

CONSUMER PREFERENCE TOWARDS SUP OF GINGER-GARLIC-PASTE IN MANCHAR TOWN (PUNE)

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ABSTRACT

The food industry is biggest sector in India contributing 9-10% of GDP (2017 statistics) with the growth rate of 10%. The researchers have studied the consumer preference of small unit packs that are available in ginger-garlic paste in Pune region. The geographical area is restricted to Manchar region which is in the vicinity of Pune city. The researchers collected primary data with the help of survey and the instrument used was structured questionnaire. The sampling technique used was convenience sampling and the sampling size was 150. The bivariate analysis is used to tests the hypotheses. The results have shown that small unit packs of ginger-garlic paste are value for their money. These packs are convenient to use and has least chance of wastage. Small unit packs require less space of storage.

Keywords: SUP, small unit packs, ginger-garlic paste, food industry, consumer behaviour

Introduction

Food is the basic ingredient in survival of the lives. Food industry plays an important role in the economic development of the country. The India's food sector is growing at a pace of 10% and it contributing to 9-10% of manufacturing GDP in FY 2017. There is a vast diversity in the consumption pattern of the consumers in India and this ignites the convolutions in production of food products and its supply. In India the supply of food products in packaging form is growing with fast pace. The consumer preferences in India are diverse as their need differs. The need of the consumers affects the buying decision for any products/services. The companies offer variety of packaging pattern for the consumption of food products in India. This packaging pattern acts as a differentiation tool that affects the decision to select the product from a varied range of comparable products (Wells et al., 2007).

The Indian food industry supply food in a package where everyone can buy as per their convenience and need. The food industries are now focusing the consumers from rural areas. There are many differences in consumers living in rural and urban areas and their buying pattern. The industries working in food sector should consider the differences in consumption pattern and workout to market their products in rural areas too for getting a success. The rural area has a large number of potential consumers

which can be a profitable to enter into such market.

The major issue in the Indian rural market is the affordability and acceptability. The important variable that drives the rural market is income-level of the people living therein. The major concern is with the affordability as the consumers are much price sensitive. They expect good quality products in the affordable prices. This has motivated the food industries to offer the good quality products in small packs as these small package offers with fewer prices. The food and cosmetics companies are coming up with the small packs for rural consumers and this helping them to introduce a product in the market in urban areas too. The rural market is going through vibrant changes and this erupts the high demand for the such products. The small packaged and small priced products are getting sold in the market with huge quantity, thirty-five percent in five rupees and twenty-five percent in ten rupees packs.

The concept of small packs rather attracting larger section of the population was introduced by C K Pralhad in 2002 with concept of Bottom of the Pyramid as historically this section has been excluded from mainstream economic activity. As per his concept of 4A's, -1) Awareness of the product & service, 2) Access to it, 3) Affordable, 4) Available, food industry is already tried to work hard. Niti Bhan of Emerging Futures Lab identified 5D's,

another approach and proposed five D's as: (1) Development- there is always shortage of money with BOP customers, so they buy every-day and as-n-when needed. So, to get these customers one need to get it through a more or less immediate value creation, (2) Design, (3) Distribution - Accessibility and Availability same as 3rd & 4th A, (4) Demand-advertisement and communication in order to resonate with the Bop consumer, (5) Dignity.

Ginger Garlic

The important commercial crops of Ginger & garlics cultivated in every state of India. The states of Maharashtra, Gujrat, HP, Kerala, Haryana, MP, Orissa and UP are major producer of Ginger-Garlic. Ginger-garlic are two most important and essential spices for cooking Indian food, however, worldwide these have huge acceptance and consumption. Apart from domestic cooking, ginger-garlic is largely used by food processing industries including hotels, restaurants, coffee shops use these products for preparation of various food-items. The ginger garlic paste making activity comes under the Aggro-based-Industry. When prepared for packets to be sold in the market, it requires preservatives to increase the shelf life. Earlier people used to prepare it at home, but busier lifestyle and higher income level has prompted consumers to buy readymade paste which saves time and energy. The readymade paste is getting popularity in urban areas as well as small town and rural India. The total paste segment of FMCG is most preferred by students, cooks, working professionals and travelers. Total production of spices in the country is estimated to be 5387092 MT / year. Total production of ginger and garlic in the country is estimated to be 701990 MT and 1072400 MT respectively. Total export of ginger and ginger products from India is estimated to be Rs. 20420.00 lacs / annum whereas export of garlic and garlic product is estimated to be Rs. 1415 lacs / annum as per www.techno-preneur.net.

Various brands of Ginger-Garlic-Paste available in Manchar:

There are various Kirana shops and super markets in Manchar town. The brands available for the ginger-garlic paste products in the area

vary from Rs. 5 to Rs. 48. The brands available in the local grocery shops are Kitchen's King, Catch, R.N. Chef's choice, Nilon's, Smith and Jones and Royal Tadka, and the brands like Mother's recipe, Eastern, Smith and Jones, Suhana, Royal Tadka and Dabur Homemade are not easily available.

Literature Review

Momina, B. & Mishra, K. (2014) written a research article on 'Pricing Strategies in Indian Rural Market: Less (Price) Means More (Revenue)'. It focuses on the product pricing strategies in rural market in India. The purpose of research article is to explore the strategies for rural market to generate the high revenue. The researcher also concluded that the rural consumers are not only price sensitive but they demand quality and value for money at the same time.

Patel, S.K. (2013) explored on the rural market in the article 'The Challenges and Strategies of Marketing in Rural India'. The study is based on the secondary data and it describes challenges in Indian rural market in marketing the products. It talks about the hurdles of marketing for rural consumers. The paper concludes that the rural market can be promising when companies understands the dynamics of rural consumers and their preferences.

Patil, P. (2017) has written on 'Rural and Urban Consumers of India'. The article is about the exploring various differences of consumers in rural and urban India. The study is explorative which used secondary data extensively for the analysis. The author concluded there are certain points of distinction which makes rural and urban consumers apart. The researcher said the rural consumers have low purchasing power and their behavior of buying is need based.

Vasavada, J.K. (2014) in his research paper 'A Study on Rural Market in India: Opportunities and Challenges' thrown a light on the opportunities and challenges. It also described characteristics of the rural consumers in India. The researcher explored what the rural market is. It includes the traits underlying the rural consumers and strategies while penetrating the rural market. It also explored the strategies adopted by the FMCGs in rural

market. The author concluded that understanding consumers' needs are important in designing the strategies for rural market.

Subadra, S. et al. (2010), conducted a research on 'Consumer Perceptions and Behaviour'. The research is based on the primary data. It said that it's extremely important to understand the consumer behavior and decide the marketing strategies which are compatible with their needs. They also talked about the classes of consumer behavior – cultural, socio-economic, personal and psychological. In their study they considered the determinants of consumer purchase decision which falls under the category of socio-economic class. These are age, education, income and family size.

After a literature review researcher has considered the variables for investigation as Age, Education, Income Level, Family Size, Awareness, Convenience, Affordability, Availability, Risk of Wastage, Use-based consumption, Need-based, Design, Dignity, Price, Quality (value for money)

Objectives

This research paper aims to highlight the concept of small unit packs in Food Industry, with a reference with Ginger-Garlic-Paste among residents of rural area of Manchar with objectives as:

1. To know the buying behavior of rural consumers with respect to SUPs of Ginger-Garlic-Paste.
2. To identify the determinants of buying decision of SUPs of Ginger-Garlic-Paste.

Research Methodology

Hypotheses

Hypothesis 1: Consumers buy SUPs of Ginger-Garlic-Paste as they are Affordable.

H₀: There is no association between Consumer's buying-decision and Affordability

H_a: There is strong association between Consumer's buying-decision and Affordability

Hypothesis 2: Consumers buy SUPs of Ginger-Garlic-Paste due to premium-packaging with low-price

H₀: There is no association between Consumer's buying-decision and premium-packaging-with-low-price

H₁: There is strong association between Consumer's buying-decision and premium-packaging-with-low-price

Hypothesis 3: Consumers buy SUPs of Ginger-Garlic-Paste because of Quality (Value-for-Money)

H₀: There is no association between Consumer's buying-decision and Quality

H₁: There is strong association between Consumer's buying-decision and Quality

Hypothesis 4: Consumers buy SUPs of Ginger-Garlic-Paste as they are Convenient to use

H₀: There is no association between Consumer's buying-decision and Convenient-to-use

H₁: There is strong association between Consumer's buying-decision and Convenient-to-use

Hypothesis 5: Consumers buy SUPs of Ginger-Garlic-Paste to avoid Risk of Wastage.

H₀: There is no association between Consumer's buying-decision and Risk-of-Wastage

H₁: There is strong association between Consumer's buying-decision and Risk-of-Wastage

Hypothesis 6: Consumers buy SUPs of Ginger-Garlic-Paste to avoid Storage Issues

H₀: There is no association between Consumer's buying-decision and Storage-Issues

H₁: There is strong association between Consumer's buying-decision and Storage-Issues

Data collection tools-The data is collected through primary and secondary sources. The survey questionnaire is administered for collecting the data. The secondary sources include e-journals, research papers, research articles of scholars etc.

Sampling technique and target population-The sampling is drawn from those who are buyers and sellers of the Ginger-Garlic-Paste. The study is conducted for the area of Manchar in Pune district of Maharashtra state. The sample size is of 150 buyers of Ginger-Garlic-Paste.

Data Analysis

Demographic Characteristics of the Respondents: (Table No. 1)

Table No. 1: Demographical Classification

		Percentage	Qty.
Gender	a-Male	55	82
	b-Female	45	68
Age	1-18 to 35 years	16	24
	2-36 to 50 years	47	70
	3-Above 50 years	37	56
Marital Status	a-Married	55	82
	b-Unmarried	45	68
Education	1-Undergraduate	26	39
	2-Graduate	59	89
	3-Post Graduate	15	22
Profession	1-Self Employed	1	2
	2-house Wife	32	48

	3-Salarid	59	89
	4-Student	7	11
Annual Income	1- less than 1 Lakh	31	46
	2- 1 to 5 Lakhs	49	73
	3- More than 5 Lakhs	21	31
No. OF Family Members	1-upto 4	83	124
	2-More than 4	17	26
Eating Habit	1-Veg	33	49
	2-NonVeg	67	101

(Source: Primary Data)

Hypothesis Testing: Bivariate analysis is used by the researcher and the following table shows the data analysis summary. (Table No.2)

Table No. 2: Testing of Hypothesis

Sr. No.	Alternate Hypotheses	Questions	Q _{AB}	Calculated X ²	Result
1	Consumers buy SUPs of Ginger-Garlic-Paste as they are Affordable.	B6 & C1	0.2148	1.1109	Null Hypothesis Accepted
2	Consumers buy SUPs of Ginger-Garlic-Paste due to premium-packaging with low-price	B6 & C2	0.0278	0.0186	Null Hypothesis Accepted
3	Consumers buy SUPs of Ginger-Garlic-Paste because of Quality (Value-for-money)	B6 & C3	0.7789	19.2882	Null Hypothesis Rejected
4	Consumers buy SUPs of Ginger-Garlic-Paste as they are Convenient to use	B6 & C4	0.7017	18.8296	Null Hypothesis Rejected
5	Consumers buy SUPs of Ginger-Garlic-Paste to avoid Risk of Wastage	B6 & C5	0.6874	12.9359	Null Hypothesis Rejected
6	Consumers buy SUPs of Ginger-Garlic-Paste to avoid Storage Issues	B6 & C6	0.9961	112.0116	Null Hypothesis Rejected

(Source: Primary Data)

Findings

- In the table (Table No.2, Sr. No. 1), the correlation coefficient has very less association. Chi-Square test results into acceptance of null hypothesis and rejection of alternate hypothesis.
- In the table (Table No.2, Sr. No. 2), the correlation coefficient has very less association. Chi-Square test results into acceptance of null hypothesis, and rejection of alternate hypothesis.
- In the table (Table No.2, Sr. No. 3), the correlation coefficient shows an association. Chi-Square test results into rejection of null hypothesis and acceptance of alternate hypothesis.
- In the table (Table No.2, Sr. No. 4), the correlation coefficient shows an association. Chi-Square test results into rejection of null hypothesis and acceptance of alternate hypothesis.
- In the table (Table No.2, Sr. No. 5), the correlation coefficient shows moderate association. Chi-Square test results into rejection of null hypothesis and acceptance of alternate hypothesis.
- In the table (Table No.2, Sr. No. 6), the correlation coefficient shows strong association. Chi-Square test results into rejection of null hypothesis and acceptance of alternate hypothesis.

This clearly indicates that the rural customers in Manchar area buying the ginger-garlic paste with respect to SUP have nothing to do with the affordability and premium-packaging-with-low-price. But, at the same they are buying the ginger-garlic paste because they get value for their money i.e. expected quality, convenience-of-using these pastes and to avoid the risk of wastage.

Conclusion

The food industry is the largest in FMCG sector in India. The Indian consumer rural area

is very well aware about the categories of the products available in food. The consumers buy ginger-garlic paste as they believe that these products are value for money. The data analysis shows that small unit packs are convenient to use and it avoids risk of wastage as compared to larger packs. Also, the data shows that for small unit packs there is no issue of storage as compared to the larger packs. Thus, the organisations into the business of manufacturing and selling of ginger-garlic paste should not neglect the revenues generating from the small unit packs.

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