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Customer Satisfaction towards Branded Food Products

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ABSTRACT

The present study was carried out to study the customer satisfaction towards branded food products using primary as well as secondary data. The FMCG sector has grown at an annual average of about 11 per cent over the last decade. The food industry of India is poised for huge growth, increasing its contribution to world food trade every year and food processing sector in India has received around US$ 7.54 billion worth of Foreign Direct Investment (FDI) during the period April 2000-March 2017. The maximum respondents belonged to the income range of ₹ 10,000-20,000 with 21-30 years of age. Most of the consumers of selected food products were loyal to their brands, however, the price and availability of products remain the crucial factors in marketing of both the brands.

Keywords: FMCG, ITC, Patanjali, customer satisfaction, brands

Fast moving consumer goods (FMCG) or consumer packaged goods (CPG) are products that are sold quickly and at relatively low cost. It includes non-durable goods such as soft drinks, over-the-counter drugs, processed foods and many other consumables. In contrast, durable goods or major appliances such as kitchen appliances are generally replaced over a period of several years. The term was coined by Neil H. Borden in the Concept of the Marketing Mix in 1965 (1996, Prentice-Hall, Inc.). FMCG represent the essential goods which have an adequate cost within a given market and are sold fast. Products which have a quick turnover, and relatively low cost are known as Fast Moving Consumer Goods (FMCG). FMCG products are those that get replaced within a year (Westbrook & Oliver, 1991; Halstead, 1994; Fornell *et al.* 1996; Mohsan *et al*. 2011 and Singh 2010). FMCG companies produce, distribute, and market goods that are usually low in price and consumed at a regular period. These companies engage in sales, marketing and advertising, finance, procurement, logistics, etc. of goods. FMCG companies also handle operations, supply chain, manufacture and general management of goods (Economy Watch 2009).

India is expected to become the fifth largest consumer market in the world by 2025, according to a paper prepared by the Confederation of Indian Industry (**CII**) and Grant Thornton. Food and beverages is the biggest of the consumption categories. The F&B sector is supported by the vast agriculture sector: India is the biggest producer of pulses, and the second biggest producer of rice, wheat, sugarcane, and fruits and vegetables. It is also the biggest producer of milk and buffalo meat and ranks fifth in poultry production. The other helpful factors: large extents of arable lands, favorable climate, long coastline, and low wages. The huge population (1.27 billion in 2015) and the burgeoning middle class are the other advantages for the industry. Quality-conscious customers have taken the bottled water market to $50 million. The beverage industry, excluding alcoholic beverages, is worth about $16 billion. Tea and coffee are the most popular beverages, followed by soft drinks (carbonated drinks and juices), health drinks, milk-based drinks, flavored drinks, and energy drinks. The alcohol beverages market is estimated to be worth about $35 billion, with whiskey, beer, and wine as the most popular drinks. Investment approval of up to 100 per cent foreign equity in single brand retail and 51 per cent in multi-brand retail. The present study analysed customer satisfaction towards Patanjali and ITC brands for products namely, wheat flour, noodles, ghee, juices, salt.

MATERIALS AND METHODS

The present study was conducted in Jammu city of Jammu & Kashmir state, employing purposive sampling technique for choosing outlets /stores/ counters and convenience sampling technique for selecting consumers. The data was collected through survey method using pre-tested questionnaires. The sample size for the study was 100, fifty each for selected brand. The respondents were selected from ten retail outlets where the products of the both companies were available for consumption.

- Patanjali: Gandhi Nagar, Janipur, New Plot, Chatha, Panjthirti
- ITC: Easy Day (Chatha, Janipur, Trikuta Nagar, Talab Tillo, Roop Nagar)

RESULTS AND DISCUSSION

Demographic profile of respondents

The data on demographic profile of the respondents revealed that 25 percent were below 20 years of age, 49 percent belong to age group of 21-30 years, 16 percent were between 31-40 years and 10 percent were above 40 years of age. Also, 52 percent of the respondents were male and 75 per cent were unmarried. 54 percent of the respondents were employed, 29 percent were students and 8 percent were businessman. The monthly income of 36 percent respondents was in the range of ₹10,000-20,000, followed by the 29 percent in the income range of above ₹20000, 20 percent in the range of ₹5,000-10,000 and 15 percent in the income range of up to ₹ 5000 (Fig. 1).

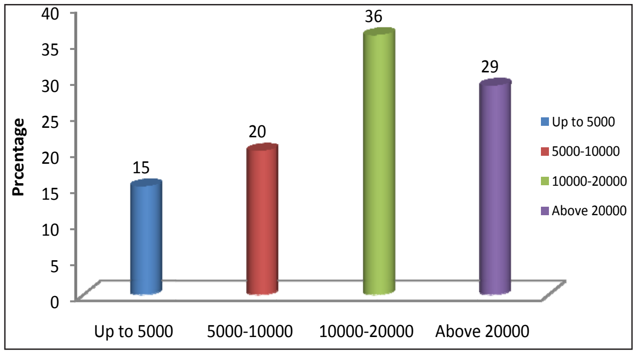

Fig. 1: Monthly income levels of respondents

Scaling of customer satisfaction

The scaling of the Patanjali Ayurved food products is presented in Table 1 on the basis of price, quality, availability and packaging of products namely wheat flour, noodles ghee, juice and salt etc. The majority of the consumers were either highly satisfied or satisfied from the products based on the four criteria. However, the availability of products remain a concern for some of the consumers.

Table 1: Scaling of the Patanjali Ayurved food products

Factors	Highly Satis-fied	Satis-fied	Neither satisfied nor dis-satisfied	Dissatis-fied	Highly Dissat-isfied
Wheat flour					
Price	20	44	7	11	0
	(24.40)	(53.66)	(8.53)	(13.41)	(0.00)
Quality	14	55	8	5	0
	(17.07)	(67.08)	(9.75)	(6.10)	(0.00)
Availability	19	47	13	0	3
	(23.17)	(57.31)	(15.86)	(0.00)	(3.66)
Packaging	12	44	24	2	0
	(14.63)	(53.66)	(29.27)	(2.44)	(0.00)
Noodles					
Price	16	60	3	3	0
	(19.51)	(73.17)	(3.66)	(3.66)	(0.00)
Quality	15	54	10	3	0
	(18.30)	(65.85)	(12.19)	(3.66)	(0.00)
Availability	19	42	17	4	0
	(23.17)	(51.22)	(20.73)	(4.88)	(0.00)

Packaging	9 (10.98)	49 (59.76)	16 (19.51)	5 (6.09)	3 (3.66)
Ghee					
Price	19 (23.17)	48 (58.53)	9 (10.98)	5 (6.10)	1 (1.22)
Quality	12 (14.63)	52 (63.41)	15 (18.30)	3 (3.66)	0 (0.00)
Availability	19 (23.17)	43 (52.44)	16 (19.51)	3 (3.66)	1 (1.22)
Packaging	19 (23.17)	29 (35.36)	30 (36.59)	4 (4.88)	0 (0.00)
Juices					
Price	9 (10.97)	55 (67.07)	15 (18.30)	3 (3.66)	0 (0.00)
Quality	15 (18.30)	45 (54.87)	19 (23.17)	3 (3.66)	0 (0.00)
Availability	14 (17.07)	34 (41.46)	16 (19.51)	18 (21.96)	0 (0.00)
Packaging	11 (13.41)	44 (53.66)	24 (29.27)	3 (3.66)	0 (0.00)
Salt					
Price	14 (17.07)	47 (57.31)	13 (15.86)	4 (4.88)	4 (4.88)
Quality	12 (14.63)	38 (46.35)	28 (34.14)	4 (4.88)	0 (0.00)
Availability	12 (14.63)	44 (53.66)	19 (23.17)	4 (4.88)	3 (3.66)
Packaging	11 (13.41)	30 (36.59)	38 (46.34)	3 (3.66)	0 (0.00)

Similarly, the scaling of ITC food products is presented in Table 2 on the basis of price, quality, availability and packaging of products namely wheat flour, noodles ghee, juice and salt etc. The majority customers were satisfied / highly satisfied with almost all the four parameters selected. However, the dissatisfaction was also found on aspects of price and availability of products.

Table 2: Scaling of the ITC food products

Factors	Highly Satisfied	Satisfied	Neither satisfied nor dis-satisfied	Dissatis-fied	Highly Dissatis-fied
Wheat flour					
Price	18 (24.00)	44 (58.67)	12 (16.00)	0 (0.00)	1 (1.33)
Quality	16 (21.34)	45 (60.00)	10 (13.33)	4 (5.33)	0 (0.00)
Availability	41 (54.67)	24 (32.00)	9 (12.00)	0 (0.00)	1 (1.33)
Packaging	20 (26.67)	38 (50.67)	15 (20.00)	2 (2.66)	0 (0.00)
Noodles					
Price	19 (25.34)	48 (64.00)	7 (9.33)	1 (1.33)	0 (0.00)
Quality	16 (21.33)	40 (53.34)	15 (20.00)	4 (5.33)	0 (0.00)
Availability	40 (53.34)	26 (34.66)	9 (12.00)	0 (0.00)	0 (0.00)
Packaging	17 (22.67)	44 (58.67)	12 (16.00)	2 (2.66)	0 (0.00)
Ghee					
Price	11 (14.67)	45 (60.00)	14 (18.67)	3 (4.00)	2 (2.66)
Quality	16 (21.34)	47 (62.66)	12 (16.00)	0 (0.00)	0 (0.00)
Availability	19 (25.34)	45 (60.00)	11 (14.66)	0 (0.00)	0 (0.00)
Packaging	12 (16.00)	45 (60.00)	15 (20.00)	3 (4.00)	0 (0.00)
Juices					
Price	20 (26.67)	48 (64.00)	7 (9.33)	0 (0.00)	0 (0.00)
Quality	12 (16.00)	48 (64.00)	13 (17.34)	2 (2.66)	0 (0.00)
Availability	43 (57.33)	23 (30.67)	8 (10.67)	1 (1.33)	0 (0.00)
Packaging	20 (26.67)	41 (54.67)	13 (17.33)	1 (1.33)	0 (0.00)
Salt					
Price	20 (26.67)	47 (62.66)	8 (10.67)	0 (0.00)	0 (0.00)
Quality	14 (18.67)	46 (61.33)	14 (18.67)	1 (1.33)	0 (0.00)
Availability	18 (24.00)	42 (56.00)	12 (16.00)	3 (4.00)	0 (0.00)
Packaging	12 (16.00)	39 (52.00)	24 (32.00)	0 (0.00)	0 (0.00)

Figures in parentheses indicates percentages.

CONCLUSION

The present study concludes that the selected food products faces huge competition. The price and quality of wheat flour, noodles, ghee, juice and salt remain the crucial factors for selection of any brand. The availability of products also effects the choice and selection of food products among different available brands.

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