Consumer Preference for Rice-based Ready to Cook Food Products in Coimbatore City

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Abstract:

Indian consumers spend more than half of their income on food, whereas the consumers around the world spend one-third of their income on food. Prior research states that the middle-class segment had spent more amount on food and groceries than other income groups. As double income nuclear families became the norm in urban India, everyone in the food business has been eyeing the ready to cook food sector with significant hunger. The trend in consumption of ready to cook food products is increasing due to the increasing number of working women population, concomitant increase in per capita income, urbanization of domestic labor, dearth of time, and hectic schedule, compelling the consumer to look for foods of convenience, that are readily available, culturally acceptable, nutritive and minimally processed with longer life. Hence this study was carried out to through light on the huge demand for ready to cook food products, as well as the results of this study, which can be used by the manufacturers to redesign their production and marketing strategies to serve better to the society.

Key Words: Consumer Preference, Ready to Cook Food Products, Consumption Pattern, Rice Flour

INTRODUCTION:

Traditionally Indians preferred to consume foods prepared on their own. However, over the years, increase in urbanization, breaking up of the traditional joint family system, desire for quality produce which results in an increased need for convenience, increasing number of working women, rise in per capita income of the household, changing lifestyles and increasing level of affluence in the middle-income group has brought about changes in food habits. The change in food habits was evident from the growth of the food processing industries. The establishment of separate ministry for that purpose is also one of the main reason to add dynamism in the food processing sector. One of the most significant changes in foodservice operations in recent years has been the significantly increased use of instant food items. These are also referred to as the "Convenience Foods", "Ready Foods," or "Prepared Foods" (Chengappa, 2004). Non-availability of sufficient time to prepare food, frequent travel to different locations to accomplish the requirements of officiating position, and changes in the taste and preferences forced the consumers to switch on to the ready to cook food products. Among the various ready cook food products, production and sale of wet rice flour are quite common among the urban folks through the majority of traders. Hence, the present study has been initiated to address the expectations of the consumer and their preferences on ready to cook rice food products.

DESIGN OF THE STUDY

Coimbatore is the third-largest city in Tamil Nadu with a population of more than 15 lakhs, and the city is located on the banks of the River Noyyal. The city's primary industry is the engineering and textile industry, also houses the country's largest cluster of hosiery and poultry

industries. Around 30,000 tiny small, medium, and large industries and textile mills are located in Coimbatore and known for its entrepreneurship of its residents. The propotion of working women in Coimbatore has been increasing tremendously in recent years resulting in the need for ready to cook food products due to shortage of time for household works. This also favored the development of small scale industries like rice-based industries. Convenience sampling method was used by the researcher for the study.

Logit Model has been applied to analyze the factors influencing the purchase decision among the consumers of ready to cook rice food products. Selected places of Coimbatore have been chosen for the study to examine the awareness and consumption level of ready to cook food products among the consumers. To find out the preference and expectation of consumers towards rice-based ready to cook food products and to suggest the appropriate strategies for promoting ready to cook food products in the consumer market. It is found that 48 per cent of the household expenditure in India is on food items and the demand for processed/convenience food is continuously increasing. Processed products like packed polished wheat (atta) has widened the market, attracting multinationals like HALL and Pillsbury (a joint venture with Godrej). "Ready to eat" food and snacks are in massive demand among the customers. This study focused on addressing the consumer preference for Ready to cook food products including research in respect of family size, expenditure pattern, decision-making behavior, brand awareness, brand preference, media factors and their opinion related to price, quality, taste and pack size of the ready to cook food products.

RESULTS AND DISCUSSION

A survey was conducted in selected places of Coimbatore to understand primarily the expenditure pattern of the consumers, their attitude and buying behaviour, frequency of purchase of rice flour mixes, consumers feeling on product quality and the data collected were analysed. Further Logit model has been applied to analyze the factors influencing the purchase decisions among the consumers. In general, consumer behaviors are different in different situations, and they vary according to their age, taste, level of income etc., Nature of buying behavior includes buying motives, taking a decision for buying, the source of buying, frequency of buying, source of information for buying family size and consulting for buying. The results on the purchasing instant food products revealed that the ranking given by the housewives and working women are reasons for prompting them to buy these products as reported (Kamalaveni and Nirmala, 2000).

The survey data collected showing the details of expenditure by each respondent for their family are presented in Table 1.

Table 1: Expenditure Pattern of the Respondents:

S.No.	Items	Expenditure / Month in Rs.			
		Low	**Medium**	**High**	**Average**
1	Food Items				
	Rice & Rice products	679.34	895.78	851.00	810.71 (11.42)
	Fruits & Vegetables	220.21	390.00	415.00	341.74 (4.35)
	Meat & Meat products	480.94	579.00	676.00	578.81 (8.16)

	Others	501.30	637.65	732.90	623.95 (8.79)
Total		1881.71 (45.06)	2502.93 (32.53)	2680.90 (30.53)	2355.21 (33.19)
2	Non-Food Items				
	Education	833.33	2533.30	2600.00	1988.88 (28.04)
	Clothing	1288.51	2250.00	3200.00	2246.17 (31.65)
	Others	172.80	386.50	760.00	439.77 (6.19)
	Total	2294.64 (54.94)	5469.8 (71.29)	6560.00 (70.00)	4774.82 (67.28)
Total (Food+Non Food)		4176.43	7672.73	9440.90	7096.69 (100.00)

(Figures in Parenthesis Indicate Percentage to Total)

*others – Entertainment, Medicine, Narcotics

The results revealed that for the food item, the households spent the maximum amount of Rs. 810.71/- for rice and rice products (11.42 per cent) followed by other food items (Rs. 623.95/-), meat and meat products (Rs.578.81/-) and fruits and vegetables (Rs.308.40/-). The results also state that as income increases, the percentage of expenditure on food items decreases, which confirms the Engels law of family expenditure. Expenditure under non-food items showed that the maximum amount of Rs.2246.17/- for clothing which closely followed by Rs.1988.88/- for education and the least amount (Rs.439.77/-) was spent for other non-food items. Therefore, it is concluded that the majority of respondents' expenditure is for non-food items (67.28 per cent).

In respect of food items, one should be interested in analysing the usage experience of Rice Wet Flour among the consumers. In this respect, the period of usage of rice flour mixes among the respondents were collected, analysed and the results are presented in Table 2.

Table 2 Period of Usage of Rice Flour Mixes by the Respondents:

Sl.No	Period of Usage	Number	Percentage
1	< 6 months	12	24.00
2	6 month – 1 year	7	14.00
3	1 – 2 year	2	04.00
4	2 years & above	19	38.00
5	Never	10	20.00
Total		50	100.00

It is stated that 24 per cent of the respondents were using rice flour mixes for more than 6 months followed by 14 percent of the respondents were using for 6 months to 1 year, 4 per cent of the respondents were using 1 to 2 years, 38 per cent of the respondents were using 2 years and above and 20 per cent of the respondents have never used the rice flour mixes on an average. Hence it is clear that the majority of the respondents (38 per cent) were using the rice flour mixes for more than 2 years.

While analyzing the consumer's opinion and product quality of the rice based food products, the following results were obtained and and its details are presented in Table 3.

Table 3. Consumers Opinion on Product Quality of the Rice-based Food Products:

Sl.No.	Particulars	Number	Percentage
1	Adulteration	15	37.50
2	Under Weight and Higher Price	7	17.50
3	No Complaints	18	45.00
Total		40	100.00

Income is Significant at One Percent Level; Decision Making -5 Per Cent Level of Significance; Expenditure is Significant at Five Per Cent Level.

The results revealed that 37.50 per cent of the respondents felt that there is adulteration in rice flour mixes, 17.50 per cent felt that there is underweight and higher price in rice flour mixes, 45 per cent of the respondents have no complaints about the rice flour mixes. Hence it is clear that the majority (45 per cent) of the respondents feel that there are no complaints in rice flour mixes on an average. It might be due to preference and usage of branded products, which had lesser chances of adulteration.

The frequency of purchase of rice flour mixes by the respondents were collected and analysed for the present study. The Frequency of purchase by the respondents is presented in the table 4 below.

Table 4. Frequency of Purchase of Rice Flour Mixes

Sl.No	Frequency of Purchase	Number	Percentage
1	Monthly Once	1	2.00
2	Monthly Twice	3	6.00

3	Weekly Once	14	28.00
4	Weekly Twice	22	44.00
5	Daily	-	-
6	Never	10	20.00
	Total	50	100.00

Its understood from the above table 4 that most of the respondents purchased rice flour mixes weekly twice accounting to 44 per cent followed by weekly once (28 per cent) and people never purchased rice flour mixes accounting to 20 per cent. Moreover it is understood that majority of the Coimbatore residents staple food is rice based food products.

Logit Model has been applied to analyze the factors influencing the purchase decision among the consumers, and the results are presented in Table 5.

Table 5. Factors influencing the purchase decisions mong the consumers using Logit mode

Variable	Co-efficient	Standard Error	b/Standard Error	P (IZI>Z)
Characteristics in Numer of Prob (Y=1)				
Constant	3.038943387	3.0769784	0.988	0.3233
Age	-0.3436978483	0.25941976	-1.325	0.1852
Family Size	0.04784282065E01NS	1.0895041	0.044	0.9650
Educational Status	0.2807327801NS	0.41044927	0.684	0.4940

Nature of Family	-1.117777824NS	0.94757709	-1.180	0.2382
Income Pattern	3.7379282950**	0.66099371	5.68	0.0064
Expenditure Pattern	2.870115608*	1.1718224	2.449	0.0143
Decision Making	-1.619164508*	0.79418172	-2.039	0.0415
Expenditure for rice based food products	- 0.005196121384E02NS	0.48683001	-0.011	0.9915

*-5% significance

**-1% significance

It is inferred that among various factors, income, expenditure and decision making were the most influencing among the consumers. The results of logit analysis confirmed that a unit increase in income would increase the purchase of rice-based products by 3.74 units i.e., consumers' income shift from low to middle income. Similarly, a unit increase in expenditure for the household would increase the purchase of rice-based products by 2.87 units i.e., as the income increases, the expenditure spent on household products also increases.

Furthermore, the results of the logit analysis concluded that as the decision-maker becomes the wife in the family, the purchase of rice-based products also tends to increase. The Co-efficient is negatively significant for decision making which implied that the wife is more frequently making the decision to purchase rice-based products for other members of the family

rather than the husband. All the other variables involved in the logit function analysis are non-significant.

CONCLUSION

The majority of the respondents were aware of the rice-based ready to cook food products through neighbors and various other sources. Subsequently, most of the respondents were using ready to cook rice food products for more than two years and has not complained about the products since the present taste was good. On the basis of the Logit model, as the decision-maker becomes the wife in most of the family, the purchase of rice based products also tends to increase. A unit increase in the income and expenditure of the household would increase in the purchase of rice-based food products. Furthermore, the majority of the respondents choose ready to cook food products since they do not have time and patience to prepare them at home. Hence, the manufacturers of ready to cook food products can bring a wide variety of products with better quality at a reasonable price to attract more new customers and also to retain their existing customers to serve better to the society.

References

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