## Title: "A study of consumer preference of Aashirvaad Atta in Pune"

#### Research Paper

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(BIIB)

#### **Abstract**

The paper deals with the importance of consumer preference of aashirvaad atta. In order to perform an analysis of wheat flour it will determined by various factor such as quality, nutritional factor and softness. Creating a strong brand is the need for the hour as today's customer is busier and devotes less time to decision making. The present study focuses on the consumer's behaviour for branded atta.

The study is to understand the consumer preference towards selected branded commodity food products. An attempt was also made to examine the factors influencing the purchase of aashirvaad atta. A sample of 240 respondents was selected from Pune. The most important factors influencing the purchase of branded atta were quality, nutritional facts, softness.

A wide range of attempts and hypotheses to explain the factors that impact consumers and their behaviour's when making buying decisions. Brand preference is seen as a crucial step in customer decision-making, with elements of choice involved. In setting brand preference, consumers compare and rank different brands by focusing on their specific mark preference as defined.

Marketers have always had a keen interest in customer behaviour. The know-how

Consumer behaviour helps advertisers understand how customers are thinking, feeling and choosing alternatives such as goods, labels and the like, and how customers are affected by their environment, by comparison groups, friends, and salespeople, etc. Cultural influences a consumer's purchasing behaviour, social, personal and psychological. Most of these variables are uncontrollable and beyond marketers 'reach but they need to be addressed when trying to understand consumers' dynamic conduct.

**Key words:** Consumer preference, Consumer behaviour, Cultural influences, Buying decisions

## **Introduction**

India is one of the largest food producers in the world, but the proportion of branded foods is unclear. The largest of the diverse components of the food industry is wheat. ITC has a wide range of products in its portfolio. It is one of India's biggest FMCG companies. In May 2002, ITC made its entry in the branded Atta segment and within a short period of time became the number one branded packaged atta across the country. AASHIRVAAD promises you only the most delightful rotis straight from your kitchen complete with your love and care through your preparation. ITC uses a network of 6500 Choupals to purchase wheat directly from our farmers over the most fertile fields. This is accompanied by a thorough washing, mechanised packaging and nutrition locking process. And so, they deliver happiness through the promise of the goodness of whole wheat. For a product to be successful in the market, especially in FMCG sector you need to have a complete in-depth knowledge of the various factors that affect the market. These being consumer behaviour, retailer behaviour, competitor knowledge, changing trends, taste preference, buying motive, etc.

The study is to understand the market trends and to study the consumer preference and buying behaviour towards selected branded commodity food products. An attempt was also made to examine the factors influencing the purchase of aashirvaad atta. A sample of 240 respondents was selected from Pune. The most important factors influencing the purchase of branded atta were quality, nutritional facts, softness.

#### <u>Company scenario: -</u>

ITC is one of India's leading private-sector firms and a diversified conglomerate of Fast-Consumer Products, Moving Hotels. Paperboards and Packaging, Agri Industry and Information Technology businesses. The company is regarded as one of the most profitable companies in India with a market capitalization of approximately US\$ 35 billion (as of 30.06.2020) and a gross sales value of the company US \$10.74 billion (as at 31 March 2020). According to a survey carried out by Fortune India in association with Hay Group, ITC has been rated as India's most admired firm.

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#### **Market Size: -**

Packaged wheat flour market in INDIA - US\$
billion approx. ITC's
Aashirvaad atta now a US\$ 5.91
billion brand with 28% market share.

#### **Investments/ Developments: -**

ITC has lined up Rs 25,000 crore investment to construct integrated consumer goods factories with logistics facilities to improve reach in rural areas. Broadly, ITC 's food sector is set to play a major role in helping the firm meet its Rs 1 lakh crore target for the FMCG segment by 2030.

The company is also extending Aashirvaad brand into new segments as milk and ghee in the dairy category as part of its expansion plans, in addition to spices, instant mixes, ready meals etc.

## Research Problem

A very limited research has considered the various factors that has been proven to have an impact on consumer preference. An organization's brand has been recognized as one of the most important assets. More importantly, a consumer preference is contributing to the organizations performance in terms of serving stakeholder needs and achieving long-term and short-

term objectives. The delivery of brand promise is one of the most important aspects of an organization's success; one way to achieve a strong brand is to start with understanding the factors influencing the buying behavior. Thus, the research problem addressed in this dissertation is:

• The aim is to understand consumer preferences of aashirvaad atta

## **Research Objective**

- To study the factors influencing brand preference of consumer's towards aashirvaad atta- nutritional facts, quality and softness.
- To know the preferred category of aashirvaad atta.

## **Research Hypothesis**

#### 1. Null Hypothesis:

There is no significant relationship between the softness of atta and consumer preferences of aashirvaad atta.

#### **Alternative Hypothesis:**

There is a significant relationship between the softness of atta and consumer preferences of aashirvaad atta.

#### 2. Null Hypothesis:

There is no significant relationship between the Nutritional facts of atta and consumer preferences of aashirvaad atta.

## **Alternative Hypothesis:**

There is a significant relationship between the Nutritional facts of atta and consumer preferences of aashirvaad atta.

#### 3. Null Hypothesis:

There is no significant relationship between the Quality of atta and consumer preferences of aashirvaad atta.

#### **Alternative Hypothesis:**

There is a significant relationship between the Quality of atta and consumer preferences of aashirvaad atta.

#### **Literature Review**

#### Kotler and Armstrong (1997)

The consumer purchasing decisions take place over a period of time. The overall goal during this decision process is to evaluate various alternatives and choose product that satisfies the consumer in an optimal way. Consumers get influenced by several major factors while they make their decisions. These factors can be grouped as social, cultural, psychological and personal factors

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#### **Sharma M., (2012)**

Consumer preferences are defined as the subjective (individual) tastes, as measured by utility, of various bundles of goods. They permit the consumer to rank these bundles of goods according to the levels of utility they give the consumer. Note that preferences are independent of income and prices. Ability to purchase goods does not determine a consumer's likes or dislikes. This is used primarily to mean an option that has the greatest anticipated value among a number of options.

## Virmani R. T., (2011)

Stated the reasons for preference of the brands ranged from quality to availability. But it was quality that was ranked as the No. 1 parameter for brand preference. Most of the consumers reported that they do get carried away by advertisements sometimes but in the end, it is the quality of the product that is a decisive factor for purchase.

# Smitha Nair - (Brand Awareness and Retailer Perception of the Packaged Flour Brands)

Retail perception analyses that Aashirvaad atta as a brand has gained acceptance by the customer and has a potential to expand its market share and it is most popular among its users mainly because of its quality, taste,

brand name, innovative .The satisfaction level of the retailer and the unsatisfied retailer with the distributor service is not quite differed so company must improve their service quality to the retailer who are unsatisfied and the retailer who are satisfied with distributor service must be provided more benefits to make them loyal to the company.

## Abdurrahman ISIK, Mehmet Fatih YASAR\*-(Effects of Brand on Consumer Preferences)

The aim of this study is to examine brand name effects on consumer preferences. This study aimed primarily to examine the effect of brand name on customer preferences through the use of the technique of structural equation modeling (SEM). Furthermore, all potential associations between certain dimensions or brand name domains and consumer preferences are also empirically checked. The findings of the study indicated positive correlations among the two variables with high factor loadings. Brand name of a product has significant impact on the overall preferences of the consumers

## Mirela-Cristina Voicu-(CHARACTERISTICS OF THE CONSUMER PREFERENCES RESEARCH PROCESS)

The following paper reveals some important aspects regarding the use of information regarding consumer preferences, the fundamentals behind consumer preferences research and the milestones in the consumer preferences research process. Preferences can be triggered by: the features related to the material substance of the goods (shape, size, print, taste, color, consistency, package, etc.); elements referring to label, name, use instructions that accompany the product; the statute granted to the person owning and using that particular product. Preferences are the result of a long-term

relationship between the brand and the consumer, as the latter learns to associate the brand with a symbol and perceive it as having high quality. Following these deep connections created over the course of time, a strong emotion is developed which lies on the basis of preferences

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## Research Gap

From the review of literature surrounding consumer behavior and preference, it would be correct to mention that consumer preference has a clear impact on the retention of customer and consumer. Despite much research supporting the relationship between consumer preference and retention, there have been no clear attempts undertaking identification quality, softness and nutritional facts play a vital role in decision making A very limited research have considered the various factors that has been proven to have an impact on the buying behavior. An organization's brand has been considered as one of the most crucial assets. Attempt to undertake and identify the relationship between quality, softness and nutritional facts, a very limited research has considered the various factors that has been proven to have an impact on consumer preference.

## Research Methodology

#### **Methods Of Data Collection**

Descriptive Research design was selected for my research paper. Descriptive research is that research design which studies and describes the characteristics of the population. So, to check the what, when where and how of the concept this method was adopted. The descriptive design was used in this research to check the factors influencing consumer preference So there are three types of descriptive methods: observational methods, case- study methods and survey methods.

I adopted survey methods where the answers are gathered through Questionnaires. The questions asked where in structured format because to obtain the valid and reliable data it is important to construct the questions properly.

The study was based on Qualitative Research as in-depth answers were to require being collected regarding the consumer preference. Also Quantitative Research method was adopted to collect the quantifiable information which is to be used for statistical analysis of the sample.

#### **Modes of Data Collection**

- ✓ <u>Primary data:</u> this was collected through survey method which is distributing the questionnaire to different consumers in Pune.
- ✓ <u>Secondary data:</u> this contains the data which is already been analyzed

by different publishers in different research papers, journals and articles. The collected data is from already published papers in different websites and articles and journals.

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## Sample size

The questionnaire was sent to almost 580 consumers and only 240 responses were collected and recorded.

## **Sampling Method:**

Convenience sampling: Convenience sampling: (also known as grab sampling, accidental sampling or sampling of opportunity) is a form of non-probability sampling involving the sample taken from that part of the population

The approach to the respondents where through personal contact and family contact sent via LinkedIn and WhatsApp due to covid. Thus, this population was close and convenient also to send so adopted the convenience sampling.

## **Data Analysis**

#### A) RELIABILITY ANALYSIS (CRONBACH'S ALPHA)

**Cronbach's alpha** is a measure the consistency and it's how closely related a set of items are as a group. It is considered to be a measure of scale reliability.

So, to check the reliability first the questionnaire is sent to the sample respondents and then the items are checked whether they are inter-related or not by applying the Cronbach's Alpha.

#### **Reliability Statistics Table:**

#### **Reliability Statistics**

Cronbach's Alpha	N of Items
.800	9

A questionnaire was employed to measure different underlying constructs. The scale had a high level of consistency between the variables i.e. dependent and independent variables as determined by Cronbach's Alpha of **0.800**.

(A reliability coefficient of 0.70 or higher is considered "acceptable"). So, the alpha value is above 0.70 so it is accepted and this shows that items in the research questionnaire are inter- related and reliable.

#### B) DESCRIPTIVE DATA ANALYSIS

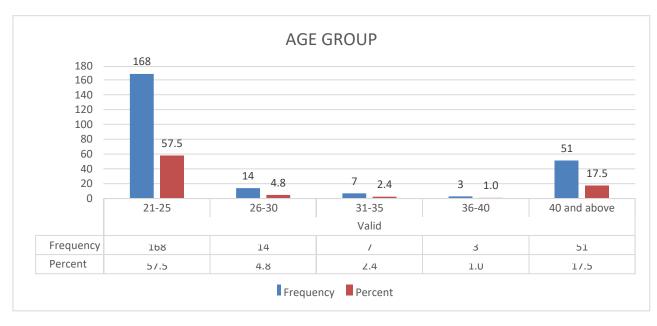
#### • <u>Age</u>

Out of the sample of respondent's majority are from the age of 21-25 years and less are 31-35 years

Table1.1

	Age					
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
Valid	21-25	168	57.5	69.1	69.1	
	26-30	14	4.8	5.8	74.9	
	31-35	7	2.4	2.9	77.8	
	36-40	3	1.0	1.2	79.0	
	40 and above	51	17.5	21.0	100.0	
	Total	243	83.2	100.0		
Missing	System	49	16.8			
Total		292	100.0			

Figure1.1



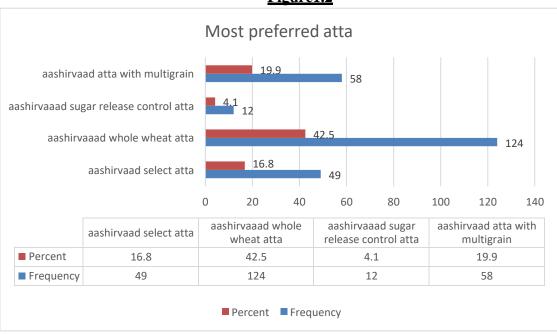
## • Preferred category of aashirvaad atta

Aashirvaad whole wheat is the most preferred in sub category aashirvaad atta

<u>Table1.2</u>

If yo	If you prefer Aashirvaad atta which one would you prefer?				
				Valid	Cumulative
		Frequency	Percent	Percent	Percent
Valid	aashirvaad select atta	49	16.8	20.2	20.2
	aashirvaaad whole wheat	124	42.5	51.0	71.2
	aashirvaaad sugar release control atta	12	4.1	4.9	76.1
	aashirvaad atta with multigrain	58	19.9	23.9	100.0
	Total	243	83.2	100.0	
Missing	System	49	16.8		
Total		292	100.0		

#### Figure 1.2



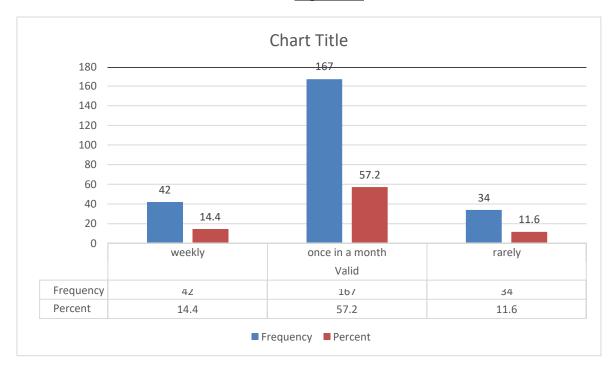
## • Frequency of purchase

Consumer prefer to purchase atta once in a month.

**Table 1.3** 

How frequently do you purchase atta?						
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	weekly	42	14.4	17.3	17.3	
	once in a month	167	57.2	68.7	86.0	
	Rarely	34	11.6	14.0	100.0	
	Total	243	83.2	100.0		
Missing	System	49	16.8			
Total	ı	292	100.0			

Figure 1.3



## C) HYPOTHESIS TESTING

Hypothesis	Null hypothesis (Ho)	Alternative Hypothesis (Ha)
1	There is no significant relationship between the softness of atta and consumer preferences of aashirvaad atta.	There is a significant relationship between the softness of atta and consumer preferences of aashirvaad atta.

**Table2.1** 

	Correlations						
			doyoupurchas eaashirvaad	Whatarethedeterminingfactor saashirvaadatta1LeastS			
		Corre lation Coeff icient	1	.396**			
		Sig. (2-tailed)		0			
Spear man's		N	243	243			
rho		Corre lation Coeff icient	.396**	1			
		Sig. (2-tailed)	0				
		N	243	243			
**. Cor	relation is significant at the 0.01	l level (2	**. Correlation is significant at the 0.01 level (2-tailed).				

Table no. 2.1: Relationship between softness of atta and consumer preferences of aashirvaad atta.

(Spearman's Correlation Test)

So, to test the hypothesis three variables are considered related to the hypothesis which are:

softness of atta and consumer preferences of aashirvaad atta. The Spearman's correlation coefficient "r<sub>s</sub>" is used to test the correlation which is a non-parametric measure of the strength of association that exists between the variables measured on at least an ordinal scale. As the significance of Spearman's correlation coefficient is positive i.e. less than 0.01, it can be concluded that there is a positive relationship between softness of atta and consumer preferences of aashirvaad atta. Which means softness plays a vital role in brand preference.

Hence, looking at the correlation table we can conclude that <u>the null hypothesis is rejected</u> And thus, accept that there exists a relationship between softness of atta and consumer preferences of aashirvaad atta.

Hypothesis	Null hypothesis (Ho)	Alternative Hypothesis (Ha)
2	There is no significant relationship between the nutrients of atta and consumer preferences of aashirvaad atta.	There is a significant relationship between the nutrients of atta and consumer preferences of aashirvaad atta.

**TABLE 2.2** 

		•	lations	
			doyoupurchas eaashirvaad	Whatarethedeterminingfactor saashirvaadatta1LeastNT
		Corre lation Coeff icient	1	.897**
Spear man's rho	doyoupurchaseaashirvaad	Sig. (2-tailed)		0
		N	243	243
	Whatarethedeterminingfactor saashirvaadatta1LeastNT	Corre lation Coeff icient	.897**	1
		Sig. (2-tailed)	0	·
		N	243	243
**. Co	rrelation is significant at the 0.01	level (2	2-tailed).	

Table no. 2.2: Relationship between nutritional facts of atta and consumer preferences of aashirvaad atta.

(Spearman's Correlation Test)

So, to test the hypothesis three variables are considered related to the hypothesis which are: Nutritional facts of atta and consumer preferences of aashirvaad Atta. The Spearman's correlation coefficient "r<sub>s</sub>" is used to test the correlation which is a non-parametric measure of the strength of association that exists between the variables measured on at least an ordinal scale. As the significance of Spearman's correlation coefficient is positive i.e. less than 0.01, it can be concluded that there is a positive relationship between nutritional facts of atta and consumer preferences of aashirvaad atta. Which means nutritional facts plays a vital role in brand preference.

Hence, looking at the correlation table we can conclude that the <u>null hypothesis is rejected</u> and thus, accept that there exists a relationship between nutritional facts of atta and

## $consumer\ preferences\ of\ aashirva ad\ atta.$

Hypothesis	Null hypothesis (Ho)	Alternative Hypothesis (Ha)
3	There is no significant relationship between the quality of atta and consumer preferences of aashirvaad atta.	There is a significant relationship between the quality of atta and consumer preferences of aashirvaad atta.

Table2.3

Correlations				
			doyoupurchasea ashirvaad	Whatarethedeterminingfactorsaash irvaadatta1LeastQ
	doyoupurchaseaashirvaad	Correl ation Coeffic ient	1	.453**
		Sig. (2- tailed)		0
Spearm		N	243	243
an's rho	Whatarethedeterminingfactorsaash irvaadatta1LeastQ	Correl ation Coeffic ient	.453**	1
		Sig. (2- tailed)	0	
		N	243	243
**. Correlation is significant at the 0.01 level (2-tailed).				

Table no. 2.3: Relationship between Quality of atta and consumer preferences of aashirvaad atta.

(Spearman's Correlation Test)

So, to test the hypothesis three variables are considered related to the hypothesis which are: Quality of atta and consumer preferences of aashirvaad Atta. The Spearman's correlation coefficient "r<sub>s</sub>" is used to test the correlation which is a non-parametric measure of the strength of association that exists between the variables measured on at least an ordinal scale. As the significance of Spearman's correlation coefficient is positive i.e. less than 0.01, it can be concluded that there is a positive relationship between quality of atta and consumer preferences of aashirvaad atta. Which means quality plays a vital role in brand preference.

Hence, looking at the correlation table we can conclude that the <u>null hypothesis is rejected</u> and thus, accept that there exists a relationship between quality of atta and consumer preferences of aashirvaad atta.

#### Limitations

While the current study reveals some interesting results, several limitations should be noted. Researchers face several issues while the research. And, when it comes to secondary research there are many limitations because in such case the researcher relies on the already written data. So, there are some limitations which are being faced during the research:

- 1. The major limitation of the study is that the conclusions were drawn based on the survey conducted in Pune city only. The survey would have yielded more effective results, if it is extended to other cities, sub urban and rural areas too.
- 2. Survey data may be biased as many people are doing research, so respondents are sometimes not interested to give genuine responses.
- 3. One limitation refers to the research design of this study. Although the descriptive Research design was suitable for the setting of this study, the time constraints resulted in difficulties in collaborating with companies.
- 4. Another issue faced is, a limited number of answers on the survey. Due to the online survey the fewer respondents replied to the questionnaire.
- 5. Lack of previous studies in the research area also created the banner in the current research as there is very less study material on the research area.
- 6. Sample size is small as the target population for this study.
- 7. Current pandemic situation also acted as an obstacle in the study as the respondents are contacted only through online methods rather than the personal interview and observation method.

#### **Findings**

From the study following are some of the key observations that justifies the topic:

1. In the questionnaire, respondents were asked to rate the different factors which influence that's leads to purchase aashirvaad atta (1 being least 5 being most) quality has the majority preferences over other factors.

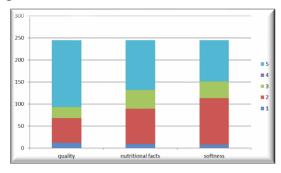


Figure 2.1

2. It was found that out of 240 respondents 41 % prefer aashirvaad atta forming a significant market share in packaged wheat flour market in INDIA.

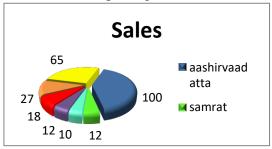


Figure 2.2

- 3. Aashirvaad whole wheat is the most preferred in sub category aashirvaad Atta. As this was the first segment of aashirvaad atta introduced in the market.
- 4. In this study, the correlation test has been used to test the hypothesis which is to check the relations between the factors influencing and brand preference, and three variables are incorporated i.e. quality, softness and nutritional facts and there is a positive relationship between the variables. Thus, the null hypothesis is rejected
- 5. Consumer prefer to purchase atta once in a month as the 10 kg pack purchased mostly.

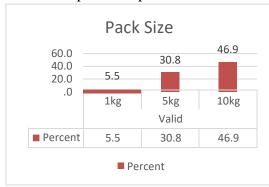


Figure 2.3

#### Recommendations

This research can be important for other researchers in future as very less study has been conducted in this topic. Very little full fledge research has been found on consumer preference and factors influencing it. Main focus was to check the linkage between brand preference and factors driving towards the purchase.

- 1. Area wise strategies should be made as consumer preference changes from area to area and also their spending power differs from area to area.
- 2. Sub category of aashirvaad atta should be given more importance.
- 3. Should introduce more category of atta i.e Bajra, Bran, Soya, etc.

#### **Discussions**

A few limitations which have emerged from the current study offer opportunities for future research. Although this research has considered very few outcomes regarding factors affecting buying preferences, to ensure that the customer has a positive opinion about the product after usage and will return back to it every time, this study focuses on the brand preference of customers for the packaged atta brands

Further research could be to test the impact of annual income, rural market and values and. Additionally to build upon the findings of the study, future research could test could help identify new segment and variables which effects on consumer preference and consumer satisfaction. This could further explore if the satisfactions have an impact on buying behavior. And if the results of this study can be generalized, the study should be replicated in different areas and industry sectors.

The key themes identified within the consumer preference can be explored in more depth, and this would enable an analysis to be undertaken and identify which areas of consumer behavior is untouched yet.

#### **Conclusion**

After observing the analysis, it is clear that Aashirvaad atta is still the most preferred atta in the market but other brands like Samrat and Nature Fresh are giving it a tough competition. In the competitive analysis, we can see that locally grinded has second most consumer preference after Aashirvaad in rural areas. It can be observed from the analysis that Aashirvaad is most popular amongst its users mainly because of its quality, softness and nutritional facts

Overall, the findings of this study suggest a strong and optimistic picture of the brand effect major on customer preferences. By pointing the focus of the findings of this analysis are practitioners with regard to key factors influencing the brand impact may also build a bridge between theory and business practice and encourage managers to develop brands which are technically useful, meaningful and culturally significant.

The measures of consumer preferences assume that customer recall of the brand automatically translates in to buying of the product. The customer is bombarded by the advertisements of hundreds of brands on a daily basis, with each brand jostling for a share of the customer's mind. This study provides a valuable source of knowledge for academic researchers and business practitioners in India interested in conducting research and/or managing staff.

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