly Disagree	8
6	Total	50



30% people feels that the influence of retailer plays a major role in deciding a brand for a particular product while 20% remain neutral towards the retailer's influence and the remaining 50% does not feel that they have the influence of retailer while choosing the brand.

D) Reasonable Price

Sr. No	Respondents	Number
1	Strongly Agree	17
2	Agree	14
3	Undecided	7
4	Disagree	9
5	Strongly Disagree	3
6	Total	50

62% consider that reasonable price of the product as an important factor for buying the product. This shows the price sensitive nature of the consumer.

E) Ready Available

Sr. No	Respondents	Number
1	Strongly Agree	7
2	Agree	31
3	Undecided	7
4	Disagree	10
5	Strongly Disagree	0
6	Total	50

Most of the people i.e. 76% people consider the availability of the brand as one of the important factor in buying that product. Thus, such availability makes the consumer use that product.

F) Packaging

Sr. No	Respondents	Number
1	Strongly Agree	2
2	Agree	13
3	Undecided	17
4	Disagree	16
5	Strongly Disagree	2
6	Total	50

Packaging of product influencing the preference of the brand has mixed review. Some people thinks that attractive packaging leads the consumer to buy that product while some people totally oppose such concept while some are neutral for such factor.

Findings

Following findings were reported from the study:

- Survey was conducted in the city of Mumbai
- Different age groups and both the gender were targeted for the survey
- Females including housewives and working, both were surveyed
- The brand “Kitchens of India” is less familiar as compared with the band “Aashirvaad”
- ITC being the parent company for these brands, many people are still not aware that these brands are associated with ITC
- Ready to eat food is consumed by much of the people
- Different products of ready to eat food –Biryani, Currys, Deserts and Masala mix are consumed by the people
- Many people prefer preparing their own food rather than consuming the ready to eat food
- Biryani and Currys are mostly preferred as preparing by oneself while Deserts and Masala Mix are preferred of some brands

- For consuming the Ready to eat food, different products have different reasons. It varies from consumer to consumer. These reasons includes liking by the family, adding taste to the food while eating, readily availability, saving time for preparation, influence by peer groups and also the nutritive value that the product contains
- Different products are purchased and consumed at different rate. It also varies from consumer to consumer. They are consumed daily, weekly, monthly or occasionally. It totally depends on the consumers needs and wants of the products
- There have been different forms of communication, which are making the consumer aware about the availability of ready to eat food products. These forms of media includes retail shop display, newspaper or magazine ads, TV or radio ads, word of mouth publicity by friends or relatives etc.
- Such different forms of media make the consumer aware about different products depending upon where the target audience usually see the ads
- Brand loyalty of the customer also varies from being a committed buyer to the friend of the brand and even to be the brand switcher
- There have been many factors, which influence the customers towards a specific brand. Quality of the product has been considered as the most important factor while other factors include the brand image, retailers influence, reasonable price of product, availability of product, attractive packaging and creative advertisement

Conclusions

- There has been good demand for the ready to eat food
- People who are already using such products can be targeted by ITC
- People who don't like to use ready to eat food product can be convinced by showing testimonials and giving sample and offers
- Products such as deserts which are mostly used of different brand can be improved and make the consumer use the product of ITC brand
- Many of the people are not aware of the brands "Kitchens of India" and "Aashirvaad"
- Many people are also not aware that the parent company of these brands is ITC
- Different reasons applies for different consumer for consuming the product
- Brand loyalty of customers also varies according to their trust in the brand
- Brand preference also varies accordingly consisting of different factors of the brand

Recommendations:

- ITC must make its brand well associated with the parent company so that its brand also get the limelight of ITC
- Brand including Kitchens of India must be advertised more so that people become aware of the products offered by the company
- People must be made aware about the different offerings of the products and the varieties that are available in the market
- ITC must increase its sales for Kitchens of India by doing sales promotion activities, providing samples , discounts etc
- Providing testimonials of existing users will help in making people aware of the good taste of the products

- People who do not consume ready to eat food can also be targeted and make them felt the need of the ready to eat food
- Ready to eat Deserts is dominated by different brand, thus ITC must improve its product offering so that people get diverted towards ITC brand
- As many reasons are there for the consumption of such product, ITC must make sure that their product lies at the top for each of the reasons be it taste, availability etc
- Advertisement of the products should be done through different media as different people rely of different media. Thus to make whole of the target audience aware of the offering of the company, ITC must use proper advertising strategy
- ITC must ensure that its customer becomes brand loyal toward it and thus necessary efforts must be taken by the company
- The customer who are not brand loyal to other brands must be attracted by the company by different sales promotion activity
- Different factors such as quality, price, packaging etc influence the customer to buy a product of particular brand. Thus ITC must make sure that they lie on the top of consumer mind while deciding the brand they want to buy

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