Consumer Buying Behaviour Towards Processed Food in Manipur, India

ABSTRACT

The main objective of the study was to find out the sales promotion and consumer buying behaviour of Likla food products. The research mainly focuses on the factors like quality, consumer preference, price, service, attitudes, and consumer experience. In this study, data was collected from the consumer through a questionnaire (interview schedule). I have purposefully selected 4 blocks of Imphal East. From the 4 blocks, I have chosen 20 localities. From each block, I collected 50 samples from respondents. 200 samples are selected using convenience sampling. Using the interview schedule prepared, the 200 respondents were interviewed personally and their opinions were collected. Likert's scale technique was used for opinion collection in the questionnaire survey. The chi-square test was used as a statistical tool. The secondary data was collected from the management. The collected data is analyzed using analytical tools like simple percentages. Finally, the main problem of sales promotion is the lack of awareness about the product i.e., advertisement. Consumer from the local areas thinks that the price of products is a little higher and the availability of service is less. The solution to these problems is, nowadays people are addicted to phones and television. By using local channels, notices, and applications can improve their advertisement. For local consumers, they can make available service stalls in nearby areas and Likla can improve its digital platform.

Keywords- Consumer buying behavior, Likla, respondents, food products.

INTRODUCTION

India is the world's second-largest producer of food next to China and has the potential to be the biggest industry with the food and agricultural sector contributing 26 percent to Indian GDP. It has the capacity of producing over 600 million tons of food products every year; it is likely to be doubled in the next ten years. Food accounts for the largest share of consumer spending. Food and food products account for about 53 percent of the value of final private consumption.

According to NSSCO (National sample survey organization), the demands of customers are changing gradually from cereals to high nutrients food such as fruits & vegetables. As per the Ministry of Food Processing Industries (MOFPI), the nourishment and basic supply market of India is the world's 6th biggest (Shamsi et al., 2018). The Indian nourishment-preparing industry is one of the biggest ventures in India covering 32 % of the nation's aggregate food sales (Brown et al., 2000). The transformation of the socioeconomic conditions of consumers in India is one of the key drivers to bringing change in the food processing market (Chiru, 2017). The advancement of science and technology offered people new food processing vessels, equipment, and tools but still people are in search of new techniques to speed up the cooking process in order to cope with mechanical life. The instant mix market in India was approximately Rs.150 crore during the year 2003 and at the end of 2004, it was around Rs.350 crore. And by March 2007 the size of the Indian Ready to eat market was approximately Rs. 600-700 million (Indiantelevision.com. March 10, 2007).

Thangjam Agro Industries Pvt. Ltd., a pioneer in the Food and Beverage Manufacturing industry in the state of Manipur, North – East India has been in existence for almost 3 decades since 1991. (David, 2000) The Company now collectively manufactures over 100 varieties of quality food and beverage products. The company also generates opportunities for Entrepreneurs by venturing into the Franchise business under the Likla Bakery banner. Food & Beverages products (RTS Flavoured Drink) of Likla are widely distributed and consumed on a larger scale in Imphal East District. At certain times, the phenomenon is likely to create a problem relating to sales promotion and consumer buying behaviour. The study on consumer buying behaviour will reduce the problem. This study is to create awareness about sales promotion and consumer buying behavior. So, by viewing the above problems, this study has been worked out with the following objectives-

1. To study the socio-economic profile of respondents in the study area.
2. To identify the consumer buying behaviour and product preference of the Company products.
3. To analyze the sales promotion strategies adopted by the company.
4. To find out the major constraints and suggestions for marketing processed food in the study area.

REVIEW OF LITERATURE

Brown *et al.* (2000) reported that the need for effective nutritional education for young consumers has become increasingly apparent, given their general food habits and behaviour, particularly during adolescence, and analyzed that the interaction between young consumers' food preferences and their nutritional awareness behaviour, within three environments (home, school and social). The results indicated that the perceived dominance of home, school, and social interaction appears to be somewhat overshadowed by the young consumers, while developing an 'independence' trait, particularly during the adolescent years. The authors suggested that food preferences are often of a 'fast food' type and consequently the food habits of many young consumers may fuel the consumption of poorly nutritionally balanced meals. While young consumers were aware of healthy eating, their food preference behaviour did not always appear to reflect such knowledge, particularly within the school and social environments.

Chen (2001) expressed a different thought on brand awareness: it was a necessary asset but insufficient for building strong brand equity. In his view, a brand could be well known because it had bad quality.

Nandagopal and Chinnaiyan (2003) concluded that the level of awareness among rural consumers about the brand of soft drinks was high which was indicated by the mode of purchase of the soft drinks by "Brand Name". The major source of brand awareness was word of mouth followed by advertisements, family members, relatives, and friends.

Ramasamy *et al.* (2005) indicated that buying behaviour is vastly influenced by awareness and attitude toward the product. Commercial advertisements over television were said to be the most important source of information, followed by displays in retail outlets. Consumers do build opinions about a brand on the basis of which various product features play an important role in the decision-making process. A large number of respondents emphasized quality and felt that price is an important factor while the others attached importance to the manufacturer's image.

Sabeson (2012) in his study stated that high quality, price, and taste of the product were the major criteria based on which the consumers selected a brand of processed fruits and vegetable products.

Ragavan (2014) reported that, quality, regular availability, price, accuracy in weighing and billing, range of vegetables, and accessibility as the factors in the order of importance which had influenced the purchase of vegetables by respondents from modern retail outlets.

Gluckman (2016) studied the factors influencing consumption and preference for wine. The explicit factors identified were, the familiarity with brand name, the price of wine, the quality or the mouth feel of the liquid, taste with regards to its sweetness or dryness, and suitability for all tastes. Some of the implicit factors identified through extensive questioning were colour and appearance. Most consumers seemed to prefer white wine to red. Packaging, appearance, colour, ornateness, use of foreign language, and graphics were taken as important clues for quality and price. Consumers preferred French or German-made wines to Spanish or Yugoslavian wines.

Attiya Kanwal (2017) in his study "Consumer preference of International brands over local brands" aimed at determining consumer preference of international brands instead of national or local brands.

Consumer evaluates products based on information cues, which are intrinsic and extrinsic. If a consumer is satisfied with a product, he will buy it again, become loyal and over time develop a relationship with the brand.

Kumar *et al.* (2017) examined the factors influencing the buying decision-making of 200 respondents for various food products. The country of origin and brand of the products were cross-tabulated against age, gender, and income. Results revealed that the considered factors were independent of age, education, and income. The brand image seemed to be more important than the origin of the product since the consumers were attracted by the brands.

John M P Manoj P K (2018) In their research paper studied in detail the significance 0f product type (pellet type and mash type) and brand in the buying decision of farmers. Accordingly, strategies have been suggested for exploiting the market potential based on the findings of the study. In view of the foregoing, it is noted that macro-level studies on the prospects of the food industry in India are virtually nil, except for the one by Varmudy (2012) which has taken data up to 2009. In this context, this study seeks to make a fresh look into the macro-level scenario considering the latest available data, including the data pertaining to 2013-2014 by the government of India.

Amitha (2018) studied the factors influencing the consumption of selected dairy products in Bangalore City. The results of the study revealed that income and price significantly influenced the consumption of table butter. Price had a negative impact and income had a positive impact on consumption.

Zeenat Ismail (2020) has compared a preferred solution between global and local brands. It was designed to find out the buying behaviour patterns. It was suggested that consumers might evaluate products based on information uses that were extrinsic and intrinsic. The results revealed that the most important factors that influence a consumer's final decision are the price & quality of the product.

METHODOLOGY

Heingang CD Block, Imphal East district of Manipur was selected purposively for the study based on the consumption of processed food. All the localities were arranged in ascending order on the basis of the area near the company, and then 5% of the area was selected randomly. A complete list of all the respondents was obtained from the head of Municipal councils. The detail of the respondents was collected from regular consumer of Likla products. Out of these 10% of respondents were selected randomly for the study.

The primary data was collected through a well-designed questionnaire, personal discussions with buyers and customers societies, and secondary data was collected from journals, websites, and newspapers. The analysis tools consisted of chi-square, Garrett's Ranking, standard deviation, percentage, and Likert scale analyses. The study was conducted in the year 2022-2023.

RESULT AND DISCUSSION

1. Socio-economic profile of the respondents

As table 1 depicts the socio-economic profile of the respondents, in terms of age group 31% of respondents were of age group 20 to 30 followed by 27% of 10 to 20, 25% above 30, and 18% were 0 to 10 years.

In terms of the gender of the respondents, as shown in Table 1, 54% were female and 46%were male. Similarly, the literacy of the respondents having 34% of graduation and above followed by 31% of Intermediate, 22% of middle and high school, and 13% of primary level.

As mentioned in Table 1, the occupation of the employees in which 30% of the respondents were students, 21% were private employees and businessman, 18% were government employees and 11% were freelancing.

The income of the respondents in which 29% of the respondents were having income of 100001 to 200000 followed by 21% were having income of 200001 to300000, 20% were having income of 300001 to 400000, 17% were having income above 400000 and 14% were having income below 100000.

Table 1- Showing the socio-economic profile of the respondents

Parameters		Frequency	Percentage
Gender	Male	92	46%
	Female	108	54%
Age	0 to 10	35	18%
	10 to 20	54	27%
	20 to 30	62	31%
	Above 30	49	25%
Literacy level	Primary	32	13%
	Middle & high school	42	22%
	Intermediate	68	31%
	Graduation and above	58	34%
Occupation	Student	60	30%
	Private employee	42	21%
	Government employee	36	18%
	Business	41	21%
	Freelancer	21	11%
Income	Below 100000	27	14%
	100001 to 200000	58	29%
	200001 to 300000	42	21%
	300001 to 400000	39	20%
	Above 400000	34	17%

2. Consumer buying behavior and product preferences by the respondents

TABLE 2 -Factors Influencing Consumer preference

Factors	The grand total of preferences	Average	Rank
Flavour/taste	440	4.63	I
Price	300	3.1	VIII
Quality	396	4.17	II
Packaging	349	3.67	IV
Form	306	3.22	VI
Brand	359	3.78	III
Quantity of packaging	273	2.87	IX
Colour	302	3.18	VII
Quantity	347	3.69	V

The factors influencing consumer preferences shown in Table 2 reveals the Flavour/taste ranks I followed by Quality ranks II, Brand ranks III, Packaging ranks IV, Quantity ranks V, Form ranks VI, Colour ranks VII, Price ranks VIII, and Quantity of packaging ranks IX.

Table 3 Product preferences by the respondents

S. No.	Product	Frequency	Percentage
1	Meira	32	16%
2	Leima	47	24%
3	Leishna	36	18%
4	Mema	34	17%
5	Likla (Thangjam Agro)	51	26%
	Total	**200**	**100%**
	Mean	**40**	
	Standard Deviation	**8.455767263**	

Table 3 concludes the product preferences of the respondents which 26% of the respondents were preferring Likla followed by 24% preferring Leima drinks, 18% preferring Leishna drinks, 17% preferring Mema and 16% preferring Meira drinks.

Table 4 Factors affecting the purchase of Flavoured Drinks

S. No.	Factors	Number of respondents	Percentage
1	Advertisements	68	34%
2	Brand ambassadors	45	23%
3	Attractive display	28	14%
4	Suggestion from friends	24	12%
5	Doctors' advice	11	6%
6	Ingredients	24	12%
	Total	**200**	**100%**
	Mean	**33.33333333**	
	Standard Deviation	**20.19570912**	

The factors that affect the purchase of flavoured drinks among respondents as depicted in Table 4 that about 34% of respondents responded from advertisements followed by 23% by brand ambassadors of the product, 14% are from the display of the product, 12% from suggestion from friends, 12% from ingredients and 6% are from doctors' advice.

3. Major constraints in the marketing of the flavoured drinks

Competition is the conflict between companies selling similar products and services with the goal of achieving revenue, profit, and market share growth. Likla is one of the most consumed foods, the other food processing competitors which have good market value, give tough by providing good service to consumers and also attract the consumers by their constant new attractive advertisements.

The constraints in the marketing of flavoured drinks for Likla company as the evaluation shown in Table 4, in which Competition from new soft drinks ranks I followed by Limited audience ranks II, High transportation cost ranks III, Price range ranks IV, Poor storage facilities ranks V, Consumer conscious about health ranks VI and Less margin to retailers ranks VII.

Table 5-Constraints in the marketing of flavoured drinks

S. No.	Constraints	Frequency	Average	Rank
1	Competition from new soft drinks	430	4.53	I
2	Consumer conscious about health	29	2.97	VI
3	Limited audience	386	4.14	II
4	Price range	339	3.56	IV
5	Poor storage facilities	296	3.12	V
6	High transportation cost	349	3.66	III
7	Less margin to retailers	263	2.76	VII

DISCUSSION

Food & Beverage consumption patterns in India are rapidly changing from normal products to high-value products and slowly from fresh, unprocessed, unbranded products to processed, packaged, and branded products. Strong economic growth has brought with it a new set of consumers with sufficient disposable income, who are more conscious of the latest trends in health and hygiene, particularly in the fast-growing cities. To reap the benefits of the changing buying behaviour of the consumers and their capability for buying quality food & beverages, modern organized retail formats are growing at a phenomenal pace throughout the country. This has induced big national and multinational corporations to invest in organized retailing.

In the emerging Indian retail environment, this study provides insights into consumers' preferences for food & beverages in terms of product and market characteristics with the help of primary survey data. High consumer ratings on the product attribute of freshness/cleanliness along with price and quality suggest that Food & beverage retailing needs to be customized as per their requirements. Apart from this, the study also addresses issues related to a diversified set of market characteristics for efficient management of organized retailing of food & beverages. Results of the factor analysis of various market attributes clearly indicate that consumers prefer a convenient marketplace with additional service facilities. Market attributes like entertainment for children, basic amenities, and affordability of the marketplace are also considered to be important by consumers. The study provides strategic inputs to the upcoming food & beverages retail markets regarding the products that can be offered at a marketplace and the required physical environment of the market.

CONCLUSION

From the further analysis of respondents, it can be concluded that most of the respondents were female (54%) in the age group of 20 to 30 years, were students of an education level graduation and above, and had an income of 100001 to 200000 per annum. Regarding product preferences by the respondents in which 26% of the respondents were preferring Likla. From the data, it resulted from those consumers preferred the Flavour/taste of the product, and the quality and packaging of the product ranks last. 34% of respondents were encouraged to purchase the product by the advertisements. The constraints in the marketing of flavoured drinks in which Competition from new soft drinks ranks I followed by Limited audience ranks II, High transportation cost ranks III, Price range ranks IV, Poor storage facilities ranked V, Consumer consciousness about health ranked VI, and Less margin to retailers ranks VII. Inclusively, this present study recommends that companies should regularly study consumers' buying behavior to maintain the long-term demand for processed food.

SUGGESTIONS

Likla company should focus on indoor and outdoor advertisement. It should give immediate responses for consumer service through digital platforms. Seasonal campaigns in metropolitan cities will increase sales. The average cost of certain Likla products is not affordable, so they can reduce the quantity of the product or price those products at an affordable cost. The most consumed product of Likla is Flavored drinks but it's not available in all sorts of markets.

Consent

As per international standard or university standard, respondents' written consent has been collected and preserved by the author(s).

COMPETING INTERESTS:

Authors have declared that they have no known competing financial interests OR non-financial interests OR personal relationships that could have appeared to influence the work reported in this paper.

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