

TO ANALYZE THE CONSUMER PURCHASING BEHAVIOUR TOWARDS NESTLE MAGGI NOODLES IN PUNE CITY

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ABSTRACT

Maggi is a product owned by Nestle Company which is a growing brand in India with expanding product width & depth. Nestle company have generated the idea for instant noodle as a healthy food. So they are taking advantage by increasing market share. The taste, quality, price, availability and brand are the most important attributes who affects the purchase decision. The consumers are very satisfied by the taste and quantity attributes of Nestle Maggi Noodles. The effective media is the advertisement for promoting products.

The presence of a demand supply gap can be observed which may help to tap the untapped market from semi urban & rural consumers from India. Apart from this, the fast moving fast food market has increased the market potential in targeted market... Experiments have shown that advertisement and publicity have influenced the pattern of consumption of Noodles/ Pasta products. Besides, Noodles/ Pasta products have good export potential especially in the Middle East/ Europe.

The SWOT analysis of the Maggi product of Nestle product will surely help to analyze the current strengths of the company which will help to recognize the further opportunities in the concern market, threats which should be considered while designing the product & marketing strategies & how to overcome the weaknesses of company to increase the market share of Maggi product in study area.

KEYWORDS: Product, Healthy Food, Taste, Quality, Price, Availability

INTRODUCTION

Concept and Meaning

The global food landscape is rapidly evolving as consumer needs, shift with changing lifestyles. Food habits and tastes are amalgamating in the global melting pot. Food lovers from around the globe now want to try ethnic foods from different parts of the world and make it an integral part of their daily diet. Consumers are increasingly aware of internationally established brands and are open to experimenting with processed and convenience food. With these changes, manufacturers, retailers and suppliers of food are reorienting their businesses to meet these demands. Today, processors from high-cost countries are dealing with stiff international competition, not only in terms of cost, but also product variety and innovation.

Consumers are demanding more nutritious, healthy food which should contain cereals like wheat, rice, maize, pulses, and carbohydrates. Today's consumers are expecting a healthy but fast cooking food due to short of time & busy schedule. In Indian families, women are engaged in cooking food. In today's era they are also trying to balance between

career & kitchen. Company have identified the need gap of working women & idea of instant food in the form of noodle is invented. Apart from working women, children & batchlers are the highest consumers of Maggi due to its taste, instant cooking characteristic ^ easy availability of the product. Now it is available in wheat flour also so even muma's & dadi's are also happy while cooking instant food like Maggi for their children. So fast food industry in the form of Maggi is growing faster as Nestle Company identified the need of the society & invented the product Maggi.

The unique characteristics of Maggi have made it popular in all over the world. It is made up of staple food grains which are widely available in whole world & which is a rich source of energy food. Another characteristic is its availability in small packaging size with low price. And its instant cooking procedure has made the product popular in whole world.

Objectives of the Study

- To study the consumer preference towards Nestle Maggi Noodles.
- To find out effect of promotional activities on consumer buying behaviour.
- To study the customer loyalty of Nestle Maggi Noodles.

Scope of the Study

The global food landscape is rapidly evolving as consumer needs shift with changing lifestyles. Food habits and tastes are amalgamating in the global melting pot. The shape of the global food industry is constantly changing and evolving thereby reinforcing the key themes of health, convenience and value. Major social, economic and demographic changes over recent years have had great influence on the food we eat, and on where, when and how we do so. As a result the fast food sector is increasing since the past decade, creating a huge market. Fast foods are foods which are designed to save consumers time in the kitchen. These foods require minimum preparation, typically just heating/boiling & serving without loss of flavor and nutrients over time.

This particular study is undertaken in Pune city of Maharashtra state of India. Pune, in narrow recent, is developed as the preferred INFO City. The IT Parks and the Auto Component's Hubs are established in the parts of Pune. People of different religions and languages are attracted towards Pune for education and employment opportunities. Women of Pune are educated and are comprehensively employed in the fields like the government departments, education field, computer field, call-centers, and shops. The double income groups are growing very fast.

With the increase in income of the people their food habits change rapid urbanization with along with increase in the disposable income of the people has resulted in more inclination of people towards ready to cook products. This is the scenario of every developing country & ultimately developing cities of that country. Nestle have identified the need of these double income holder groups & other consumers need worldwide & has come up with the solution with the product like Maggi. Which is ready to cook, healthy, nutritious as well tasty food? This solution has been accepted by the consumers who were expecting such type of products from market researcher from food industry.

This particular study was focussed on the different aspects of the consumers while purchasing Maggi such as their perceptions towards taste, quality, quantity, and availability, different promotional strategies adopted by Nestle to promote the product in international & Indian market. Most important aspect studied during this project is to check or study the consumer's loyalty towards the product if in case the product will not be available to particular retailer where he or she

purchases the product. These all aspects increases the scope of study in study area by giving the suggestions to company based on the findings in study area.

METHODOLOGY

This chapter will explain the methodology adopted to fulfill the objectives under the study.

Location of the Study

This study has been done in the Pune city for the Nestle Maggi noodles, which is one of the most reputed and established noodles in Pune city.

Sample Design

The study was under taken to know the preference behaviour of the consumers and for this purpose, 50 people were surveyed through *convenience sampling*. The areas were selected as the following;

- Shivajinagar
- Kothrud
- Karve road
- Bibvewadi
- Katraj road

Instrument Design

Primary data has been collected through personal interviews and observations on the basis of questionnaires formed and secondary data has been collected from the official records and internet.

Data Analysis

The collected data has been analyzed according to the objectives by using the tabular and graphical method with the help of *percentage and score card technique*.

RESULTS AND DISCUSSIONS

Profile of Selected Respondents

Table 1: Profile of Selected Respondents N=50

Sr. No.	Particulars	No. of Consumers	Percentage
1.	Age		
	Between 0-10	1	2
	Between 10-20	8	16
	Between 20-30	32	64
	Above 30	9	18
2.	Gender		
	Male	29	58
	Female	21	42
3.	Education		
	Below Graduation	5	10
	Graduation	33	66

	Post Graduation	12	44
4.	Occupation		
	Student	23	46
	Service	15	30
	Housewife	7	14
	Business	5	10

Classification of Respondents as Users and Non Users of Nestle Maggi Noodles

Classification of the respondents is very important to observe the behaviour of the users and the non users. As the information collected from the users will give an idea about the various factors related with the Maggi Noodles. While non-user's information will give idea how to convert them into consumers. For study fifty consumers from Pune area were selected randomly.

Table 2: Classification of Respondent as Users and Non Users

Sr. No.	Type of Consumers	No. of Consumers
1.	User	44
2.	Non User	6
	Total	50

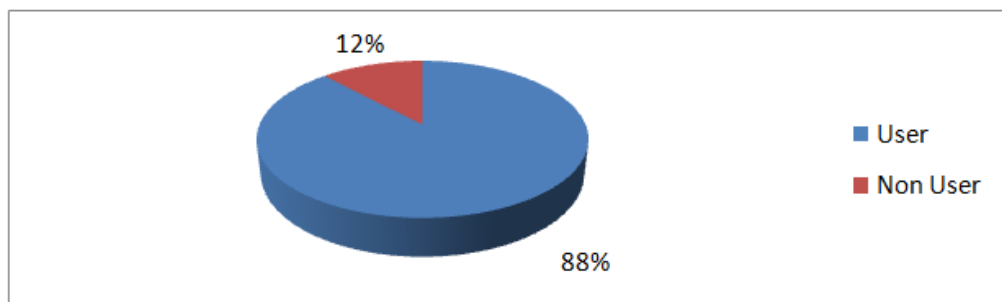


Figure 1

Classification of Respondents

The classification of respondents. It can be said that 88 per cent are using the nestle Maggi Noodles. While other respondents are using the other brands like Top Ramen, Tasty Treat, ITC Foodles etc.

Frequency of the Consumption N= 44

Table 3: Frequency of the Consumption

Frequency of Consumption	No. of Respondents
Daily	4
Weekly	22
Monthly	8
Quarterly	3
Not specific time	7

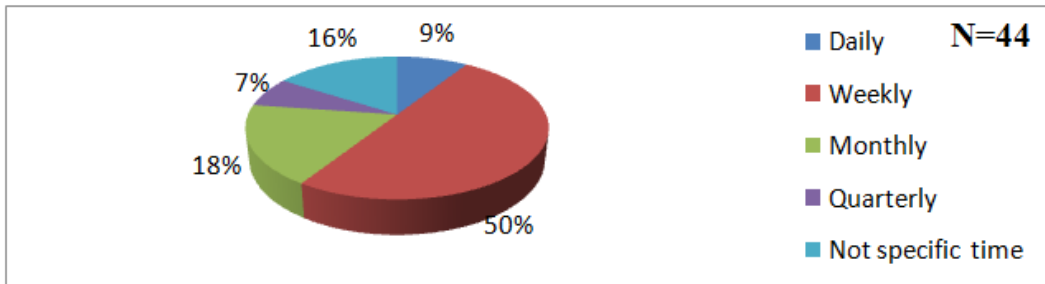


Figure 2

Frequency of Consumption

Most of the selected people consume the Maggi Noodles at different time. About 50 per cent of the people consume Maggi Noodles once in weekly manner. 18 per cent of the people consume the Maggi noodles once in monthly. Overall it can be said that majority of the sample people consume the Nestle Maggi Noodles four time in the month.

Type of Influencer in Purchase Decision

Table 4: Influencer of Purchase the Product

Influencer of Purchase Decision	No. of Consumers
Family members	22
Friends	15
Colleague	2
Other	5

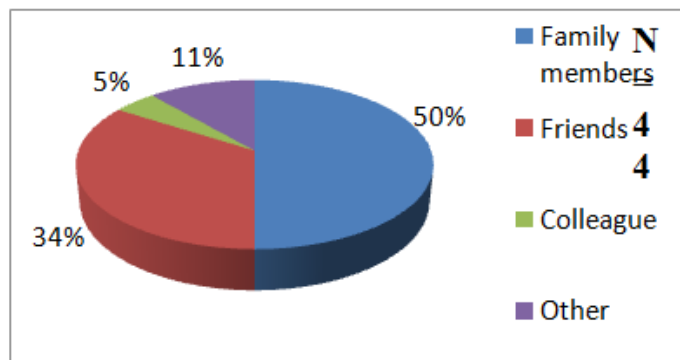


Figure 3

Influencer of Purchase the Product

Out of the 44 users about 50 per cent of people get influenced by the family members while purchasing the Maggi Noodles, followed by the friends. Thus family members influence majority of the selected people.

Performance of Different Attributes of Consumer for Purchasing the Product

There are various attributes like Taste, Price, Quality, Packaging, Availability of product, Brand and Quantity which affects on consumers purchasing behaviour.

Table 5: Performance of Different Attributes of Consumer for Purchasing the Product N=50

Sr. No.	Factors	Very Important	Important	Normal	Least Important	Total Score	Rank
	Score	4	3	2	1		
1	Taste	32	12	0	0	164	2
2	Price	6	12	20	6	106	7
3	Quality	30	15	0	0	165	1
4	Packaging	15	22	7	0	140	5
5	Availability	20	8	15	7	141	4
6	Brand	22	17	5	5	154	3
7	Quantity	15	18	10	1	135	6

Consumers are quality conscious and taste connoisseur. Since these products are targeted to all class of people and most of consumer consider for study are the middle class and they are mostly concentrated on the brand and availability of the product. Finally, it can be said that quality, taste, brand and availability are key factors for successfully attracting consumers and generating sales

Satisfaction Level of Consumer with Different Attributes for Maggi Noodles

There are various parameters like Taste, Price, Quality, Packaging, Brand and Quantity from which the consumer's satisfaction level were estimated as follows.

Taste 6: Consumer Satisfaction Level towards Taste of Product

Parameter	Rating (x)	Consumer Preference (f)	Fx	Percentage	Rank
Very Satisfied	4	31	124	76.07	1
Satisfied	3	13	39	23.93	2
Normal	2	0	0	0	3
Least Satisfied	1	0	0	0	4
Total	-	44	163	100	

The Consumers were very satisfied by the taste of Nestle Maggi Noodles. As per score card method the 76 per cent consumers were very satisfied by their taste.

Price

Table 7: Consumer Satisfaction Level towards Price of Product

Parameter	Rating (x)	Consumer Preference (f)	Fx	Percentage	Rank
Very Satisfied	4	7	28	22.22	2
Satisfied	3	25	75	59.53	1
Normal	2	11	22	17.46	3
Least Satisfied	1	1	1	0.79	4
Total	-	44	126	100	

The selected 44 samples 25 consumer feels that the price of Maggi Noodles was satisfied as per their quantity. But 11 consumer said that price were normal as compare to quantity.

Quality

Table 8: Consumer Satisfaction Level towards Quality of Product

Parameter	Rating (x)	Consumer Preference (f)	Fx	Percentage	Rank
Very Satisfied	4	18	72	48.32	2
Satisfied	3	25	75	50.33	1
Normal	2	1	2	1.35	3
Least Satisfied	1	0	0	0	4
Total	-	44	149	100	

The consumers were satisfied by the quality of product. The 18 consumers said that the quality of Maggi was very effective and they were very satisfied by the quality.

Packaging

Table 9: Consumer Satisfaction Level towards Packaging of Product

Parameter	Rating (x)	Consumer Preference (f)	Fx	Percentage	Rank
Very Satisfied	4	10	40	30.06	2
Satisfied	3	25	75	56.39	1
Normal	2	9	18	13.55	3
Least Satisfied	1	0	0	0	4
Total	-	44	133	100	

The near about 56 per cent consumer was satisfied by the packaging of Maggi Noodles. This was made possible by using thinner and cheaper, Packaging Material, the company also introduced “money saver multi packets” in the form of 2-in-1 pack and 4-in-1 packs.

Brand

Table 10: Consumer Satisfaction Level towards Brand of Product

Parameter	Rating (x)	Consumer Preference (f)	Fx	Percentage	Rank
Very Satisfied	4	16	64	44.75	2
Satisfied	3	24	72	50.35	1
Normal	2	3	6	4.20	3
Least Satisfied	1	1	1	0.70	4
Total	-	44	143	100	

The 50 per cent consumers were satisfied by the brand of Nestle Maggi Noodles. The consumers are very loyal towards the brand. When we said Noodles, first word comes in consumers mind was ‘MAGGI’.

Quantity

Table 11: Consumer Satisfaction Level towards Quantity of Product

Parameter	Rating (x)	Consumer Preference (f)	Fx	Percentage	Rank
Very Satisfied	4	14	56	43.75	1
Satisfied	3	17	51	39.84	2
Normal	2	8	16	12.51	3
Least Satisfied	1	5	5	3.90	4
Total		44	128	100	

To boost sales, Nestle decided to reduce the price of Maggi noodles. So consumers are very satisfied by the quantity as compare to the price of Maggi.

Effect of Promotional Activities on Consumer's Buying Behaviour

The promotional activity plays an important role in the consumers buying behaviour.

Factors Affecting on Purchase Decision

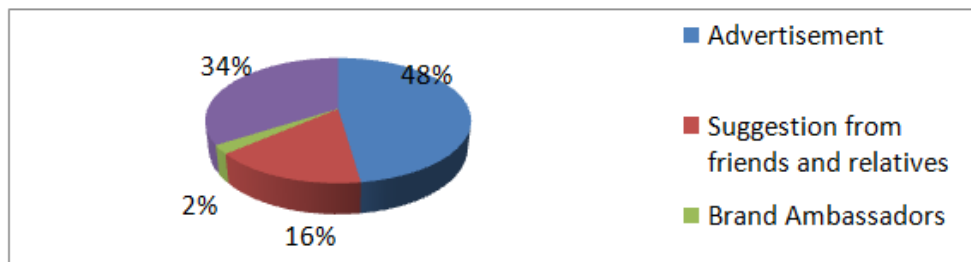


Figure 4: Factors Affecting on Purchase Decision

About 48 per cent sample people were affected by the advertisement media while 34 per cent of the people were changing their buying decision by the in gradients. Thus advertisement play major role in affecting the purchase decisions of the consumers.

Media of Advertisement Influence on Purchase Decision

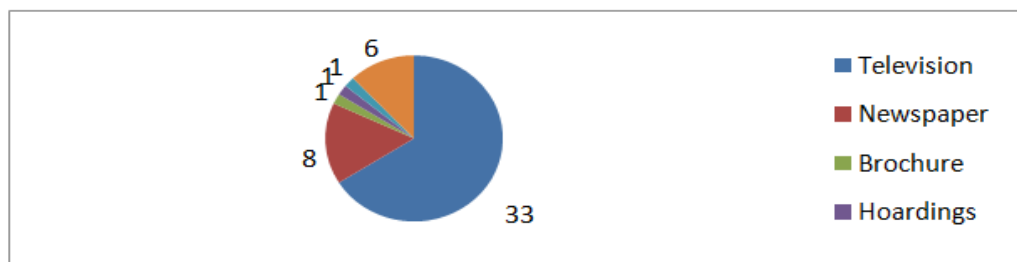


Figure 5: Effective Media of Advertisement

TV plays the important role in influencing the purchase decisions of the consumers.

Most of the sample people were affected by the TV. The 6 consumers feel that all parameters were affected on their purchase decision.

Attractive Promotional Offers

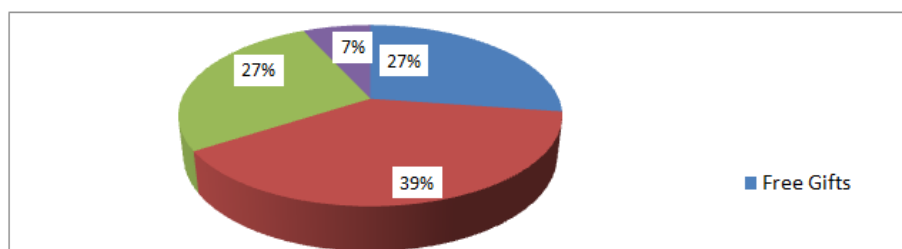


Figure 6: 3.6 Attractive Promotional Offers

The near about 39 per cent consumer attracted by the price offers where it follows with Me and Meri Maggi offer and free gifts. So company should concentrate on the price offers rather than free gifts or me and Meri Maggi offer.

Consumer Loyalty towards Preferred Brand Products

Customer loyalty provides the foundation of a company's sustained competitive advantage. Customers' loyalty toward preferred brand will help company to know potential customer what are their needs, expectation etc. Non-loyal customer of other company can be attracted toward other products.

Reaction of User Consumer in Absence of Their Preferred Brand at the Time of Purchase

By knowing behavioral of user consumer in absence of their preferred brand will help to know customer's loyalty. Nowadays consumers are King in the market they decide what to purchase. If the user consumers are ready to switch over another brand in absence of preferred brand then company should adopt such a strategy so that retailers and distributors are forced to stock their products over other brand. Following table will give clear idea.

Table 12: Reaction of User Consumer in Absence of Their Preferred Brand

Sr. No.	Reaction of Consumer	No. of Consumer	Percentage
1.	Postpone your purchase	9	20.46
2.	Switch over to other brand	8	18.18
3.	Go to the other shop to search for your preferred brand	27	61.36
	Total	44	100

Most of consumers are loyal to their preferred brands they are not ready to switch over other brands, while non loyal customer will switch over to other brand. The total 36 consumers are loyal to the Nestle Maggi Noodles.

Reason behind Continuing the Same Product for Longer Time

Table 13: Reason behind Continuing Same Product or Brand

Reaction of Consumer	No. of Consumer	Percentage
Faith	7	19.44
Quality	15	41.67
Taste	10	27.8
Brand name	4	11.09
Total	36	100

The total 36 consumer which are not ready to switch the brand gave the reason behind continuing same product is quality and taste of product.

Preference of Consumer when Other Brand of Same Product Appears in Market

Out of the 44 selected sample people 45 per cent people are not ready to switch over the other brands if another brand is available for them. 32 per cent people are ready to switch brand. Remaining 23 per cent people can't say anything.

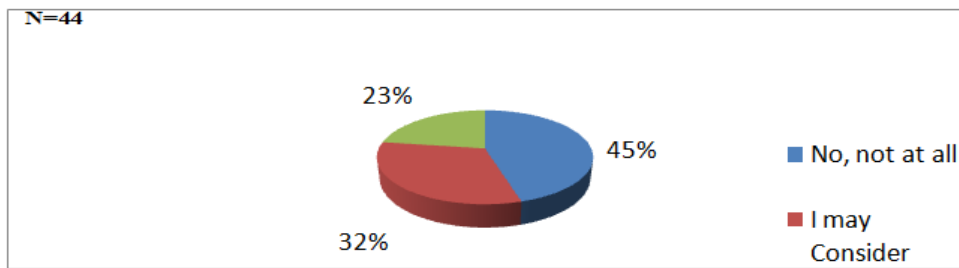


Figure 14: Preference of Consumer between Different Brands of Same Product

Thus majority of the selected sample people were loyal to their brand as they were not ready to switch over to other brands as there is easy availability of the different brands in the market.

SWOT Analysis of Maggi as Brand

Strengths

- Variety of product range with product width & depth
- Pioneers in the fast food segment of the world
- Established brand
- Tapped urban market in food processing sector
- Due to variety of product range created image as a family brand
- In India special R & D division is opened

Weakness

- Focussed more only on Noodle product in India
- Problems in capturing rural market of India
- One brand for all categories.

Opportunities

- Growing ready to eat & cook market worldwide
- Indian consumers are more aware for brands.
- Scope in unexplored confectionery market
- Can be a good alternative for snacks food category.

Threats

- Tough competition with MNC in international as well as Indian market
- Entering in to the fast food segment or category is easy in Indian market
- Good alternatives are available in current market

- Indian market is dominated by ITC brand

Findings

- Nestle Maggi Noodles are the well preferred brand for noodles by the consumer.
- Total 88 per cent of 50 samples are using the Nestle Maggi noodles. In which all types of group age people were prefers the Maggi noodles.
- Out of 44 users 50 per cent are consume the Maggi Noodles in weekly manner while 18 per cent users are consuming the Maggi Noodles in monthly.
- In selected 44 consumers 22 are influence their purchase decision by their Family members while 16 consumer influences the decision by Friends.
- The score card method of performance of different attributes of consumer for purchasing the product states that the Quality stands first in ranking while Taste stands second by consumer's point of view.
- The Satisfaction level of consumer for Maggi Noodles for taste and quantity parameters, are very satisfied while for price, Quality, packaging and brand image they are satisfied.
- Total 48 per cent out of 44 consumers were influences by the advertisement while 34 per cent consumer buys the Maggi Noodles on the basis of the In gradients.
- The effective media of advertisement was Television stated by the 33 consumers out of 44 consumers.
- The 39 per cent consumers change their mindset for price offers for purchasing the Maggi Noodles.
- In absence of the Consumer's preferred brand, 27 consumers out of 44 go to the other shop for purchasing the same brand while 9 consumers postpone the purchase.
- The reason behind continuing the same product was majorly quality and taste. So the consumers are very loyal towards brand.
- Mostly consumers were addicted to same brand; they were not ready to switch the brand.

CONCLUSIONS

Nestle Maggi Noodles is a well established brand and consumers are very loyal towards the brand. The taste, quality, price, availability and brand are the most important attributes who affects the purchase decision. The consumers are very satisfied by the taste and quantity attributes of Nestle Maggi Noodles. The effective media is the advertisement for promoting products.

SUGGESTIONS

- For promotional offers, company should go for price offers which mostly preferred by the consumers.
- Company should prefer television more for advertisement, as mostly people get attracted through television.

- Company should concentrate on taste, quality, price, availability and brand as they are important attributes which affects the purchase decision.
- Company should maintain the Quality of product which is one of the reasons for continuing the product for a longer time.

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