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Consumer Perception and Buying Decisions (The Macaroni Study)

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ABSTRACT

The project "consumer perception and buying behavior (the Macaroni study)" is basically measures the development of perception through different variables and identify those factors which stimulate buying decision of consumer. Among various variables which effect consumer buying pattern I choose AWARENESS and AVAILABILITY of the product as two main variables which have strong effect on popularity and sale of Macaroni product. As my research is totally based on qualitative method that's why I choose quota sampling technique and collect data by interviewing house wives resides in different areas of Ahmedabad. The reason of choosing only house wives as respondent is that house wives can give true insight factors which hinder the popularity of Macaroni products in India. Focus group discussions have been conducted to extract findings. 30 house wives have been interviewed and their responses have been analyzed.

The main findings which come up after pursuing my research on Macaroni is that awareness about different cooking method is largely effect on the sale of the product and so popularity of product is also effecting and hypothesis 1 is been accepted

Whereas availability of product does not have strong effect on the popularity of product as well as sale is not effecting and so hypothesis 2 is rejected.

It is recommended for Macaroni producers to create awareness among consumer about product itself and its usage and cooking methods by launching awareness programme about the product.

PURPOSE OF THE STUDY:

The purpose of this study is to recognize those factors which effect consumer perception about Macaroni products and other reasons of popularity and unawareness of Macaroni products in different areas and social classes.

PROBLEM STATEMENT:

Why Macaroni has not been adopted as a part of the regular meal despite of its favouritaibility among the kids and youth.

INTRODUCTION:

Consumer usage and buying of any product largely depend upon their perception about the product. Perception develops through how effectively product has been marketed. These days firms are putting their best efforts in marketing in order to get customer attention and positive impression on customer's mind (DICKENSON 1994), consumer perception is also identified by the color, shape, and taste of the product (weinsblit 1999).

The topic for my research study is consumer perception and usage (study of Macaroni products). I choose this topic because I found it very interesting and new because very less studies has been done in this area, especially in India. As a house hold I noticed that people response to new product is always surprising. As we know that in India there are many culture and classes exist. This classification is been done on the basis of various social, psychological,

economical, and life style basis and there are many variables directly or indirectly effecting consumer perception and traditional style of living.

As we know that Macaroni is basically an Italian food and it is very new product in India. Macaroni includes products such as spaghetti, lasagna, macaroni, noodles, shells, fettuccine etc and there are various ways of preparing them. Although mostly Italian food are liked by many people but I found many families who are still not even think of using the product. Lack of awareness about different recipes, and rigidity toward change in taste could be some important factors.

This study would extract some results which will be helpful

- ❖ To determine consumer response to any new product.
- ❖ Factors which could affect consumer perception.
- ❖ Variables which plays an important role in consumer's buying pattern.
- ❖ Customer behavior analysis ,in different situations in different resources on hand
- ❖ How all variables are link with each other.
- ❖ Motivating and demotivating factors and variables identified and their impact on customer psychology.

CONCEPTUAL FRAME WORK:

The topic consumer perception and frequency of usage basically come from consumer behavior. The purpose of the present study is to provide an over view of existing research work about consumer behavior and perception about Macaroni products. Consumer behavior is the study of why, when, and how. Consumer behavior is that rational behavior that consumer shows toward products while buying.

Consumer behavior is the mixture of psychological, social, economical, and social anthropological situations and environment.

Perception is how human recognize and interpret stimuli (SITTER, 2008). Consumers' perception of quality is measured a essential determinant of product choice (Zenithal, 1988)

In other words perception is the first impression that individual draw and on the basis of it select, and interpret information to form a meaningful picture of the world (MUNNUKKA, 2008). That's why it is believed that consumer perception influence customer level of satisfaction and so their buying and usage decisions.

Many theories have been presented on customer buying behavior and decision making behaviors. In food industry buying behavior is analyzed by the aspect of:

- ❖ Health and sciences (How healthy the food is?)
- ❖ Level of income or house hold income with respect to consumption
- ❖ Prices of any particular product and customer limitations of spending
- ❖ Popularity of food among youngsters or product is popular in any particular age group.
- ❖ Awareness about the product which is going to be cooked or eat.
- ❖ Availability of complimentary products.
- ❖ Ease of access of main product as well as its complementary products.
- ❖ How particular product is been advertised.

HISTORY:

Macaroni has very old history. It first introduced in 13th century. MARCO POLO who was very famous surveyor return from trip to china and told everyone about this new dish very famous in China. Although Macaroni products are known for centuries but high quality constituents and ingredients have been available in early 20th century. In early 20th century most of the Macaroni products were prepared by small shops. In contrast to those days Macaroni is manufactured by many big producers through high tech machinery.

LITERATURE REVIEW

Perception is basically an organism which describes an individual's perceived image which he expect from any product or service. Observation can be changed or influenced by numerous factors

AWARENESS OF CONSUMER ABOUT PRODUCT:

Brown et al. (2000) reported that the need for educating young generation specially those who are in their adolescence are noticeably increasing, given their regular food eating habits and behaviour, children who are in their teenage prefer food with respect to food nutritious as well as three factors plays very important role, home environment, school and social gatherings .

Aaker (2000) assess that brand awareness plays a vital role in consumer perception especially when their buying pattern is not defined. Branded items gives the feeling of familiarity especially in low involvement products for example soaps and other day to day usage items, media and advertisement are effective tools for awareness.

Nandagopal and Chinnaiyan (2003) conclude that the mode of purchase of product also effecting buying

pattern and so perception of consumer.

2. FACTORS INFLUENCE THE CONSUMPTION PATTERN:

Kumar et al. (1987) examined those factors which effect buying decisions making of large number of respondents for different food products. Country, origin, and brand of the product impact effectively and largely. Brand of the product is the most important factor since consumers more attracted toward brand. Income, age and awareness are dependant factors.

Sabesson (1992), stated that brand of processed food is chosen by its quality, taste of the product and price of product. These are the major factor which affects the criteria for food brand selection.

Rees (1992), study he explains those factors which influence consumer choice of food and flavor includes food texture, appearance, taste and quality whereas use of microwave and reduction in traditional cooking are the factors which effect consumer usage of product.

Demographics show that usage of microwave oven has changed eating habits. The most crucial factor is job opportunities of house wives who don't have much time to cook at home. 80 percent of sale of packed food in markets is also taken to be essential. Customers are reacting to message about safety and healthy eating.

Vanniarajan and Kubendran (2005) describe that consumer perception and usage of any product can be changed due to change in food eating habits. If income and urbanization increases in among consumers then the percentage of income spent on consumption Increases. The urban consumer mostly like branded products as compared to rural consumers.

3. PHYSICAL FEATURES OF PRODUCT AFFECTING PERCEPTION:

The most important factors which effect consumer perception are:

- Accessibility
- Availability
- Quality
- Durability
- Regular supply of product
- Mode of payment.

DIFFERENCES AMONG REAL AND PERCEIVED QUALITY:

Product quality has two forms 1. Accurate quality 2. expected quality. The actual quality contains the actual benefits achieved from the purchase of product. On the other hand perceived quality contain consumer expectations from product.

THE PERCEIVED QUALITY OF THE PRODUCTS OF PRIVATE BRANDS

Initially, the perception qualities of product of privately owned brands were taken as consumer's perception on the quality of product provided by vendors or company.

Scholars have noted that country-of-origin perceptions and expectations lead to cognitions. It also puts significance on particular products and marketing attributes. These were considered as the factors that

could bring affect to the people in the country of where the product or services were market (Gary A. Knight, 1999).

Price is regularly taken as a leading factoring guiding choice when it comes to making a buy decision. Price normally has constantly been a determinant factor on consumers' brand choice when choosing a product or service. It is understood that when a consumer is facing a buying decision for product purchase then he/she is so much concern about the prices of the product and observe prices keenly.

This helps them to maximize their direct utility that they gain from the purchase. However, when consumer faces brand with fluctuating prices and perceived quality levels, they would have to make decision about the preference they make on the basis of attributes of the product (Nor Khasimah Alimana and Md Nor Othman, 2007).

If these variables are present then consumer normally perceive positive image of product and usage of that product increases. In early 1965, consumer's response towards pesticide used products (pesticides used in farms were identified (Bealer and Willits, 1968; Sachs et al., 1987). Various Methods they used to explore, included

E-mail and telephone surveys. According to the research, there are several causes come up that why consumer prefers to buy organic food products, on the other hand some disadvantages also short list.

Reasons of buying could be grouped according to general and commodity-specific concerns (Yiridoe et al. 2005).causes of buying organic food includes food safety, human health, environmental impact, while food attributes included taste, freshness and packaging (Yiridoe et al., 2005). Surveys have identified additional positive attributes that consumer associate with organic food products which include better taste (Davies, 1995), they are better for environment (Lea and Worsley, 2005), (Goldman and Clancy, 1991).

Consumer preferences of product attribute is different according to product nature as well as its Social and economic nature of consumer (Uusitalo, 2001).

Product attributes are often eye-catching in nature (Vishwanathan and Childers, 1999). The attributes model proposed by Gwin andGwin (2003) posits that consumer preference of product is based on maximizing utility from the product features subject to financial shortage. Choice theory defines that consumer preference based on product features.

(Vishwanathan and Childers, 1999) the important product attributes which were highly use in previous research are cost, variety, value and worth of the product (Gwin and Gwin, 2003).

Sinha and Banerjee's (2004) argued that store images and customer services stimulate consumers store choices, at the same time as, parking and location facilities had a negative impact on consumer choice. Consumers were also found to be price conscious and quality conscious (Tuli and Mookerjee, 2004).

STORE ATTRIBUTES AND CONSUMER PERCEPTION

A large number of researches has been done towards store features and images and customer loyalty in various western and European countries (Carpenter and Moore, 2006). However, partial importance has been given to this matter in under developed countries. Consumer's perception of store images and features influenced by formats, type of products, cultural value and shopping need (Pauli sand Geistfeld, 2003). Bearden (1977) defines that store environment; place, parking facilities, and kindness of workers are the apparent factors that affect consumer choice of store. As a result, store setting such as service offering, activities, facilities and eye catching shelf position attract consumers to buy more.

Store picture is an important factor in store alternative and store loyalty. Perceptions about stores are determined significantly by visual characteristics of store such as list size, distance of store from home, as well as intangible factors like the ambiance of the store. Despite the fact that store Image has been extensively studied all over the world but yet there is a huge scope for research especially in an developing retail environment where customers as well as store owners are in difficult phase & larger and diverse retail formats by structured retailers being rolled out. What may construct strong picture and what drives the choice of stores in the longer term here is a myth. The newly developed stores are capable to attract shoppers into stores due to its impression, but they are finding conversions into purchases to be lower than expected and hence lower productivity.

DEFINING PROBLEM

India is a country which constitute by different culture, ethnic groups, and traditions. Each group is identified by its special clothing, language, food, living pattern, style and according to their trade.

It seems very difficult in India to analyze individual behavior toward each other as well as toward new product. It may because of economical constraint that people are less likely to spend their money on new items. In addition current political and security conditions in India restrain buyers and suppliers to introduce new products.

Usually people in India shows very less interest especially in the area of food and eating out nevertheless food item is according to their taste and within their budget.

Macaroni is basically an Italian dish and in India it is now known and liked by many families in India for long time. But the the problem still exist that people think that Macaroni is only ready to go two minutes noodles, they don't know about the complete range of Macaroni and even they don't know the full recipe and complementary Italian sauses with the dish that's why its sale is not picking up and still it is not considered as full healthy meal whereas it is very popular in teenagers

and kids .so in future Macaroni could be the popular food in formal gatherings.

SCOPE OF THE STUDY:

This study on consumer perception and usage (the Macaroni study) will be helpful in identifying consumer rational behavior toward buying new products specially food items. This study is specifically about Macaroni usage in India that’s why this study will helpful for those food and beverage company who are intending to launch new food product in India.

As in India Macaroni noodles, Knorr soups and noodles, Bake parlor and kolson are the most famous brands in India .This study is basically about consumer perception and their response toward new food items As well as it will identify those factors which are effecting the popularity of Macaroni products in India.

This study will helpful to explore other variables such as advertisement effects, availability of product , reasons for increase in sale in future as well as it will helpful to analyze those variables and situations which effect buying behavior of a customer.

As well as this study will be helpful to answer such questions like

1. What is the market size of Macaroni in India?
2. What are the major brands of Macaroni in India?
3. Who are the users in India?
4. What will be the future of Macaroni products in India?
5. Who will be the user of Macaroni products?
6. Does law and order situation in India really effecting consumer perception about buying food products?

LIST OF VARIABLES:

Awareness about the product Health consciousness
 Method of cooking
 Complete range of product
 Ease of use Advertisement effect
 Availability of product Type of product Quality of product Brand perception
 Consumer attitude in particular areas
 Economic factors Income level Inflation rate
 Price of the product
 Quality of product and satisfaction level

LIMITATIONS:

This model is showing different factors which effect consumer buying patterns. Especially in India due to financial and security reasons people are psychologically disturb and they are responding irrationally. This model is showing different factors effecting consumer perception and what new companies have to keep in mind before launching new items. For Macaroni products there is a lack of variety of Macaroni made up of wheat and from other grains which are good for health conscious individuals.

Due to unavailability of complete recipe, vegetables

and sauses people are basically unaware of variations they can bring in actual recipe.

- This model cannot predict individual’s buying pattern in future in India.
- This model cannot measure behavioral changes of individuals due to current situation in India.

RESEARCH DESIGN AND METHODOLOGY:

Previous studies discussed about the consumer perception and buying behavior of consumer. Consumer perception is basically an angle of looking differently at different things the main aim of the study is to determine consumer behavior toward new product specially food items.

The study is based on primary and secondary data. The data for this study will be collect from various resources. The topic is specific to the study of Macaroni products so I target different schools to collect data.

Methodology is consist on research hypotheses, research design, tools, instruments data specification, sampling frame and method of data analyzed.

DATA SOURCE:

Primary data: primary data is been collected through one to one interview:

Secondary data: secondary data is been collected from internet.

POPULATION OF THE RESEARCH:

Population of the research study is mainly house wives who do the grocery and cook meals at home. In order to get interacted with household one to one interview is been done. General stores in different areas of Ahmedabad city are bee target where this focus group discussion being held. As well as relatives and friends houses in different areas are also been covered in order to get their perception about Macaroni meals.

SUPER STORES:

Big Bazar.& Reliance Super Mart

SAMPLE TECHNIQUE:

In order to analyze the consumer perception and how it effect the buying decisions QUOTA sampling technique is been considered. It is a non probability method. And preferred for large size of population by dividing the full population in different sectors. As the research is qualitative that’s why convenience sampling is through one to one interviews. For the collection of data I visit to Big Bazar & Reliance Super Mart lactated in main Gita Mandir, Raipur and one to one interviews conducted from households residing in different areas.

Sample size	30
Respondent	female/mothers

HYPOTHESI:

HYPOTHESI

S 1:

HO: Awareness about the method of cooking stimulates the buying decision.

H1: Awareness about the method of cooking does not stimulate buying decision

HYPOTHESIS 2:

HO: Awareness about the complete range of product and its availability stimulate buying decision

H1: Awareness about the complete range of product and its availability does not stimulate buying decision.

DISCUSSION GUIDE:

AWARENESS ABOUT THE PRODUCT:

- When we say Macaroni what variety come in your mind like macaroni spaghettis, shells, lasagnia sheets? Which company
- What do you think about Macaroni like is it good for weight conscious people food or it does not have anything for losing weight
- How many children in your house and how often they ask for Macaroni?
- When you make Macaroni how is the response of adults at home?
- How frequently you make Macaroni at home?
- Who do the grocery of your home usually?
- What dish in Macaroni your families usually eat?
- Did you ever compromise on the quality of food items due to prices, or its availability?

AWARENESS ABOUT THE COOKING METHOD:

- When you cook Macaroni at home which dish you find really easy and quick?
- While cooking Macaroni do you consider the boiling time of Macaroni?
- Do you like spicy hot flavor or plain/?

INFORMATION RELATED TO PRODUCT:

- Are you brand conscious or stick with any of the company's product while buying Macaroni? Why?

- IF you fine bake parlor, kolson, Macaroni and Knorr then which product you pick in one glance?
- How often it happen that you went to market and you did not find any of the branded items? In case of this situation what you, buy any generic product or leave the idea of cooking Pasta time
- What is your children response on advertisement of noodles? And what is their preference ready to cook noodles or other Pasta dishes made at home.
- If there is a slight increase in Macaroni product prices, specially noodles and pasta, will you still buy those?
- If over all prices on house hold items increase then what are the chances of decreasing purchases of Macaroni product in your monthly Rashaan.

ETHICAL STANDARDS FOLLOWED:

- There is no biased material included in discussion
- This research is meant to record how consumer perception helps to stimulate consumer to buying decision and it won't harm participants in any means both mentally and physically.
- The respondent will participate in the research with free consent; they will be included according to their own interest.
- Respondent can withdraw from the process of getting information.
- No personal opinion and discrimination is under taking while having interviews and one to one discussion.
- Results and conclusion should be made on data collected and analyzed.
- This research study done only to identify the demand for Macaroni in coming years as there are many factors effecting buying decision of consumer.
- Personal questions and satire is not the subject of the study.

FINDINGS WITH RESPECT TO HYPOTHESIS

<p><u>HYPOTHESIS 1</u></p> <p>HO: AWARENESS ABOUT THE METHOD OF COOKING STIMULATES THE BUYIND DECISION OF MAGGIE PRODUCT.</p> <p>H1: AWARENESS ABOUT THE METHOD OF COOKING DOES NOT STIMULATE THE BUYING DECISION.</p>

FINDINGS

<p>RESPONDENTS: HOUSE WIVES</p>	<p>Accepted as households are not aware of different cooking methods acaroni that's why their decision for buying Macaroni is affected</p>
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H1: Accepted as there is no stimulation found toward buying Maggie product because they are easily available and house wives's awareness about the complete range of Maggie product available in the market.

RESPONDENTS: HOUSE WIVES	rejected as awareness about the cooking method plays a vital role in buying Macaroni products.
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INTERPRETATION:

- Most of the families and house hold usually make two minutes noodles and noodles with mix vegetable and macaroni with minced meat. Showing that there is a lack of awareness about different cooking methods.
- Due to this factor house hold repeatedly cook same dishes and that’s why other family members do not ask for cooking Macaroni very often.

FINDINGS:

Ho: Rejected as awareness about the range of the Maggie product available in the market does not stimulate the buying decision.

INTERPRETATION:

After compiling data it is been disclosed that awareness about the complete range of Macaroni product available in the market does not have any significant effect on the buying decision of Macaroni products.

Most of the house wives who do the monthly grocery are not brand conscious as the various method of cooking are not known that’s why house wives cannot feel the difference in taste and variations in cooking style.

Conclusion

The topic of my research project is “consumer perception and buying decisions -The Macaroni study” without any promotional strategy any product cannot run profitably in a market .Product awareness is the factor which impact the popularity and usage rate of any product specially the food item.

Cooking method is the factor which can bring the social shift in the market and enhance the taste bud of any product .Awareness about the proper method of cooking will affect the popularity of product a lot.

Recommendations:

Based upon the study I conducted, following are some recommendations for the Nestle Company, regarding the MACARONI products.

1. They should focus on advertisement of complete range of Macaroni as many housewives do not have awareness about the complete range of Macaroni products.
2. To create awareness about the cooking methods the of he Macaroni products company can start experience marketing programme in BTL activities as follows
 - To sponsor a cooking show on any channel, involve in cooking, specifically for Macaroni

- Due to unawareness of various dishes cooking methods product sale is undermine.
- Households are not very much picky about the taste of the Macaroni available.
- As a result different variety are also not been supplied because of the high demand of only noodles and macaroni.

products.

- Start experienced marketing programme in any super store. Like MAKRO, or NAHHED, etc.
- Company can also hold a stall, in EXPO center. To promote the Macaroni products.
- To create awareness, company can also sponsor, shows, like LUX STYLE AWARDS.
- Make relationship with physicians and hospitals. To recommend Macaroni products, for patients, while, illness.

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