CHAPTER I
INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

The food markets in India and the rest of the world are getting more and more complex and competitive. Some of the important reasons for such changes are the increasing pace of globalisation, entry of large international and domestic firms in the food sector, intra-regional movement of consumers, larger proportion of working female population etc. There is increasing number and varieties of food products in the country and the above socio-economic changes have resulted to increase interest in the food sector among the business practitioners and researchers.

India is world’s 2nd largest producer of food next to China. With India’s food production likely to increase significantly; during the next decade, there is an opportunity for large investments in food and food processing technologies, skills and equipment, especially in areas of canning, dairy and food processing, speciality processing, packaging, frozen food/refrigeration and thermo processing. Fruits and vegetables, fisheries, milk and milk products, meat and poultry, packaged/ convenience foods, alcoholic beverages and soft drinks and grains are important sub-sectors of the food processing industry. Healthy food and healthy food supplements are other rapidly rising segments of this industry.
There has been increasing growth in food processing sector and India has set a target of 20 per cent growth by 2015\textsuperscript{1}. It comprises agriculture, horticulture, animal husbandries, and plantation. The opportunity for growth is huge when we compare the fact that merely 1.3 per cent of food is processed in India, whereas, about 80 per cent of food is processed in the developed world. Changing lifestyles, increased spending powers, disposable incomes and changing consumer tastes are expected to change the face of the food retail market in India.

In India, majority of food consumption is still at home. Nevertheless, out-of-home food consumption is increasing in urbanization, breaking up of the traditional joint family system, desire for quality, time which translates into increased need for convenience, increasing number of working women, rise in per capita income, changing lifestyles and increasing level of affluence in the middle income group had brought about changes in food habits.

With the opening of the Indian economy in food sector, the large numbers of international players have entered into this sector and there has been increasing competition among domestic companies. Now a larger number of product choices are available before consumers to choose from. It is imperative to know how all these have changed the food purchase decisions for consumers.

\textsuperscript{1}Usha, A Study on Buying Behaviour of Consumers towards instant food products in Kolar District, M.B.A., Project, University of Agricultural Science, Dharward, 2007.
1.2 MARKETING

Marketing requires the orchestration of everyone who plays a part in the common goal of pleasing the consumers. For a small business owner who has no employees, this means that he/she needs to mentally tear down the walls between varied business functions and think holistically when it comes to marketing strategies.

Marketing is the social process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others. Marketing is the management process that identifies, anticipates and satisfies customers’ requirements profitably.

Marketing is essentially about marshalling the resources of an organization so that they meet the changing needs of the customers on whom the organization depends. This is more recent and very realistic definition that looks at matching capabilities with needs.

Marketing is the process whereby society, supply its consumption needs, evolves distributive systems composed of participants, whose interacting under constraints - technical (economic) and ethical (social) - create the transactions or flows which resolve market separations and result in exchange and consumption.

The marketing concept is a philosophy. It makes the customer, and the satisfaction of his or her needs, the focal point of all business activities. It is driven by senior managers, passionate about delighting their customers.
Marketing is much broader than selling, it encompasses the entire business. It is the whole business seen from the point of view of the final result, that is, from the customers’ point of view. Concern and responsibility for marketing must therefore permeate all areas of the enterprise. This customer focused philosophy is known as ‘marketing concept’. The marketing concept is a philosophy, not a system of marketing or an organizational structure. It is found on the belief that profitable sales and satisfactory returns on investment can only be achieved by identifying, anticipating and satisfying customers needs and desires.

1. Marketing focuses on the satisfaction of the customers’ needs, and requirements;

2. The philosophy of marketing needs to be owned by everyone;

3. Future needs have to be identified and anticipated;

4. There is a focus upon profitability, especially in the corporate sector. However, as public sector organizations and not-for-profit organizations adopt the concept of marketing, this need not always be the case.

The marketing environment surrounds and has impact upon the organization. There are three key perspectives on the marketing environment, namely the ‘macro-environment,’ the ‘micro-environment’ and the ‘internal environment’.

Micro environment influences the organization directly. It includes suppliers that deal directly or indirectly with consumers and customers, and other local stakeholders. Micro tends to suggest small, but this can be misleading. In this context, micro describes the
relationship between firms and the driving forces that control this relationship. It is a local relationship, and the firm may exercise a degree of influence.

Macro environment includes all factors that can influence organization, but are out of their direct control. A company does not generally influence any law (although it is accepted that they could lobby or be part of a trade organization). It is changing continuously, and the company needs to be flexible to adapt. There may be aggressive competition and rivalry in a market. Globalization means that there is always the threat of substitute products and new entrants. The wider environment is also ever changing, and the marketer needs to compensate for changes in culture, politics, economics and technology.

All factors that are internal to the organization are known as the ‘internal environment’. They are generally audited by applying the ‘Five Ms’ which are Men, Money, Machinery, Materials and Markets. The internal environment is as important for managing change as the external. Marketers call the process of managing internal change as ‘internal marketing.’ Essentially marketing approaches are used to aid communication and change management.

The marketing mix is probably the most famous phrase in marketing. The elements are the marketing ‘tactics’. Also known as the ‘Seven Ps’, the marketing mix elements are price, place, product, promotion, people, process and physical appearance.
1.3 IMPORTANCE OF WHEAT

Importance of wheat, in world wide as main food. It can be understood by use of stylized wheat spike as a symbol of Food and Agriculture Organization (FAO). Wheat is a major cereal in India after rice. The total estimated production of food grains in India during the year 2000-2001 was 195.92 million tonnes and the share of wheat was 68.76 million tonnes i.e. about 35 per cent. India has emerged as the 2nd largest producer of wheat after China and accounted for 12.06 per cent share of total world production of wheat. Due to sustained efforts made by policy makers, agricultural scientists, extension workers and respective farmers, the production of wheat dramatically increased manifold on account of adoption of modern production technology. The production of wheat in India, which was merely 4 million tonnes during the year 1948 – 1949 increased spectacularly to 72.8 million tonnes in 2002 – 2003. The net per capita availability of wheat also increased from 65.7 gms. per day or 24.0 kgs. per annum in 1951 to 135.8 gms. or 49.6 kgs. in the year 2001.

Wheat kernel consists of four main parts – seed coat (10 per cent of the kernel weight); aleurone layer (6 per cent); starchy middle, the endosperm (81 per cent) and the germ (3 per cent).

Consumption of wheat became popular in all the states of country due to the greater flow of marketable surplus, spread of knowledge that whole meal atta contains double the quantity of proteins and five times the quantity of calcium compared to the consumption of equal quantity of rice. Another factor which has been responsible for widespread
consumption of wheat is its gluten content, making it most versatile cereal with multifarious usage. It is responsible for rheological features of dough. It absorbs and retains moisture, traps the gases in dough and improves the crust colour. The proximate principles of wheat are as follows:

<table>
<thead>
<tr>
<th>Substance</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moisture</td>
<td>12.80 gms</td>
</tr>
<tr>
<td>Proteins</td>
<td>11.80 gms</td>
</tr>
<tr>
<td>Fat</td>
<td>1.50 gms</td>
</tr>
<tr>
<td>Minerals</td>
<td>1.50 gms</td>
</tr>
<tr>
<td>Fibre</td>
<td>1.20 gms</td>
</tr>
<tr>
<td>Carbohydrate</td>
<td>71.20 gms</td>
</tr>
<tr>
<td>Energy</td>
<td>346 K cal</td>
</tr>
<tr>
<td>Calcium</td>
<td>41 mg</td>
</tr>
<tr>
<td>Phosphorus</td>
<td>306 mg</td>
</tr>
<tr>
<td>Iron</td>
<td>5.30 mg</td>
</tr>
</tbody>
</table>

All the values as per 100 gms. of edible portion.
Source: Nutritive Composition of Indian Foods, NIN (ICMR), Hyderabad.

An Average composition (percentage) of wheat according to S.B. Pingale, ICAR, New Delhi is as follows.

<table>
<thead>
<tr>
<th>Substance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moisture</td>
<td>13.30</td>
</tr>
<tr>
<td>Protein</td>
<td>12.70</td>
</tr>
<tr>
<td>Total Ash</td>
<td>1.40</td>
</tr>
<tr>
<td>Crude Fibre</td>
<td>2.40</td>
</tr>
<tr>
<td>Fatty acids</td>
<td>22.5 mg</td>
</tr>
<tr>
<td>Gluten</td>
<td>8</td>
</tr>
</tbody>
</table>

The different products of wheat commonly used are Atta (whole meal), which is rich in Vitamin-A and Vitamin-B, whereas Maida (white flour) contains lesser Vitamin-B and protein contents. Sooji (coarse semolina), Rawa (fine semolina), Vermicelli, noodles are other products in common use.
1.4 MAJOR WHEAT PRODUCING COUNTRIES IN THE WORLD

The wheat is cultivated in about 120 countries of the world. The major wheat producing countries are China, India, USA, Russian Federation, Canada, Australia, etc. The China has emerged as the largest producer of wheat and accounted for 15.7 per cent share followed by India, which shared 12.06 per cent in world production of wheat during the years 2001-2003. Although, India occupied the largest area estimated at 12.08 per cent of total area under wheat in the world followed by China which occupied 11.08 per cent, the productivity of wheat in China, was appreciably higher at 3,830 kgs. compared to 2,696 kgs. per hectare in India. World area, production and yield of wheat is summarized in the following table.
1.5 MAJOR WHEAT PRODUCING STATES IN INDIA

India has made tremendous progress in the production of wheat. During the year 1950-1951, its production was merely 6.46 million tonnes, which increased to 71.81 million tonnes in 2013. In India, Uttar Pradesh, Punjab, Haryana, Rajasthan, Madhya Pradesh and Bihar together contributed 93.31 per cent of production. The share of Uttar Pradesh alone was 34.98 per cent of total production in India followed by Punjab, Haryana, Rajasthan, Madhya Pradesh and Bihar with the share of 21.55, 13.20, 8.81, 8.57 and 6.2 per cent respectively. The details of area, production and yield are presented in Table 1.2.
1.6 WHEAT FLOUR MARKET

In India the symbol of nourishment and health is roti – described by Gabriel Garcia Marquez as an edible spoon. Whole wheat flour is an integral part of India’s food culture. Not surprisingly India produces 75 million tonnes of wheat – some 12 per cent of the world’s output.

Given the vast rural face and unyielding tradition, most of the flour used in Indian homes is freshly ground in a local mill or chakki. Housewives believe that atta ground in front of them is unadulterated and retains the goodness of wheat. This is the reason why branded flour has had an uphill fight and accounts for, even now, no more than 2 per cent of the total market. But the challenge is to convince the housewife that convenience apart, she is also getting a no-compromise product manufactured from selected high-quality grains using the world’s most modern techniques.

1.7 WHEAT FLOUR PROCESSING

Initial processing like dehusking, shelling, drying and cleaning add value to wheat and reduce handling and storage costs. The value addition in bread industry is only 12 per cent against 92 per cent in USA. Before consumption, wheat is parboiled, wheat flour (atta), refined flour (maida) and grits (Sooji, dalia) are utilized for various end uses. Wheat flour is obtained by 5-10 hp burr mills, whereas maida and Sooji are produced in roller mills with 13 per cent bran and 3 per cent germ as by products.
Milling of Wheat – In our country, there are about 2,60,000 small flour mills engaged in primary milling and 820 (1999) large flour mills using about 10.50 million tonnes of wheat.

In TamilNadu 44 organised Flour Mills are available and their milling capacity around 1.80 million tonnes of wheat per annum.

- Traditional Stone Grinder – Whole wheat is ground with bran and germ.
- Modern Flour Mill – The object is to obtain maximum amount of flour from endosperm without any bran or germ content. Generally, yield of white flour is about 70 per cent and mill fees (Bran – 12, Germ – 3 and shorts 15 per cent) 30 per cent by weight.

The following steps ae involved in wheat milling

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>Receiving, drying and storage</td>
</tr>
<tr>
<td>Drying</td>
<td>Cleaning – To remove impurities like sticks, stones, sand, dirt, other food grains, defective food grains etc. Lastly, the wheat is washed.</td>
</tr>
<tr>
<td>Cleaning</td>
<td>Conditioning – The temperature of wheat should not be raised above 47°C so that gluten quality is not affected. Hydrothermal treatment is used for conditioning because both moistening and heating are carried out simultaneously.</td>
</tr>
</tbody>
</table>
Conditioning ► Grinding – It is carried out by roller mills – break roll, reduction roll systems and scratch system generally. In break rolls the bran is cracked and kernel is broken. The endosperm adhering to bran is milled.

Milling ► Packaging and Storage – End products are packed in waterproof bags and stored in cold dry conditions.

Packaging ► Blending – Increasing health consciousness amongst the consumers, some blending of flours is being carried out e.g. soybean flour, fortification of flour by adding Calcium carbonate, vitamins A and D, Thiamine, Riboflavin.

1.8 USES OF WHEAT FLOUR

As per the survey on marketable surplus conducted by DMI, 65.10 per cent was estimated as marketable surplus at the farmer’s level. The total utilization by the farmers are worked out to 31.70 per cent of the production, whereas about 3.20 per cent was physically lost. The details are given in the table 1.3.
### TABLE 1.3

**PERCENTAGE OF UTILIZATION AND LOSSES OF WHEAT AT THE FARM LEVEL**

<table>
<thead>
<tr>
<th>Sl No</th>
<th>Items</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>Production</td>
<td>100</td>
</tr>
<tr>
<td>II.</td>
<td>Utilization and Losses</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Retention by farmers for family consumption</td>
<td>4.60</td>
</tr>
<tr>
<td>2.</td>
<td>Purchased for family consumption</td>
<td>6.30</td>
</tr>
<tr>
<td>3.</td>
<td>Receipts as wages in kind</td>
<td>1.10</td>
</tr>
<tr>
<td>4.</td>
<td>Total quantity utilized for family consumption (1+2+3)</td>
<td>12</td>
</tr>
<tr>
<td>5.</td>
<td>Other uses</td>
<td>19.70</td>
</tr>
<tr>
<td>6.</td>
<td>Total utilization</td>
<td>31.70</td>
</tr>
<tr>
<td>7.</td>
<td>Physical losses</td>
<td>3.20</td>
</tr>
<tr>
<td>8.</td>
<td>Total utilization and physical losses</td>
<td>34.90</td>
</tr>
<tr>
<td>III.</td>
<td>Marketable Surplus (production – total utilization + physical losses)</td>
<td>65.10</td>
</tr>
</tbody>
</table>

In the same survey, the utilization of wheat for different purposes was also estimated, which is given the following table.
TABLE 1.4

UTILIZATION OF WHEAT FOR DIFFERENT PURPOSES IN INDIA

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Purpose</th>
<th>Percent to production</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>Consumption by farmers (Retention + Purchases and Wages in kind) 4.6 + 7.4</td>
<td>12.0</td>
</tr>
<tr>
<td>II.</td>
<td>i) Seed purpose</td>
<td>7.90</td>
</tr>
<tr>
<td></td>
<td>ii) Animal feed</td>
<td>0.90</td>
</tr>
<tr>
<td></td>
<td>iii) Barter transaction</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>iv) Payments in kind</td>
<td>4.20</td>
</tr>
<tr>
<td></td>
<td>v) Payments in cash</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>vi) Consumption by temporary labour</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>vii) Consumption by permanent labour</td>
<td>2.50</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>19.70</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Grand Total</strong></td>
<td><strong>31.70</strong></td>
</tr>
</tbody>
</table>

However, as per the recent study conducted by the Directorate of Marketing and Inspection, the marketable surplus was estimated to be 53.81 per cent, whereas, the retention by farmer was found to be 36.83 per cent of average production.
The other traditional uses of wheat can be summarized as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Bread or bakery flour</td>
<td>having high level of good quality protein (gluten) and good gassing power.</td>
</tr>
<tr>
<td>2.</td>
<td>Biscuit flour</td>
<td>having less protein and more extensibility in flour.</td>
</tr>
<tr>
<td>3.</td>
<td>Confectionary flour for cakes, buns, puff, etc.</td>
<td>flour similar to biscuit flour but with still less protein and controlled particle size.</td>
</tr>
<tr>
<td>4.</td>
<td>Self-raising flour</td>
<td>having special chemicals added to flour to produce (leavened products on spot) without addition of yeast.</td>
</tr>
<tr>
<td>5.</td>
<td>House-hold flours</td>
<td>medium protein flours with or without added chemicals.</td>
</tr>
<tr>
<td>6.</td>
<td>Whole meal flour or atta</td>
<td>prepared from wheat after extracting 2-8 per cent bran, used in Indian household for chapatti, roti etc.</td>
</tr>
<tr>
<td>7.</td>
<td>High ration flour</td>
<td>achieved by dividing flour in different particle sizes by air classification and thus getting ‘high’ and ‘low’ protein flours from the same parent flour.</td>
</tr>
<tr>
<td>8.</td>
<td>Enzyme inactivated flours</td>
<td>produced by heat treatment of wheat and used for soups, gravies, thickening agents, etc.</td>
</tr>
</tbody>
</table>

Wheat contains about 2 to 3 per cent germ, which is generally mixed with bran and sold as cattle feed. Wheat germ is rich in source of protein (25-30 per cent and vitamin E) and can be used in Biscuits, breakfast food and high protein drinks. Besides, the wheat gluten dried powder can be mixed with flour to produce slimming diets, crisp breads, breakfast foods, breads, etc., to increase their texture and nutritional value.

In so far as utilization of different varieties of wheat is concerned, T.aestivum / vulgare, the common bread wheat is preferentially used for making Chapaties, bread, biscuits, whereas T.Durum, known as Macaroni wheat is preferred for making Sooji,
macaroni, spaghetti, vermicelli, etc. Triticum dicoccum, known as emer wheat (commercially known as Khapli) is commonly used in South India for the preparation of breakfast food called Upuma.

Wheat is used for different purposes and hence quality requirements vary on its end use. Hard wheat (T. aestivum) with strong gluten and >12.0 per cent protein has been found suitable for bread making, for biscuits soft wheat with less gluten and < 11.0 protein is best suited. Whereas, for pasta products (T.durum), hard wheat with gluten < 12.5; protein < 10.0 and 7.0 FPM carotene content is required.

1.9 WHEAT FLOUR CONSUMPTION PATTERNS

Broadly, there are three types of wheat flour consumed by the households, while the first category of consumers of wheat used traditional method of buying wheat and getting it mill processed, the second category buts unbranded wheat flour. The third category of respondents but branded wheat flour. In this section an attempt is made to analyse the types of wheat flour consumption of respondents in relation to various demographic factors such as age, income, education, family structure, size etc. There is no significant association between staple food of the respondents and their wheat flour usage pattern.

A large majority of 80 per cent of the households surveyed consume branded wheat flour of the remaining households, majority of the consumers prefer to consume the wheat
flour processed on their own and only a very few households constituting about 5 per cent of the respondents consumed unbranded wheat flour.

There is no apparent difference in the type of wheat flour consumed by the respondents when they are divided as those who staple food is rice and those whose staple food is wheat and the different is also not statistically significant.

While a higher percentage of older people prefer to buy branded wheat flour, a lesser percentage of younger respondents prefer the same. This association is found to be profoundly significant.

Contrary to the general perception it is observed that, the use of branded wheat flour is shade higher among the housewives (about 83 per cent) that in the case of working women (76 per cent). Further, the relationship between occupation profile of the respondents and their wheat flour usage pattern is not statistically significant.

By and large, it appears that there is a positive relationship between income levels of the respondents and the consumption of branded wheat flour. The relationship between the income profile of the respondents and their brand usage pattern is statistically significant. Going by the 7 per cent of respondents consuming different types of wheat flour, there appears to be no perceptible different in the consumption pattern of wheat flour between the respondents belonging to nuclear families and joint families, and it is also not statistically significant.
The vegetarian respondents appear to be patronizing branded wheat flour more than the non vegetarian respondent, and there is a statistically significant relationship between the food habits of the respondent and their brand usage pattern.

A higher percentage of large and small families appear to be patronizing branded wheat flour as compared to medium sized families. Further, the association between family size of the respondents and their wheat flour consumption pattern is statistically significant.

It appears that a higher percentage of those who consume small level quantities prefer branded wheat flour, as compared to those who consume higher quantities of flour per month. Further, there is a statistically significant association between the quantity of wheat flour consumed per month and the wheat flour consumption pattern.

There is no apparent and statistically significant difference on the consumption pattern of the respondents depending upon whether the respondents buy wheat flour once in a month or twice in a month.

It is observed that there is no statistically association between the monthly expenditure of the respondents on food and their wheat flour consumption pattern.

There is no apparent or statistically significant relationship between the stages of children in the family and wheat flour consumption pattern of the respondents.
Out of the 14 factors of influence on the wheat flour consumption pattern of the respondents; only seven factors via,, age, education, income, food habits, family size, quantity of consumptions and source of information have relationship with their wheat flour consumption pattern. It is surprising to note that some of the factors such as working status of the respondents, staple food of the respondents, number of children in the family, expenditure pattern of the respondent etc., which could have some influence on the wheat flour consumption pattern had no influence on it.

1.10 STATEMENT OF THE PROBLEM

The study aims at findings the extent of brand awareness levels of brand loyalty and the factors influencing brand loyalty with reference to wheat flour. It may be pertinent to mention the growing importance of wheat in India. Health consciousness among people particularly urbanities, due to the realization of the dangers of the sedentary way of life, perhaps it is one of the important reasons for growing demand for wheat in the country. Several studies reveal that urban households are going in for more restricted and balanced diet across various age groups. These factors are responsible for a gradual increase in the consumption of wheat among rice consuming states particularly belonging to south. Consumption of wheat is more in the form of flour and balia (broken wheat). The process of conversion of wheat into flour is time consuming and involves lot of human efforts. Perhaps this might be one of the reasons for the growing demand for the usage of branded wheat flour, uniform quality, freshness, unscientific and unhygienic processing at the nearby flourmills might also be contributory factors for showing demand for branded wheat flour.
Added to these reasons are the increasing levels of income of the people particularly in urban areas. The number of brand in the product category has been on the rise and at present there are about 9 brands of wheat flour of which three brands can be considered as national brands going by their market share.

Since independence, a significant progress has been seen in all aspects in India and a solid base for agricultural and industrial development has already been set up. However the success of economic development is possible through effective marketing system. The marketing management of today requires special knowledge and skills on the marketing task. In fact it requires an understanding of the elements of change which are working in the environment. These are possible through the knowledge of the behavioural pattern of market place participants apart from the knowledge of the behavioural pattern of the market participants. It is also necessary to know their problems and their perspectives towards various problems related to marketing as well as their suggestion for the improvement of the present system. Wholesalers and retailers play a key and imperative role in the marketing of Wheat Flour. Their success depends mainly on quality services and delivery on time. Both are equally important.

Thus the present study is an attempt to analyse the consumers’ point of view of the marketing of wheat flour in southern region of TamilNadu. Also deals with problems faced by the wholesalers and retailers regarding purchase and marketing of Wheat Flour.
1.11 OBJECTIVES OF THE STUDY

1. To study the marketing strategies of wheat flour in general.
2. To study the existing brand profile of wheat brand in select districts.
3. To analyse the factors influencing the buying decisions and the brand preference of wheat flour in the study area.
4. To discuss the problems faced by the marketers.
5. To offer suitable suggestions based upon the findings of the study.

1.12 HYPOTHESES

1. The extent of consideration of influencers’ suggestion is independent of the demographic variables.
2. The brand of wheat flour is independent of the demographic variables.
3. There exists no relationship between brands and types of sales promotion scheme.

1.13 METHODOLOGY

Designing a suitable methodology and selection of an analytical tool are important for a meaningful analysis of any research problem. In this section, an attempt has been made to describe the methodology which includes sampling technique, collection of data, period of the study and tools of analysis.

Sample Design

In this study, the proportionate random sampling technique is adhered to identify the sample consumer for primary data collection. Among 162 wholesalers existing in three districts namely, Tirunelveli, Thoothukudi and Kanyakumari as study area in Southern
region of Tamilnadu. The samples of 45 wholesalers and 75 retailers, 15 and 25 in each district respectively were randomly chosen for the present study. With regard to consumers, 8 consumers for each retail outlet are identified. As a whole it comes to 600 samples of consumers. The chosen sample is presented in Table 1.5.

**TABLE 1.5**

THE PATTERN OF SAMPLE CHOSEN

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Area of Redistribution stockists (RDS)</th>
<th>Sample Outlets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Wholesalers</td>
<td>Retailer</td>
</tr>
<tr>
<td>1.</td>
<td>Tirunelveli</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>2.</td>
<td>Thoothukudi</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>3.</td>
<td>Kanyakumari</td>
<td>15</td>
<td>25</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>45</td>
<td>75</td>
</tr>
</tbody>
</table>

Source: Records from HUL, 2012

**Collection of Data**

The present study is a descriptive research based on a survey method. Both the primary and the secondary data were used for the present study. The primary data were collected from the (outlets) wholesalers, retailers and consumers through interview schedule method.

The interview schedule for the outlets was categorized under the headings namely, personal profile, organizational profile, movement of the wheat flour and problems faced by the wholesalers and retailers in the study area.
The interview schedule for the consumers was categorized under eight headings namely, personal factors, purchase procedure, level of consultation before purchase, relationship between level of consultation and determination of consultation with other family members, factors influencing the purchase of wheat flour, factors influencing the purchase level of the branded products, and problems faced by the consumer in the study area.

Secondary data were collected from the reports from redistribution of stockists, outlets, books, journals and magazines related to wheat and wheat flour products and website.

**Period of the Study**

The primary data were collected from the month of June 2012 to March 2013. Therefore the survey period covers 2012-13.

**Tools of Analysis**

In order to examine the relationship between the degree of consultation and profile variables, brand preferences of the consumers and their profile variables, chi-square test\(^2\) of the following formula was applied.

\[ \chi^2 = \sum \frac{(O-E)^2}{E} \]

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Chi-square = Σ \frac{(O-E)^2}{E} with (c-1) (r-1) degree of freedom

where

O - Observed Frequency
E - Expected Frequency
E = \frac{(\text{Row Total} \times \text{Column Total})}{\text{Grand Total}}

R - number of rows
C - number of columns

In order to find out the determinants of consultations, the following multiple log liner regression model was used.

\log Y = \beta_0 + \beta_1 \log X_1 + \beta_2 \log X_2 + \beta_3 \log X_3 + u

where,

Y - Degree of consultation
X_1 - Age
X_2 - Education
X_3 - Family size
u - Disturbance form

The Analysis of variance (ANOVA) was used to test the difference of means across various product categories.
The factors analysis was used to extract the important factors of belief structure of consumers towards sales promotion dimensions.

The multi-dimensional scaling technique was used to examine similarity in the perception of different brands of Wheat Flour.

In order to identify the factors which influence the purchase of wheat flour, Garrett’s Ranking Technique is adopted. For this, the sample respondents were asked to rank the factors in the order of their importance. The order given by the respondents was converted into ranks by using the following formula.

\[
\text{Present positions} = \frac{100 \times (R_{ij} - 0.5)}{N_j}
\]

where,

\[
R_{ij} = \text{Rank given for the } 6^{th} \text{ factor by } j^{th} \text{ respondents}
\]

\[
N_j = \text{Number of factors ranked by } j^{th} \text{ respondents}
\]

The present position of each rank thus obtained was converted into scores by referring to the Table given by Garrett.

Then for each factor, the scores of respondents were added together and divided by the total number of respondents. The mean score for all the factors was arranged in a descending order; ranks were assigned and the important factors were also identified.
1.14 LIMITATIONS

The geographical area was limited, time was also a limiting factor for the study, the researcher could concentrate only on wheat flour marketing and three districts namely Tirunelveli, Thoothukudi and Kanyakumari districts in southern region of Tamilnadu. A major limitation of the study is its reliance on the information provided by the sample respondents. Hence, the quality of the data depends upon the capacity of the respondents to recall. However, recall method is one of the popular methods used in Two National Sample Survey (NSS) data.

1.15 CHAPTERIZATION

The report of the present study “Marketing of Wheat Flour in Southern Region of TamilNadu” has been organized and presented in seven chapters.

Chapter I introduces the subject, importance of wheat, major wheat producing country, major wheat producing states in India, wheat flour market, wheat flour processing, uses of wheat flour, wheat flour consumption patterns, statement of the problem, objectives of the study, hypothesis, methodology, Tools of Analysis, Period of the study, limitations, and chapter schemes.

Chapter II discusses the Review of Literature relating to the past studies.
Chapter III describes the General Profile of selected districts viz, Tirunelveli, Thoothukudi and Kanyakumari districts in Southern region of TamilNadu and brand profile of the 9 wheat flour companies.

Chapter IV exhibits the marketing strategies of select wheat flour.

Chapter V the analysis of factors influencing on buying decision and brand preference of wheat flour is explained in this chapter.

Chapter VI examines the problems faced by the marketer while marketing of wheat flour in the study area.

Chapter VII presents the summary of findings and conclusions.