

# Consumer Attitude towards Promotional Strategies of Maiyas Beverages and Foods Pvt. Ltd., Bengaluru - A Case Study of Rama Nagara District, Karnataka State

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**Abstract:** Processed vegetarian food products are rapidly growing sector. The present study deals with the consumer attitudes towards various promotional strategies adopted by the company. A sample of 300 consumers, irrespective of age, sex, qualification was selected randomly for the study. The developed questionnaire was used to collect the data. The data were analyzed by using simple percentage method. The result of the study reveals that the consumers are positively responding to various promotional strategies of the company. The management of the company should make use of proper promotional strategy to safeguard market position.

**Keywords:** Customer awareness, Promotional strategy, processed food products.

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## 1. INTRODUCTION

**Marketing** is the conversation between a company or brand and a consumer that ultimately leads to brand recall, preference or a transaction. In today's socially networked world that conversation is being disinter mediated by word of mouth referrals. Traditional marketers will have to work harder to get ahead of and to influence this trend. Marketing is ultimately responsible to create enterprise value via the brand, the face of the business strategy. To do so, marketing identifies the target, attractive high growth segments. Marketing drives the organization to define the single minded, differentiated brand value proposition and deliver on it every single day across every touch point. Marketing ensures the delivery of a compelling, differentiated offer to that target and proposition and, marketing measures and improves the consumers/businesses/partner satisfaction, and the brand health and strength. Marketing is the single point of accountability for growth, identifying and delivering on new customers, new offerings & new market profitable growth. Marketing is strategic communications and promotions delivered in a mix of forms, such as advertising, public relations, and direct marketing, through multiple online and offline channels, to acquire customers, retain customers, increase share of wallet and shorten the sales cycle. Marketing is deciding how to offer something specific customers crave and then engaging customers and other stakeholders to create preference. Marketing builds relationships between consumers and brands.

A **marketing strategy** is a process or model to allow a company or organization to focus limited resources on the best opportunities to increase sales and thereby achieve a sustainable competitive advantage. A marketing strategy will help

you tailor your messages and put the right mix of marketing approaches in place so that you bring your sales and marketing activities together effectively in an effective marketing plan. A good marketing strategy helps you define your vision, mission and business goals, and outlines the steps you need to take to achieve these goals. One of the key elements of a successful marketing strategy is the acknowledgement that you're existing and potential customers will fall into particular groups or segments, characterized by their "needs". Identifying these groups and their needs through market research, and then addressing them more successfully than your competitors, should be the focus of your strategy. The focus of your strategy should be making sure that your products and services meet customer needs and developing long-term and profitable relationships with those customers. To achieve this, you will need to create a flexible strategy that can respond to changes in customer perceptions and demand. It may also help you identify whole new markets that you can successfully target.

**Food processing** is the transformation of raw ingredients, by physical or chemical means into food, or of food into other forms. Food processing combines raw food ingredients to produce marketable food products that can be easily prepared and served by the consumer. Modern food processing technology developed in the 19th and 20th centuries was developed in a large part to serve military needs.

Rapid increase in disposable income in India coupled with changed attitudes towards health and hygiene is driving growth of processed food in India. Today there is higher affordability and greater willingness amongst consumers to pay for various needs originating from modern living. Increasing urbanization, hectic lifestyles, rising number of nuclear families and increasing proportion of working women is leading to an increased demand for convenience. Indian consumers in larger numbers are opting for greater brought-into-home food consumption. Simultaneously, growing brand consciousness, exposure to Western products, introduction of food categories that are new to the Indian palate and new product variants catering to diversified tastes are ensuring higher acceptability of processed food products. All these factors create a strong case for the accelerated growth of processed foods. The government of India is providing financial help for creation of infrastructure, and further developments & modernization of food processing units, & encouraging research & development. The government is also supporting various promotional means for encouraging marketing of processed food industries

**Maiyas beverages & foods pvt Ltd., Bengaluru**, has eight decades of culinary expertise & understand the culinary preferences of people around the world. The company has strong market positions in India & abroad with in eighteen months of launch. It is the fastest growing processed vegetarian food products industry in India. The company bought the packaging technology from defence food research laboratory, Mysore. No chemical preservatives added to the food while packing. Exports have also begun to Japan, USA, Singapore, United Arab Emirates, Sultanates of Oman, & Australia.

## 2. REVIEW OF LITERATURE

Comprehensive study with research orientation on marketing strategies of processed food industry in general and Mayas Food and Beverage industry, in particular is highly inadequate. An attempt is made to present the review of available literature on the topic.

According to **Kotler**, sales promotion consists of a diverse collection of incentives tools, mostly short-term designed to stimulate quicker and greater purchase of particular products/services by consumers or the trade.

**Roger strang** has given a more simplistic definition i.e "sales promotions are short-term incentives to encourage purchase or sales of product or service." Hence, any forms of incentives offered for short period either to trade or consumers as sales promotion activities.

**Blattberg and others**, opine that sales promotions are action-focuses marketing events whose purpose is to have a direct impact on the behavior of the firm's customers. There are three major types of sales promotions: consumer promotions, retailer promotions, and trade promotions. Consumer promotions are promotions offered by manufacturers directly to consumers. Retailer promotions are promotions offered by retailers to consumers. Trade promotions are promotions offered by manufacturers to retailers or other trade entities.

**Huff and Alden** observe that throughout the world, sales promotions offered to consumers are an integral part of the marketing mix for many consumer products. Marketing manager use price-oriented promotions, such as coupons, rebates,

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and encourage them to switch brands or stores. Non-price promotions such as sweepstakes, frequent user clubs, and premiums add excitement and value to brands and may increase brand attractiveness. In addition, consumers like promotions. They provide utilitarian benefits such as monetary savings, increased quality and convenience, as well as hedonistic benefits such as entertainment, exploration, and self-expression.

**Aradhna Krishna and others** opine that sales promotions have become a vital tool for marketers and its importance has been increasing significantly over the years. In India, sales promotions expenditure by various marketing companies is estimated to be Rs 5000 crore and the emphasis on sales promotion activities by the Indian industry has increased by 500 to 600 percent during the last 3 to 5 years.

**Kotler** opine that the given growing importance of sales promotion, there has been considerably interest in the effect of sales promotion on different dimensions such as consumer's price perceptions, brand choice, brand switching behavior, evaluation of brand equity, and effect on brand perception and so on. One of the purpose of a consumer promotion is to elicit a direct impact on the purchase behavior of the firm's customers.

**Blattberg, Briesch and Fox**, emphasize that research evidence suggests that sales promotions positively affects short-term sales. Research on price promotions has consistently reported high sales effect and high price elasticity for brands which on promotion.

**Aradhana Krishna** says that the studies have shown that price promotions enhance brand substitution within a product category, affect aggregate sales, and significantly affect stock piling and purchase acceleration. However, there have also been studies that promotions, especially price promotions.

### 3. STATEMENT OF RESEARCH PROBLEM

The food processing industry is consumer centric which offer variety of foods. Changes in consumer behavior ,changing socioeconomic conditions , the consumers becoming more diverse & complex in terms of sorts of food products they want, the channels through which they want to access them .Consumer retention are the most important challenges faced by the processed food industry .The effective relationship promotion strategy helps the industry to understand consumer needs better than their competitors. The focus of the study is to investigate the impact of promotional strategy implemented by Maiyas Beverages & Foods Pvt Ltd., Ramanagara district, Karnataka. The impacts of different promotional strategies are taken into consideration while examining the relationship between various promotional strategy & the consumers.

#### *Objectives*

1. To understand the present process of formulation, implementation, evaluation and control of marketing strategies in Maiyas Ltd.
2. To analyze the strength and weakness in marketing management of Maiyas Ltd.
3. To assess the promotional strategies of Maiyas Ltd. with the help of data collected from the consumers.
4. To make suggestions in the light of the findings of the study for enhancement of effectiveness in marketing activities of Maiyas Ltd.

### 4. LIMITATION OF THE STUDY

1. This study was based on primary data collected from sample consumers by survey method.
2. As many of the consumers furnished the required information from their memory and experience, the collected data would be subjected to recall bias.
3. The study area was limited to Ramanagara district & its surroundings and the findings may not be applicable to other markets, as vast difference exists among the consumers with regard to demographic and psychographic characteristics.
4. Hence, the findings of the study may be considered appropriate for the situations similar to study area and extra care should be taken while generalizing the results

**5. METHODOLOGY**

An empirical investigation has been done to study the consumer attitude towards promotional strategies of Maiyas Foods and Beverages Ltd, in Ramanagara district, Karnataka.

*This chapter covers the following aspects*

1. Description of study area
2. Sampling design and data collection
3. Analytical tools employed in the study

**Description of Study Area**

1. Ramanagara district, Karnataka state.
2. The population is heterogeneous with diverse cultural, religious and economic background.
3. Preliminary discussions were held with the local consumers and the marketers about the consumption of processed vegetarian food products as well as consumer attitude towards promotional strategies in the study area.

**Sample Selection**

1. The total samples selected for the study was 300 respondents.
2. In the phase 300 sample consumers each from Ramanagara district and surrounding towns were selected randomly irrespective of age, sex, qualification.

**6. COLLECTION OF DATA**

To study the objectives, required data were collected from primary as well as secondary sources.

**Primary Data**

The data required for the study were collected from the respondents by personal interview method with the help of pre-structured questionnaire. The respondents were interviewed at retail outlets, departmental stores, bakeries and even at the homes.

The questionnaire consisted of: Specific information included the information regarding purchase behavior, factors influencing the purchase of processed vegetarian food products, brand awareness, sources of information for brand awareness, frequency of purchase, nature of purchase decision, place of purchase, influencers of purchase decision, brand preference, factors influencing to prefer particular brand.

**Secondary Data**

The secondary data on location, demography and regarding population of the study

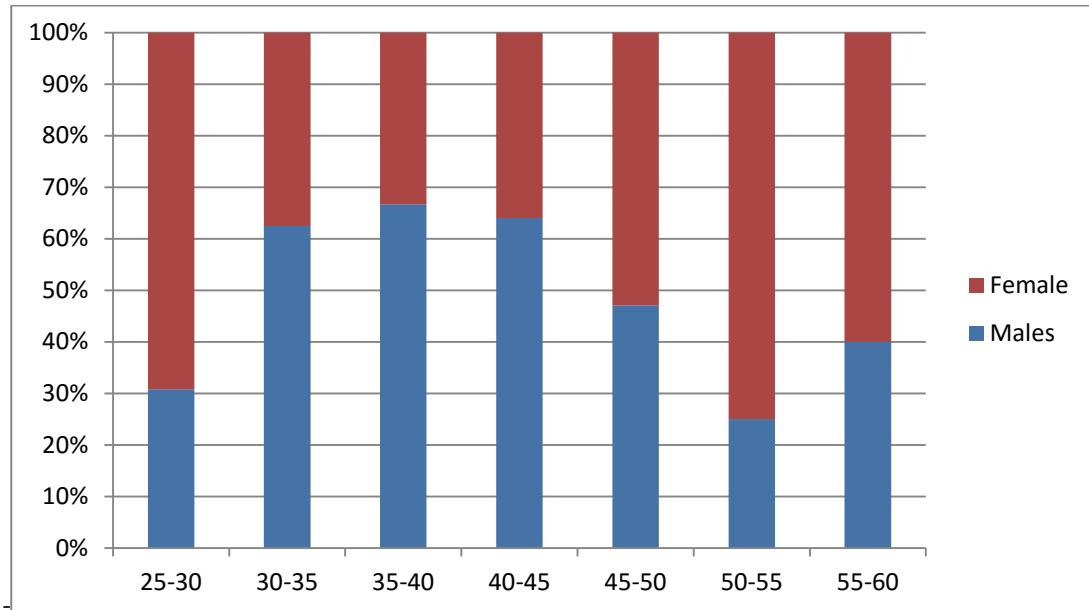
**Analytical Tools Used**

The data collected for the study was processed and analyzed by using simple Percentage method.

**7. RESEARCH FINDINGS AND DISCUSSIONS**

**1. Chart 1. Age group wise distribution of consumers**

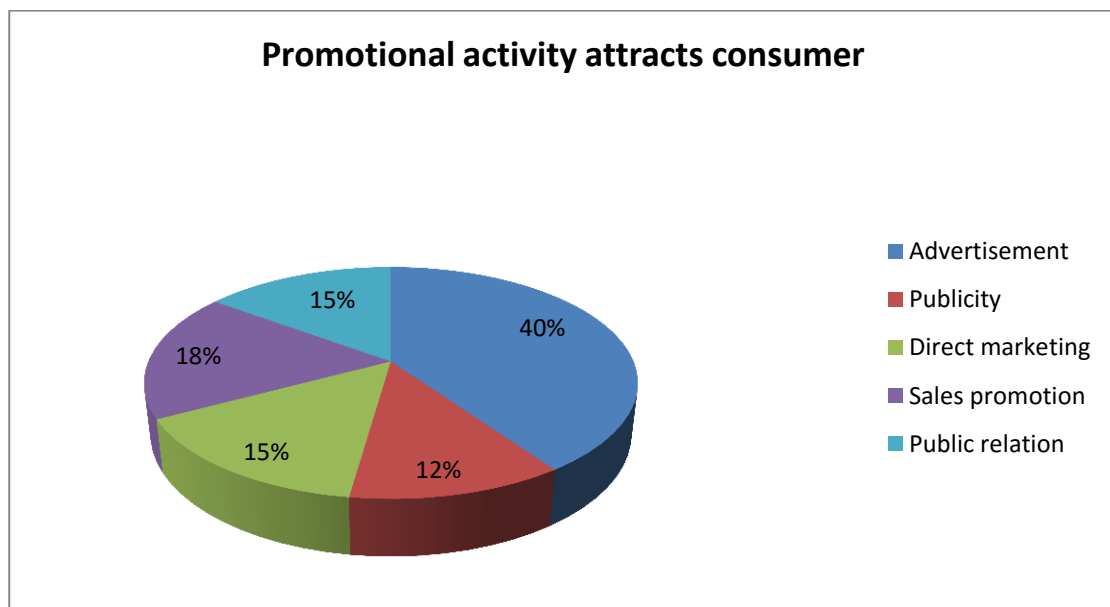
Age group Years	Males		Females		Total	
	No	%	No	%	No	%
20-30	50	27.77	30	25	80	52.77
30-40	80	44.44	40	33.33	120	77.77
40-50	30	16.66	28	23.33	58	39.99
50-60	20	11.11	22	18.33	42	29.44
	180	60	120	40	300	200



Source: Primary Data

It was found from the table 1 that all 300 male and female who participated in this study. It was noted that out of all 300 respondents of this study, 180 males and 120 females were interviewed. Out of 180 male respondents, 27.77% were of age group 20-30 years, 44.44% male were age group of 30-40, 16.66% males were of age group of 40-50 years, 11.11% males were age group of 50-60 years, participated in this study. Out of 120 female respondent 25% female were age groups of 20-30 years, 33.33% female were age group of 30-40 years, 23.33% female were age of 40-50 years, 18.33% female were age of 50-60 years in this study. It was noted that 60% male respondent and 40% of female respondent from all four age group participated in this study.

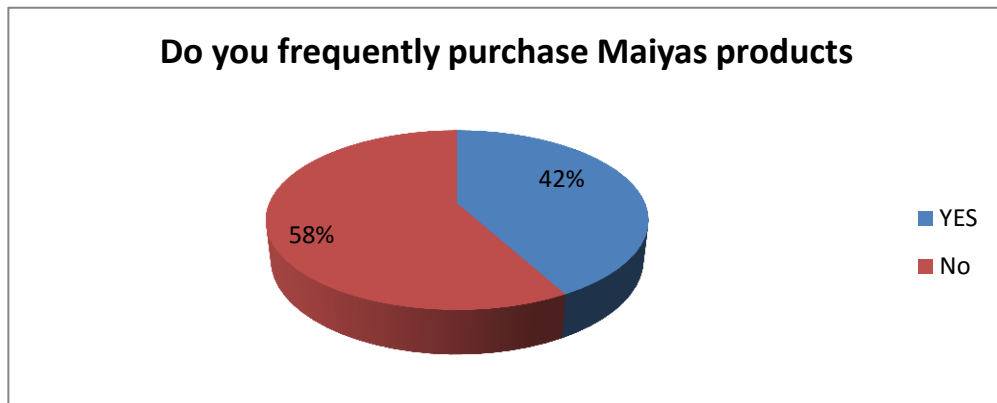
2. Chart 2- Which promotional activities attracts consumer?



Source: Primary Data

The above pie chart shows the types of promotional activity undertaken by the Maiyas. In the study 300 participants were selected in Ramanagara district. The study reveals that Advertisement attracts 40% of the people includes both male and female, Publicity attracts 12% of the people, Direct marketing attracts 15% of the people, Sales promotions attracts 18% of the people and Public relation attracts 15% of the people of that particular region.

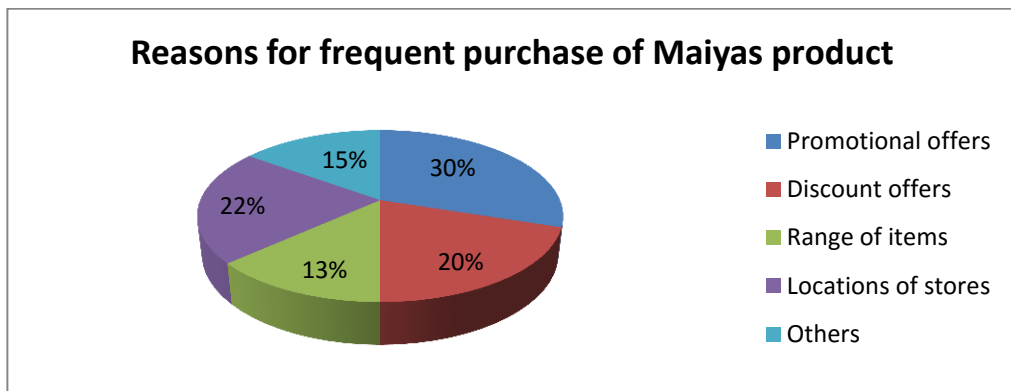
3. Chart 3- Do you frequently purchase Maiyas product?



Source: Primary Data

It is observed from the pie chart that 42% of the respondents frequently purchase the Maiyas products and 58% of the respondents do not frequently purchase the Maiyas products. This is because of less awareness, less reliability, higher price or no requirement of such products.

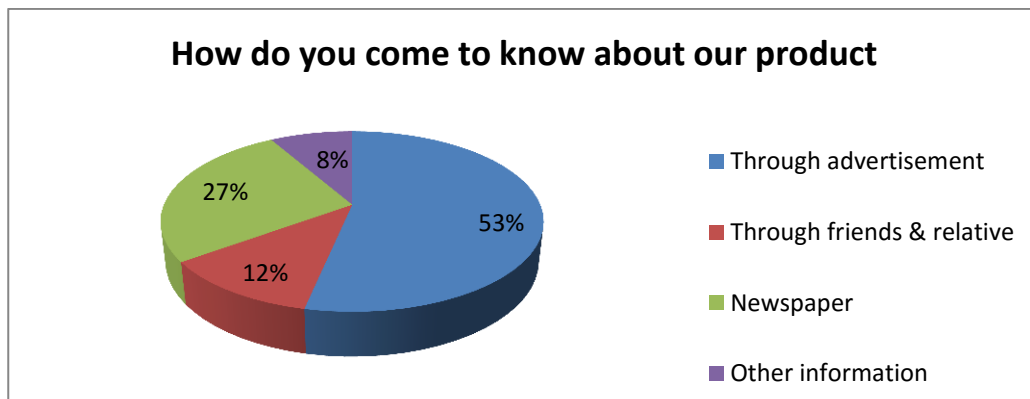
4. Chart 4 - Reasons for frequently purchase of Maiyas products?



Source: Primary Data

The above pie chart depicts that 30% of the respondents opined that various promotional offers introduced by the company are the reasons for frequent purchase of Maiyas products, 20% respondents were influenced by discount offers, 13% of the respondent were influenced by range of items, 22% of the respondents were influenced by location of the shop and 15% of the respondents were influenced by other factors.

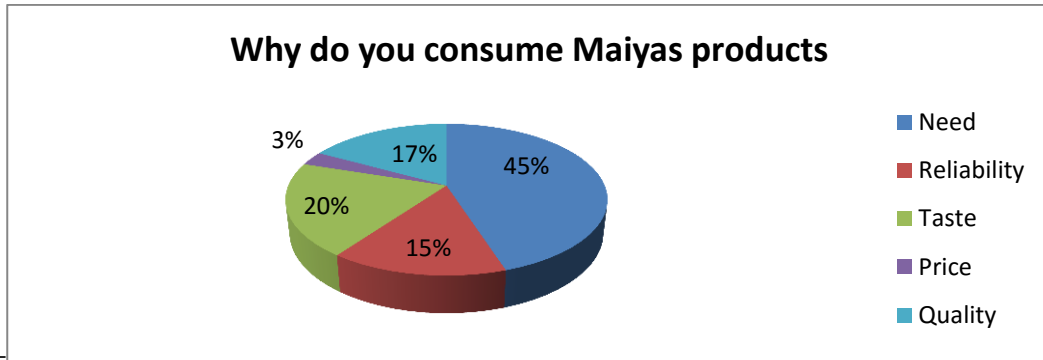
5. Chart 5- How do you come to know about our product?



Source: Primary Data

The above chart shows that majority of the consumers i.e 53% were influenced by the Companies advertisement, 12% of the respondents become aware of the Maiyas products through their friends and relatives, 23% of the respondents become aware of the products through news paper, and the rest 8% of the respondents came to know about the products through other information.

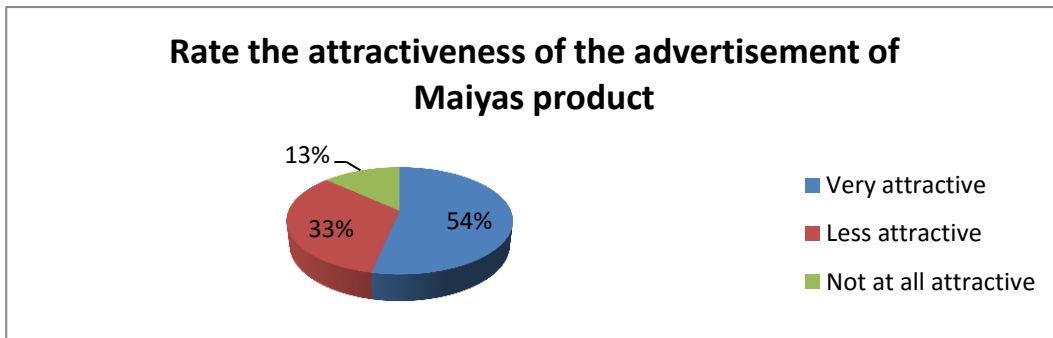
6. Chart 6- Why do you consume Maiyas products



Source: Primary Data

In Ramanagar district, 45% of the respondents informed the need of Maiyas products for their daily food maintenance, 15% were influenced by the reliability of Maiyas products, 20% of the consumers opined about the good taste, only 3% of the respondents informed about the reasonable price and 17% of the respondents were influenced by the quality of the products.

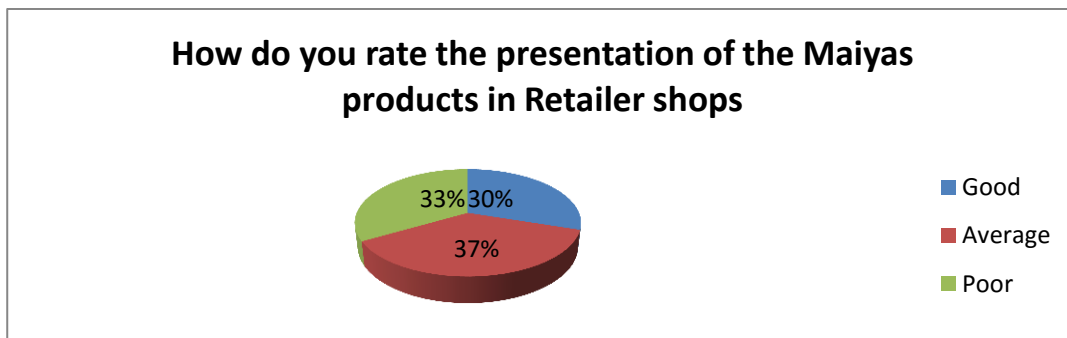
7. Chart 7- How do you rate the attractiveness of the Advertisement of Maiyas products?



Source: Primary Data

According to the response of the consumers, 54% Of the respondents opined the products of Maiyas are very attractive, 12% of the consumers informed that the products are less attractive and 13% of the respondents opined that Maiyas products are not attractive.

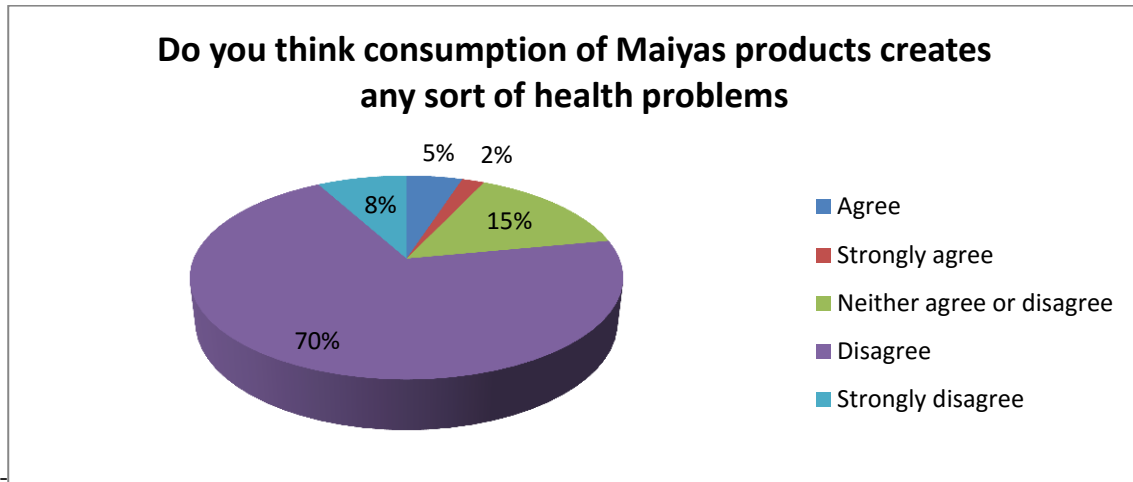
8. Chart- 8 -How do you rate the presentation of Maiyas products in retailer shops?



Source: Primary Data

The above pie chart shows that only 30% of the consumers informed that the presentation of the Maiyas products in Retailer shops is good, 37% of the consumer opined that the presentation in retailer shop is average and 33% of the consumers opined the presentation as poor.

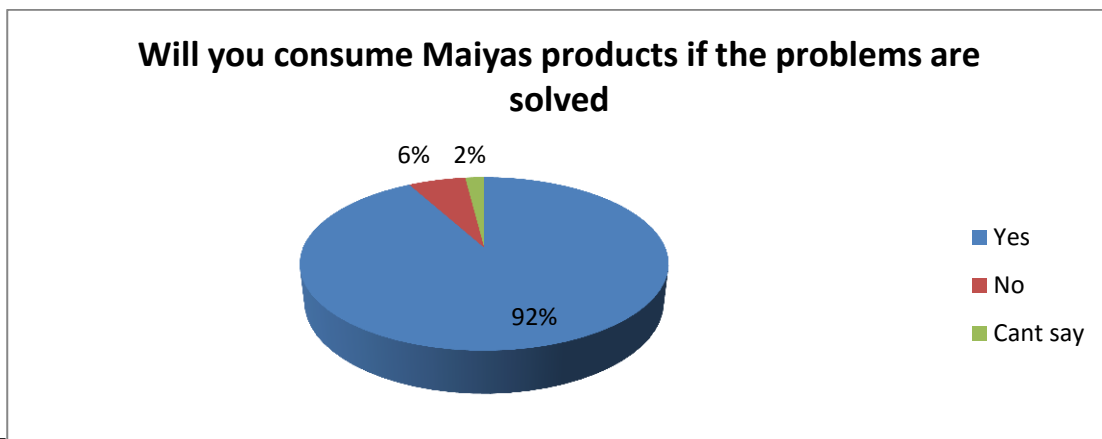
9. Chart 9- Do you think Consumption of Maiyas product creates any sort of health problems?



Source: Primary Data

Due to the awareness of implementation of advanced food processing technology adopted by Maiyas, 70% of the consumers disagree about the possibility of health problems by consuming Maiyas products, 8% of the consumers strongly disagree, 15% of the consumers neither or nor agree and disagree, 5% of consumers agreed and only 2% of the consumers strongly believe that the consumption of Maiyas products create health problems.

10. Will you consume Maiyas products if the problems are solved?



Source: Primary Data

The above diagram clearly informs that 92% of the consumers have convinced to shift to consume Maiyas products in future, if the remaining problems in the processing of the food are solved. But it is noticed that only 6% of the respondents denied to shift to Maiyas products and 2% of the consumers denied respond.

8. SUGGESTIONS

1. Adopt more publicity to increase company’s brand image.
2. The frequency of purchase of Maiyas products can be increased by increasing the consumer awareness through further promotional activities and educating the consumers.
3. More focus must be given to reliability and quality aspects to increase the product sales.



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4. To catch the eyes of the consumers in retailer shop the company needs to stress on attractive packaging and sales promotions.
5. More attention should be focused on the health part of the food.
6. Introduce door step availability and convenience buying of products to increase the sale.
7. The company needs to expand the market in urban and semi-urban & rural areas in future.

### 9. CONCLUSIONS

The study reveals that the Maiyas processed food products are impulse purchase products.

Consumers buy such products if they are attractively packed. Resorting to more advertisement through mass media could get better sales. Changes in day to day life style and long working hours, the demand for the Maiyas processed food products is increasing and therefore, innovation of new processed food products is inevitable

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