"A Comparative Analysis on consumer preference with respect to post launch of Nestle Maggie and Patanjali Noodle at Nagpur"

Dr. Snehal Godbole
Assistant Professor in Marketing Management,
Dr. Ambedkar Institute of Management Studies and Research, DeekshaBhoomi, Nagpur

ABSTRACT

For young generation instant noodles have been a revolution as it is very easy to cook and comes in variants of tastes. Though there are many players in the market which are trying to attract the youngsters towards their brand of noodle especially after Maggie noodles were out of the shelf for a period of few months. The highlight of this research paper is to identify how frequently and how much Noodle do people consume, whether they buy small, big or family pack and have the preferences have changed over the matter of Maggie. The very reason for selecting this area of research is that there is a keen competition in the market and once market understands the mentality, thought process and reaction for certain product, the can easily grab the market share and new entrants like Patanjali Atta Noodles is trying to encash on the same. Sales are largely bases on Customers then the product and service offered by the marketer. Factors like price, quality, advertisement, satisfaction, taste, packaging, brand loyalty and to some extent the how safe it is to consume a product plays an important part

Keywords: Maggie, Patanjali, preferences, brand loyalty.

INTRODUCTION

The instant noodles category in India was, in a sense, created by Nestle with the introduction of their Maggi brand in mid-1984. The concept of '2-minute noodles', positioned as a quick snack option for children, found acceptance with both the children and their mothers as well. Having built and nurtured the category's evolution, the brand name "Maggi" almost became a synonym for the instant noodles category itself. During the 1990s and 2000s, Maggi faced little competition. Despite the entry of players like Top Ramen (Indo Nissin Foods) in 1991, Ching's Secret (Capital Foods) in 1996, and WaiWai (CG Foods) in 2005, Maggi continued to retain its dominant position. However, in the past few years, we have seen consumer goods giants ITC (Sunfeast Yippee!), GlaxoSmithKline (Horlicks Foodles), and Hindustan Unilever Limited (Knorr Soupy Noodles) enter into this lucrative market with differentiated product offerings. These brands have brought a competitive intensity to the space. Even though 'Maggi' continues to dominate the market the entry of multiple brands and the increasing aggression of existing brands has taken away several percentage points from Maggi's market share. The category's strong growth, and ever widening consumer acceptance, makes it a lucrative option for various players. The instant noodles market is estimated at ~INR 2200 crore (USD 402.7 million) and is projected to grow at a healthy annual rate of 15% over the next few years. Apart from Maggi, major brands which successfully gained a market share are Top Ramen, Yippee, Ching's Secret, Knorr Soupy Noodles and WaiWai. There are roughly 10 brands available in India and the market is still open for any new entry with smart product. Recently Patanjali Group has launched Noodles in India with name "Patanjali Atta Noodles" and they are promoting it as healthy noodles made from wheat floor. Patanjali is growing towards the biggest FMCG Company in India with a share of 11.8% in FMCG sector as of now

Literature review

Mr. Rahul .M..Mhabde and Mrs. Rajeshri Soni (2017) in their research "Analytical study on Consumer behavior towards "Maggi Instant noodle" in Mumbai –A post ban Scenario" has discussed the perception of consumers post ban towards Maggi instant noodles. How the consumers have reacted on the purchase of Maggie once it was relaucned after a ban of few months. K. Srinivasan R. Nirmala (2014) "A Study on Consumer Behavior towards Instant Food Products (With Special References to Kanchipurm Town)" has talked about consumer behavior regarding instant food products among the consumers. The most dramatic change is the change in consumer demographics and demand preferences. The researcher attempts to analyse the consumer purchasing frequency for the instant food products. Karthika Sajan (2016) in his study "A Study on the Customers Attitude towards the Relaunch of Maggie Noodles in Ernakulam" talks about the consumers attitude towards Maggie after its relaunch as controversies has hampered the image of Maggie in the minds of the customers. Dr. Bhanupriya Kharti (2015) "Customers Attitude and behavior towards instant noodles especially Maggie in India" talks about the price, ease new favour and variants of instant noodles had made a place of its own in every Indian kitchen and how these products are consumed by all category of people irrespective of their gender and age. Shabista Booshan & Rittika Das (2016) A Research Paper On The Maggi Muddle Case and Its Impact on The Psyche Of The Indian Consumers (18 To 24 Years), the researchers talk about the journey of Maggi in India over the last 33 years and how Maggi pioneered and became the leader in the Instant Foods Category. They further stress on the strategic marketing techniques, in-depth market analysis, and the ability to maintain strong stakeholder relationships contributed towards boosting the brand's growth. Dr.Gomathi.D and Mr.Muruganantham .S (2016) in their research "An Overview of Maggi Noodles on and off The Shelves in India" have stated that how Maggie become the 'third staple' of Indian food after wheat and rice. How they have succeeded in gaining the spot they have lost due to ban on the variants from the Indian government. Nitin J. Maniyal and Dr. M. M. Munshi (2015) "Impact of Maggie Noodles on Youth" states that the youth of the 21st century are inclined towards the junk food, the food that is tasty and easy to make although knowing its ill effects and its impact on health. After Maggi Noodles was banned across the country and Nestle India Ltd withdrew stocks the study attempts to identify the various different factors that have an impact on the youth.

Statement of problem

Despite their fondness for instant noodles, consumers in India hold the notion that noodles are unhealthy, being made from 'maida' which is seen as not being as healthy as 'atta'. To address this concern, brands are proactively introducing 'healthy' offerings as part of their product portfolio. Companies are promoting their products as healthy products and since the ban on Maggie for few months has aggravated this concern of health as people say "Health comes first"

Objective

The objective of this study is as follow

- To understand the consumer preferences toward Nestle Maggie noodle and Patanjali Noodle in Nagpur city.
- To know the consumer view towards the Noodles.
- To find out the availability of the product.
- To know which category of noodle is most preferred.
- To study on various parameters on which the consumer purchase the noodle.

Hypothesis:

H0- there is no significant difference among the male & female buying behaviour while purchasing noodles based on taste

H0- there is no significant difference among the male & female buying behaviour while purchasing noodles based on price

Sampling Detail

1 The target population for this research study consists of the resident of Nagpur of varied age group and gender.
2 Individual customers were the sampling units for this research.
3 A sample size of 200 consumers was taken into account for this research.
4 The sampling method used for this research was simple random sampling method and 200 respondents spread across Nagpur city were taken into consideration

Limitations:

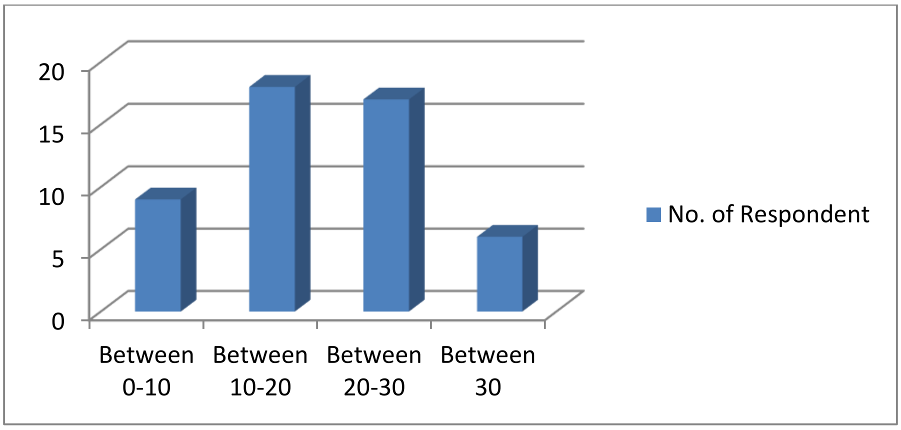
As every research has chances of errors and these errors at times may lead to uncertainty. Here are few limitations to this study.

- As time was a major constraint the study was limited to some areas of Nagpur city and not all areas were covered.
- As the study is limited to Nagpur geographically the inferences drawn are also limited to the city only.
- Some respondents were hesitant in giving their opinions at times.
- Respondents were biased at times and availability of time for filling up the questionnaire was also an issue.

Data Analysis and Interpretations

Age wise classification

Sr no.	Age	No. of Respondent	Percentage
1	Between 0-10	9	18%
2	Between 10-20	18	36%
3	Between 20-30	17	34%
4	Between 30	6	12%
	Total	50	100%

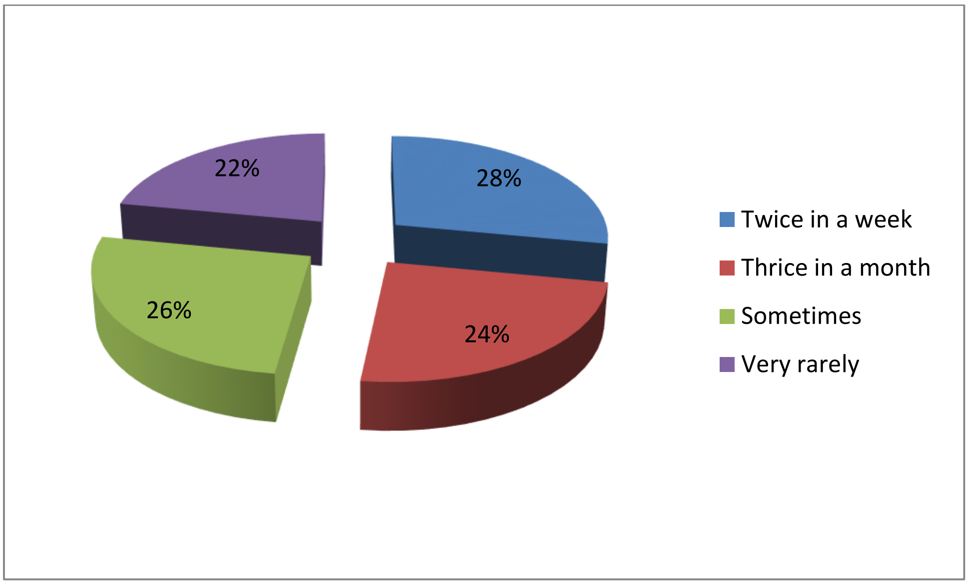


respondent age Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 9, 18, 17, 6 belongs to age group of 0-10, 10-20, 20-30, above30 respectively.

1. How often will you eat NOODLES?

Sr no.	Answer	No. of Respondent	Percentage
1	Twice in a week	14	28%
2	Thrice in a month	12	24%
3	Sometimes	13	26%
4	Very rarely	11	22%



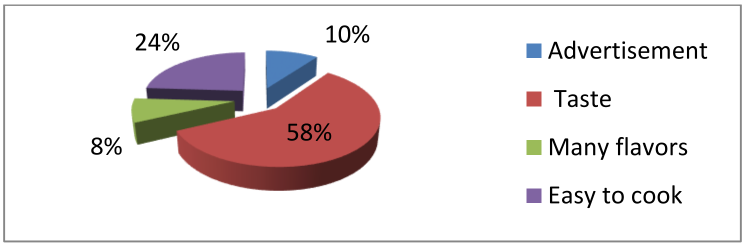
Noodle consumption per month

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 22% responded they eat noodle very rarely, 28% twice a week , 24% thrice a week, and 26% sometimes.

2. You like NOODLES because of

Sr no.	Answer	No. of Respondent	Percentage
1	Advertisement	1	2%
2	Taste	33	66%
3	Many flavors	4	8%
4	Easy to cook	12	24%



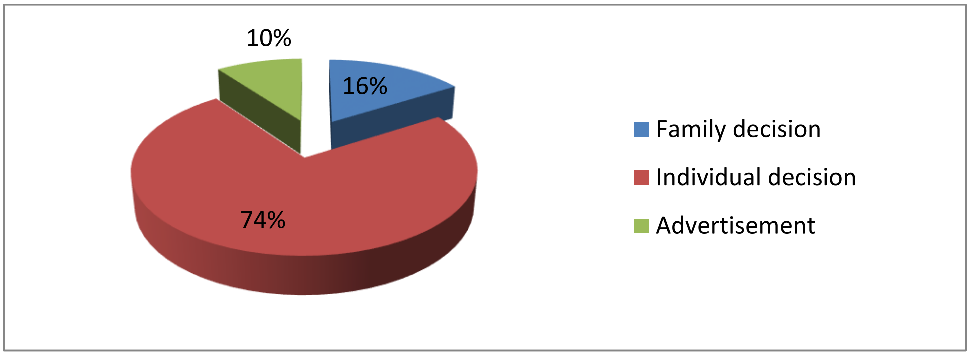
Individual choice for Noodle

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 58% choose for taste, 24% find it easy to cook, 10% find it interesting because of advertisement, and 8% like it because of many flavor.

3.Which feature out of the following make you to buy the product of your choice?

Sr no.	Answer	No. of Respondent	Percentage
1	Family decision	8	16%
2	Individual decision	41	82%
3	Promotional/Advertisement	1	2%



Buying behavior factor

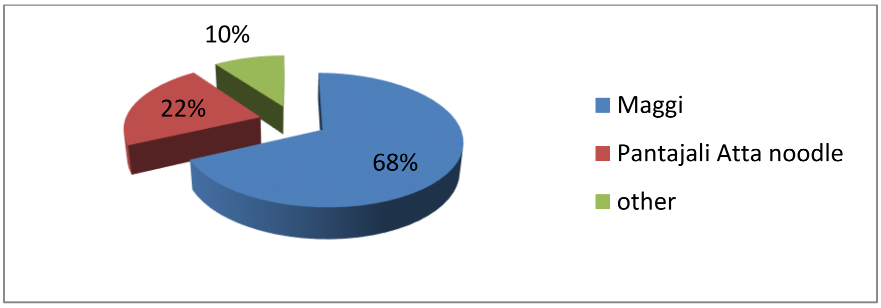
Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which

10% follow the advertisement, 16% make on family decision, 82% make individual decision.

4. Which among the following products you usually buy

Sr no.	Answer	No. of Respondent	Percentage
1	Maggi	34	68%
2	Patanjali Atta noodle	11	22%
3	Other	5	10%



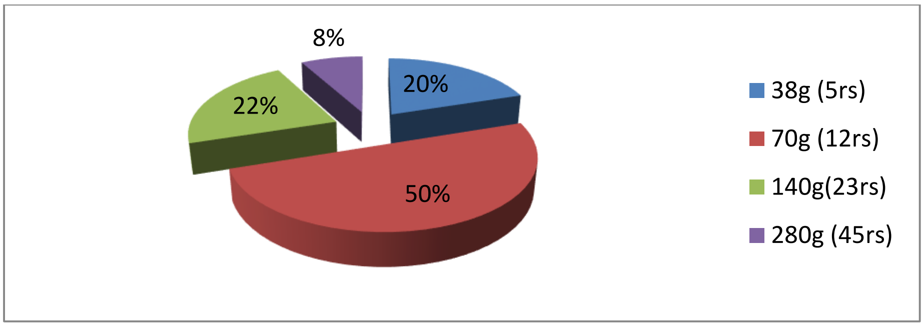
Product choice

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 68% people buy Maggie, 22% prefer Patanjali noodle, 10% go with other brand.

5. Which pack size is mostly preferred for noodle?

Sr no.	Answer	No. of Respondent	Percentage
1	38g (5rs)	10	20%
2	70g (12rs)	25	50%
3	140g(23rs)	11	22%
4	280g (45rs)	4	8%



Preferred pack

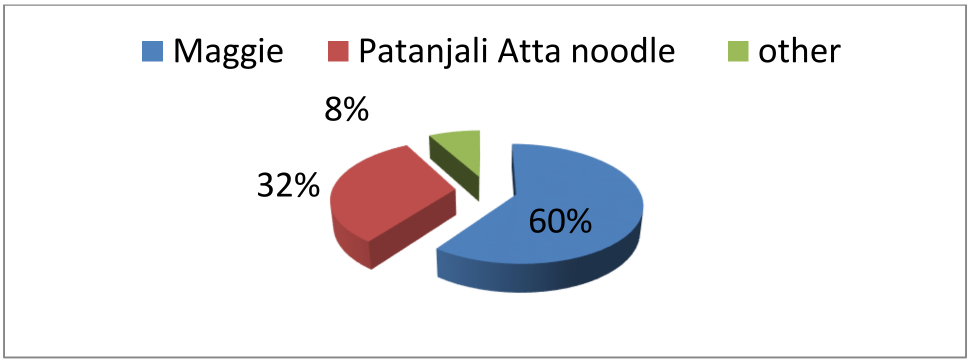
Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 50% respondent prefer 70g pack size, 22% prefer to buy 140g pack size, 20% buy 38g pack size, while 8% buy 280g pack size.

\

6. The price of which product you find better?

Sr no.	Answer	No. of Respondent	Percentage
1	Maggie	30	60%
2	Patanjali Atta noodle	16	32%
3	Other	4	8%



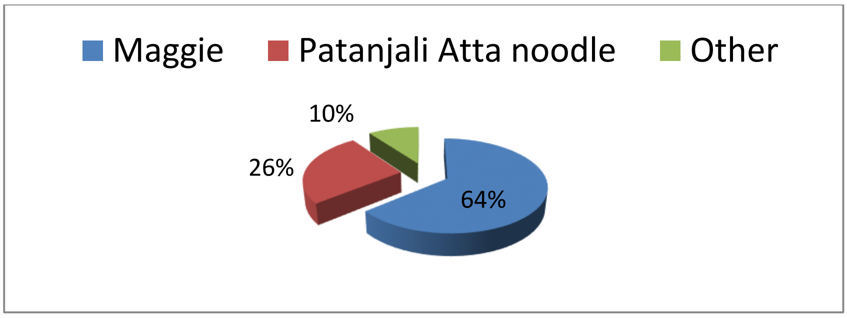
Price perception

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 60% feel price of Maggie is better, 32% find Patanjali price better, rest 8% go with other.

7. The quality of which product you find better?

Sr no.	Answer	No. of Respondent	Percentage
1	Maggie	32	64%
2	Patanjali Atta noodle	13	26%
3	Other	5	10%



Quality perception

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 64% gave vote to Maggie, 26% prefer Patanjali Noodle, while 10% go with other

8. After Maggie lead incident have you choose Patanjali as alternative?

Sr no.	Answer	No. of Respondent	Percentage
1	Yes	31	62%
2	No	19	38%

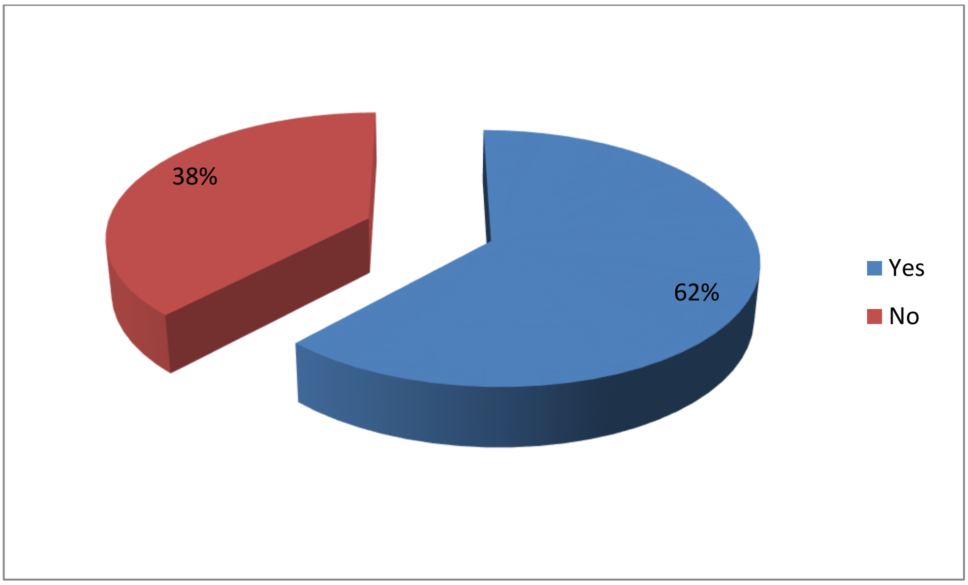


Fig 14: Patanjali preference after Maggie lead incident

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 62% have tried Patanjali noodle and 38% respondents did not bother.

9. Which flavor would you choose?

Sr no.	Answer	No. of Respondent	Percentage
1	Atta Noodle	11	22%
2	Spicy flavor Noodle	17	34%
3	Oats Noodle	3	6%
4	None of these	19	38%

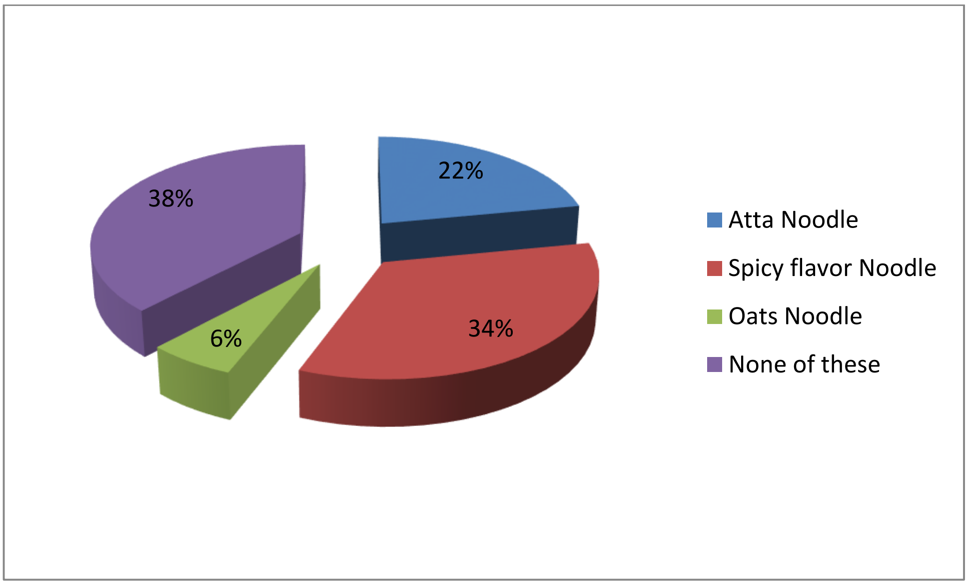


Fig 15: choice for favour

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 22% like Atta noodle, 34% like to have Spicy flavor noodle, 6% like to have oats noodle while 38% like to stick with classic flavor.

10. Which products offer better nutritional content for your family?

Sr no.	Answer	No. of Respondent	Percentage
1	Maggie	20	40%
2	Patanjali Atta noodle	26	52%
3	Other	4	8%

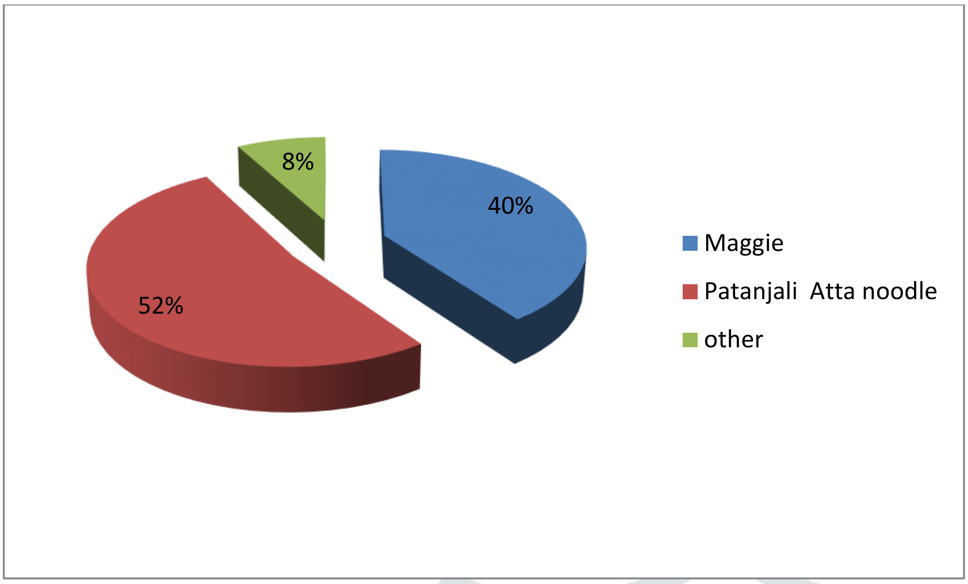


Fig 16: noodle with nutrition content

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 52% believe Patanjali will be good for their family, 40% go with Maggie while 10% prefer other noodle brand.

11. If Maggie Veg Atta noodle is available instead of Maggie 2 minute noodle in the store

Sr no.	Answer	No. of Respondent	Percentage
1	I will look at other stores	18	53%
2	I will wait few days till Maggie 2 minute noodle comes to my store	7	20%
3	I will buy Maggie Atta Noodle from the same store.	5	15%
4	I will buy Patanjali Atta noodle from the same store.	4	12%

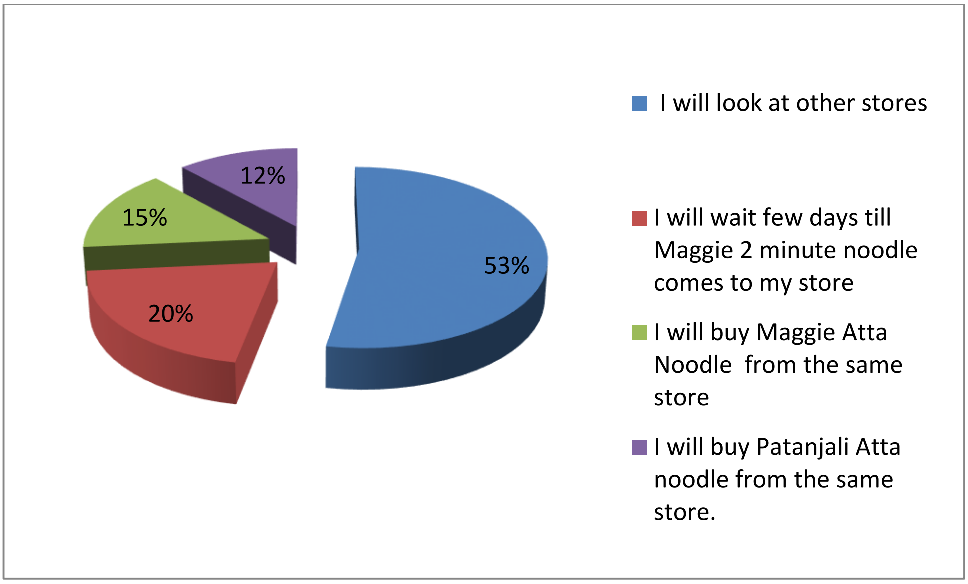


Fig 17: preference over atta noodle

Interpretation

According to the above analysis it is concluded that I have surveyed respondents of which 53% like to go to other store and buy Maggie masala, 20% will wait for Maggie masala, 15% will buy atta noodle instead, while 12% will purchase Patanjali noodle.

12. Should Patanjali introduce new flavors Noodles in the market?

Sr no.	Answer	No. of Respondent	Percentage
1	Yes	26	52%
2	No	16	32%
3	No Comment	8	16%

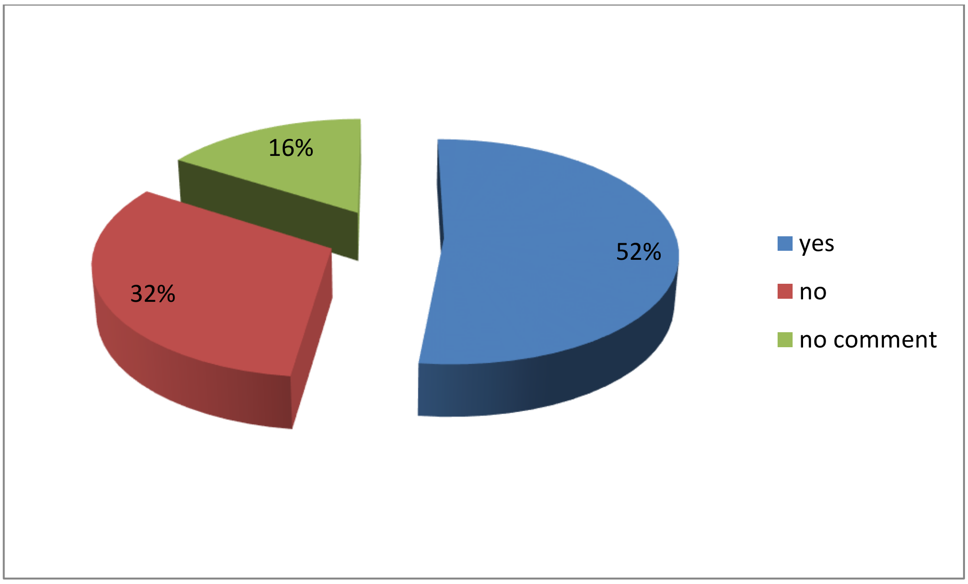


Fig 18: Patanjali with new favour

Interpretation

According to the above analysis it is concluded that I have surveyed 50 respondents out of which 52% would like Patanjali in new flavor, while 32% don't want any experiment in flavor while 16% don't have any opinion on it.

Testing of Hypothesis:

1) there is no significant difference among the male & female buying behaviour while purchasing noodles based on taste

The details of the impact of taste on purchase of the product among the male & female, the responses collected are as follows:

Impact of taste	Yes	No	Total
Male	19	09	28
Female	14	08	22
	33	17	50

The expected frequency matrix obtained from the collected data is as follows:

Impact of taste	Yes	No	Total
Male	18.48	9.52	28
Female	14.52	7.48	22
	33	17	50

To test the hypothesis we have used Chi – square test for goodness of fit

The calculated value of chi – square test is 0.99, whereas the tabulated value of chi – square test for (2 x 2) matrix at 5% level of significance is 3.814. thus, we will accept the null hypothesis and can say that there is no significant difference among the male & female buying behaviour while purchasing noodles based on taste

2) There is no significant difference among the male & female buying behaviour while purchasing noodles based on taste.

The details of the impact of taste on purchase of the product among the male & female, the responses collected are as follows:

Impact of Price	Yes	No	Total
Male	17	11	28
Female	18	4	22
	35	15	50

The expected frequency matrix obtained from the collected data is as follows:

Impact of Price	Yes	No	Total
Male	19.6	8.4	28
Female	15.4	6.6	22
	35	15	50

To test the hypothesis we have used Chi – square test for goodness of fit

The calculated value of chi – square test is 2.61, whereas the tabulated value of chi – square test for (2 x 2) matrix at 5% level of significance is 3.814. Thus, we will accept the null hypothesis and can say that there is no significant difference among the male & female buying behaviour while purchasing noodles based on Price.

Findings

Following are the findings of the research conducted on 50 random people of Nagpur:

- When we asked people to choose between Maggi and Patanjali, 64% respondents voted for Maggi while only 26% opted for Patanjali noodles which clearly states that popularity of Maggi is still on peak.
- ‘Quality and Taste’ is the major deciding factor in choosing noodles brand as believed by respondents while working class gives importance to ‘Health and Nutrition’ and ‘price’ matters to only few respondents while choosing noodles brand.
- Effectiveness of advertisement of Patanjali Atta noodles is not satisfactory because only some had bought it after seeing ad and while other purchased randomly and through references and few respondents has still not tried these swadeshi noodles. Thus, marketing and promotion is weak
- Most of the respondents feels that Patanjali Atta noodles are a healthier option than other available noodles while few believe that they are not healthy. Thus most of purchaser of Patanjali is homemaker and working people eat Patanjali as healthy snack.
- Distribution channel of Patanjali Atta noodles is not appropriate as only few responded are satisfied with its availability while some are not satisfied with the availability because these noodles are available only at authorized Patanjali stores and few big retail chains.
- Most of the retailer says that Patanjali can be made better while few believe them to be perfect with respect to its taste and packaging.
- Nestle Maggie has shifted to its concern to one of the most influential target market i.e. youth as population concern more on the youth as they consist majority of the population in the country and are most spenders in today’s age. Thus introducing Maggie hot head as spicy flavor noodle.
- There is still scope of improvement by Patanjali Noodle in some of the rural and remote areas are not till covered.
- Quantity of Patanjali Noodles consume is dependent upon age group.

Conclusion

From the survey carried out and after data analyses of the information obtain it can be concluded that people are aware of different brands of Noodles. Most of the customers prefer to use Maggie as it is convenient in both way in terms of quantity and availability. Brand name is consider as an important factor while purchasing a Noodle and in which Maggie is most preferred brand name among the customer. It is also found that price plays an important.

Maggie masala is preferred most as compared to the rest other flavor of Maggie’s brand. Nestle Maggi suffered greatly because of the ban and incurred quarterly losses for the first time in last 32 years. Inspite of many allegations and ban, Maggi made a comeback and people whole-heartedly accepted it several consumers have shifted to other brands due to health and safety reasons.

Satisfactory numbers of people has tried Patanjali noodles as yet and like it because Patanjali Atta noodles are made up of wheat and do not contain harmful additives. From research I came to know that people are ready to pay any amount if the product is tasty and healthy. But if you compare Patanjali with Maggi on health and price factors then Patanjali bags the prize as it is very economically priced and very healthy in comparison with Nestle Maggi. Patanjali has collected lot of accolades and is expected to grow in Indian market more speedily in the coming time.

Recommendations

- Patanjali Atta noodles are on the right track to flourish in Indian market but distribution channel is very weak. Currently, Patanjali is selling its noodles through its own authorized stores and few retail chains only. Thus, stock should be distributed to small shops and stores also so that it is easily reachable for public at large
- Patanjali noodles tastes heavily of masalas which spoils the favour and fun of noodles as agreed by many people when interviewed personally. People automatically compare its taste with Maggi and thus get bit disappointed. So Patanjali should try and make a change in this respect to give competition to Nestle Maggi
- The feedback of the retailer should be collected regularly so that the companies can come to know that were they are standing. Design some attractive scheme for retailer, which can differentiate from competitors and interesting for retailer.

References:

- Anubhav Anand Mishra (March, 2010), "Factors affecting customer satisfaction and their relative importance the retail banking sector". An empirical study. The IUP Journal of Management Research, Vol IX No. 03, March 2010, Pg. – 6 - 23
- Cardozo R n (1965), "An experimental study of customer effort, expectation and satisfaction", Journal of Marketing Research, Vol. 2 No.3 Pg. 244 – 249
- Dabholkar P A (1995), "A contingency framework for predicting causalities between customer satisfaction and service quality", Advances in Consumer Research, Vol. 22 Pg. 101 – 108
- Howard J A and Sheth J N (1969), "The theory of buyer behaviour, John Willey and sons, New York.
- Meidan A (1996), Marketing financial services, MacMillan Press, Houndmills.
- Oliver R L and Swan J E ()1989), "Consumer perception of interpersonal equity and satisfaction in transaction: A field survey approach", Journal of Marketing Vol. 53, April .Pg. 21 – 35
- Mick D G (1999), " Rediscovering satisfaction ", Journal of Marketing, Vol 63, No. 4,Pg 5 – 23
- Brostoff S (2001), "Insurer vow to keep agents as key distributors components", National Underwriter, Vol 105, No. 29, July. Pg. 16.
- Darwar N and Parker P, (1994), "Marketing universal: consumers use of brand name, price, physical appearance and retailer reputation as signals of product quality", Journal of Marketing, Vol 58, April, Pg. 81.

- Dyer N A ((2000), "Try to keep the customer satisfied", Insurance Broker's Monthly, Vol 50, No. 7 July
- Insurers", the Journal of risk and Insurance, Vol. 60, Pg. 591 – 615.
- Reagon. B (2001), "Added value key to agent/broker survival", National Underwriter, Vol. 105, No. 29, July. Pg. 16.