

A STUDY ON BUYING BEHAVIOUR OF CONSUMERS TOWARDS PACKAGED FOOD PRODUCTS (WITH REFERENCE TO CHENNAI CITY)

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ABSTRACT

Understanding Consumer behavior is one of the stimulating and challenging phenomena for the market players. The purpose of this study is to examine the relationship between packaged food products and consumer behavior in Chennai city. Primary data using questionnaire was collected from 150 respondents to examine the importance of packaged food products on consumer behavior in three stages of the purchase decision. Correlation analysis, Regression and Factor analysis were applied to assess the consumers' preference for food and grocery products and market attributes.

KEYWORDS: *Consumer behaviour, Packaged food products, time and place utility, ready-to-cook*

DEFINITION OF MARKETING:

The American Marketing Association defines marketing as an “organizational function and set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders”.

IMPORTANCE OF MARKETING:

Marketing contributes to providing better products and services to the consumers and improve their standard of living, and creates time and place utilities. Marketing plays an important role in the development of the economy and generate employment for a large number of people, and accelerate growth of business, meeting competition most effectively. Marketing helps the business in increasing its sales volume, generating revenue and ensuring its success in the long run.

PACKAGING:

Packing is the heart of marketing strategy as it increases the shelf value and convenience for handling. Moreover while designing the food package, it is essential to consider how it will be more attractive and at the same time it will protect the food from environment impact on it and keep to the product fresh.

PACKAGED FOOD PRODUCTS:

The term 'packaged food' means simple, fast and convenient food which is easy and quick to prepare besides being hygienic, free from microbial contamination and also convenient to eat. In olden days, man used to have his food lavishly and slowly, but the present trend has changed the habits of people to foods which are simple and easy to digest.

IMPORTANCE OF PACKING:

Packaging involves putting the goods in attractive packets according to the convenience of consumers. Important considerations to be kept in view in this connection are the size of the package and the type of packaging material used. Goods may be packaged in bottles (plastic or glass), boxes (made of tin, glass, paper, plastic), cans or bags. The size of the package generally varies from a few grams to a few kilograms, one piece to a number of pieces of a product, or in any other suitable quantity in terms of weight, count, length etc. Packaging is also used as a promotional tool as suitable and attractive packages influence the demand of the products. It may be noted that packaging is different from packing, which refers to putting goods in suitable containers for transportation purposes.

CONSUMER BEHAVIOR:

Consumer behavior refers to the behavior of consumers in deciding to buy or not to buy or use or not to use or dispose of or not to dispose of the products which satisfy their needs. The term 'consumer behavior' refers to the behavior of both the personal consumer and the organizational consumer.

REVIEW OF LITERATURE:

1. **Sneha Dahore (2015)** evaluated the awareness of consumers towards ready to cook food products and buyer behavior towards it. The researcher found that majority of the consumers were aware of HALDIRAM brand as RTC had created a great impact about its brand and made their products popular in the minds of consumers, how easy to use and cook their ready-to-cook products.

2. The study by **BanumathiMannarswamy (2011)** proved that Worldwide evidence showed people are concerned about the environment and are changing their behavior accordingly. As a result, there is a growing market for sustainable and socially responsible products and services.

3. The study conducted by **Sourabh Bhattacharya (2011)** states that the green marketers in India should carry out heavy promotional campaigns, because majority of the Indian consumers are price-sensitive and are not sure about the quality of Green Products.

Research Gap: Review of literature pertaining to consumer perception and consumer behavior towards packaged food identified that many studies were conducted separately on consumer perception and consumer behavior but not on consumer perception and behavior together. Hence this research gap identified to study the consumer behavior towards packaged food products in Chennai.

STATEMENT OF THE PROBLEM:

In today's busy lifestyle of the people, the roles of packaged foods products have become more predominant. In tune with the overall Indian economy consumption trend, packaged food products being a part and parcel of the FMCG sector has become the field of the study due to its intriguing but interesting trend. In India, out-of-home food consumption is increasing due to the rapid globalization supported by industrial and infrastructural growth and an increase of household's disposable incomes along with the real increase in spending power. The growing urbanization, breaking up of the traditional joint family system, desire for quality, time which translates into an increased need for convenience, increasing level of affluence in the middle income group, availability of varieties of products in several categories, changing role of women, easy lifestyles and evolving preferential options portray the food market in India as promising multifaceted, competitive and aggressive one and all these had brought about changes in food habits.

Many previous studies revealed that, the reasons for consuming instant food products were ready availability, work pressure and adoption of western life-styles. Buying behavior of the consumers is very much influenced by the experience of their own self, family members, friends / relatives and that of others for packaged food products. Consumers are also highly influenced by the ever-changing environment of the urban area due to an adoption of the new consumption habits of the metropolitan consumers. In the case of food products, the consumers are switching from traditional foods to packaged food products. The present study was undertaken to give an insight into the determinants of consumer's food choices for packaged food products. Hence, the study attempts to analyze the buying behavior of consumers towards packaged food products.

SCOPE OF THE STUDY:

Packaged food products play a vital role in every human in his day-to-day life. The present study gives an insight into important factors creating awareness and purchasing frequency of the product. It is based on a questionnaire method confined to only the users of packaged food products.

OBJECTIVE OF THE STUDY:

1. To identify the predominant feature that affects the packaged food products.
2. To identify relationship between interval of buying behavior and type of packaged food products.
3. To identify relationship between demographic factors and variables influencing the consumer's purchase decision.
4. To analyze the reasons and factors influencing the purchase of packaged food products.

SAMPLE COLLECTION:

A structured questionnaire is used as the research instrument for the study, is divided into two parts. The first part is aimed at demographic profile of the respondents and second part covers the questions on various aspects and elements of packaging. The questionnaire is developed on five points Like rt scale. The sample size is 150.

STATISTICAL ANALYSIS:

Objective 1: To identify the predominant feature that affects the packaged food products.

- 58.7% of respondents indicated that they sometimes have a prejudgment (positive/negative) towards a food product before an actual consumption.
- 48.7% of the respondents indicated that the packaging of food products displayed influences their decision to purchase the product despite their initial purchase preference sometimes
- 46% of the respondents indicated that they always search for information before they purchase packaged foods

Objective 2: FRIED MAN TEST is applied to identify relationship between interval of buying behavior and type of packaged food products. It was found that the respondents considered that packaged foods selected by consumers are Hygiene(Rank 1-2.85) and followed by Price (Rank 2-3.11), Packaging (Rank 3- 3.51), Brand (Rank 4- 3.59), Flavor and Quality (Rank 5-3.79) and Availability (Rank 6-4.15).

Independent variable	Dependent Variable	Significant at 0.01 level	Beta	Result	Regression equation
Interval of buying	Dairy products	0.311	0.083	Positive	$X=1.401+0.026Y$
	Meat and Sea foods	0.000	0.028	Positive	$X= 1.456+0.015Y$
	Grocery	0.000	-0.306	Negative	$X= 1.889-0.104Y$
	Cooking Oil	0.000	-0.017	Negative	$X= 1.515-0.005Y$
	Cut fruits and vegetable	0.032	0.320	Positive	$X= 1.145+0.131Y$

Objective 3: Using Karl Pearson correlation, identified the relationship between demographic factors and variables influencing the consumer's purchase decision. (Sample size N=150)

Independent variable	Dependent Variable	Significant at 0.01 level	Sig.(2 tailed)	Result
Search for Information before purchase	Education	0.244	0.003	Positive
	Area of living	0.258	0.005	Positive
	Type of family	0.321	0.004	Positive
	Gender	0.215	0.004	Positive

Objective 4: To analyze the reasons and factors influencing the purchase of packaged food Products, Factor analysis is applied to identify the various factors that influences the buying behavior of consumers to prefer packaged food. The study has identified 12 variables which are grouped into 4 components.

<p>The first component is named as 'Hygiene Aspects' which consists of 3 variables</p> <p>The second component is named as 'Comfort Aspect' which consists of 3 variables.</p> <p>The third component is named as 'Health Aspects' which consists of 2 variables.</p> <p>The fourth component is named as 'Attraction Aspects' which consists of 4 variables.</p>	ROTATED COMPONENT MATRIX				
	Features	Component			
		1	2	3	4
	Bacteriologically safer than fresh foods	0.810			
	Longer shelf life	0.681			
	Quality assurance about products	0.632			
	Availability of varieties/flavours		0.795		
	Ease of storage		0.769		
	Downsizing of kitchen inputs (time, skills, energy, labour)		0.738		
	High protein			0.926	
	Nutritious			0.728	
	All time availability of seasonal foods				0.817
	Some rate ingredients				0.808
More sensory appeal				0.732	
Adequacy of offers for sale promotion				0.677	
Extraction Method: Principal Component Analysis.					

The factor “Purchase is influenced by the consumers which depict the “Health Aspects” (0.926) was considered to be a primary factor that influenced the satisfaction level of buying packaged food products in Chennai city.

KMO AND BARTLETT’S TEST

KMO measure of sampling adequacy is 0.644, Bartlett’s test of Sphericity showed a significance of 0.000. Hence it can be concluded that the opinion on features to be considered while purchasing of packaged food products and views of the respondents on such features were normally distributed and they have the potentiality to form the factors.

FINDINGS:

The preferences of the consumers indicate their priority for cleanliness/freshness of food products followed by price, quality, variety, packaging, and non-seasonal availability. The consumers' preference of marketplace largely depends on the convenience in purchasing at the marketplace along with the availability of additional services, the attraction for children, basic amenities and affordability.

SUGGESTION:

Packaged food products are consumed more by lower age groups. Hence, manufacturers should make their products to taste like home cooked meals and also focus on other health aspects by attaching nutritive value to the products.

- Consumers nowadays prefer to purchase packaged food products mostly from retail outlets as they have wider choices for product selection. So, the display of the products on shelves of the stores is an area of focus in the marketing strategy of the packaged food manufacturers.
- The high price was an important reason for not purchasing certain categories of packaged food products as stated by the majority of the respondents. So manufacturers must strive to reduce the price to make it affordable for all the categories of the consumers.
- As the usage of packaged food products is more during special occasions like birthdays and get together, the marketers can adopt the strategy of product bundling to offer product combinations relating to the occasions.

- As there is a vital need for the consumer to save time in the present fast paced world, the packaged food products companies can give a tough competition to fresh food market provided if they are able to offer products at lower prices without compromising the quality.
- Preference of packaged food products is more among female consumers as it enables them to present more varieties for their families with less effort.

CONCLUSION:

The consumers' relationship with food and other everyday goods has changed dramatically, not only in the way products are purchased, but also in the way they are consumed. With the changing lifestyles of the consumers, quick and easy to prepare food has become more of a necessity than a luxury. Hence, the processed and convenient packaged food products Industry has become one of the major sectors in India. Convenience is one of the big trends in the food business. It is and will remain an irreplaceable option in today's world since, most importantly, they help to create time. Thus, the demand for convenience packaged food products is steadily increasing.

So, companies can capitalize on the convenience trend by building the confidence of the consumers in the kitchen and serve as a trusted helper. They can also target on the differing comfort needs of consumers and their preference for traditional/home cooked dishes. Therefore, the packaged food products companies have a bright future provided they serve their customers with improved products, incorporate changes whenever required to suit the customers' expectations. Thus, in today's world packaged food products play an essential role in the daily lives of people.

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