CHAPTER 5

FINDINGS AND SUGGESTIONS

This chapter deals with the findings of the ongoing study along with suggestions. The findings are extracted from previous chapter by applying various tools and techniques on collected data. On the basis of the findings, suggestions to marketers are also recommended.

At the end of this chapter, limitations are admitted followed by directions for future research.

Section-wise key findings and related suggestions, wherever required, are as follows:

5.1 Ready-to-eat food market scenario in India

- The demographic (younger population), economic (rising incomes), social (nuclear families, women empowerment, and urbanization) and lifestyle changes (diet diversification, influential middle class) fuelled the demand of packaged food in India.

- The packaged food customers are not able to segregate RTEF from other packaged food. Majority of the customers thought that convenience food, ready-to-eat food, packaged food, processed food etc are synonymous with each other.

- In packaged food industry, national brands are dominating over the global brands. Among top fifteen national brands, only four global brands are listed in the list.

- Among global brand owners (GBO) of packaged food, Gujarat Co-operative Milk Marketing Federation Ltd, Britannia Industries Ltd, Nestlé SA, ITC Group, PepsiCo Inc, Cargill Inc, and Haldiram Foods International Ltd are the top seven companies.

- Among national brand owners (NBO) of packaged food, Gujarat Co-operative Milk Marketing Federation Ltd, Mother Dairy Fruit & Vegetable Pvt Ltd, Britannia Industries Ltd, Ruchi Soya Industries Ltd, Parle Products Pvt Ltd, Mondelez India Foods Ltd, and Nestlé India Ltd are the top seven companies.

- Top seven local brands of the national companies are Amul, Britannia, Mother Dairy, Parle, Fortune, Ruchi, and Sunfeast.

- Oils & fats, and dairy products are the biggest contributors of packaged food industry.
• RTEF is at nascent stage in India, but their growth is 1.3 times better than whole packaged food industry.

• Among RTEF, shelf stable RTEF and dried RTEF are shaping the growth of RTEF.

• Among dried RTEF, dosa, idli, and upma mixes are among the most in-demand.

• Among all kinds of RTEF categories, frozen RTEF like sausages have shown highest growth.

• French fries is the most populous food in the frozen food category. Apart from French fries of French, dishes of other countries (like Italian, Mexican, Chinese) are also well-liked by consumers of RTEF.

• In context of distribution channels of RTEF, traditional grocery retailers are the most preferred channel among consumers.

• While amid traditional grocery retailers, independent small grocers are the customers' preferred shopping venue.

• Among modern grocery retailers, hypermarkets are the customers' favourite shopping venue.

• Internet retailing is not preferred by ready food consumers for placing orders.

• In recent years, growth rate of RTEF is on decline may be due to negative perception of consumers towards packaged food after the ban on Maggi.

• Among global brand owners (GBO) of RTEF, Nestlé India Ltd is the market leader followed by MTR Foods Ltd, ITC Ltd, Gits Food Products Pvt Ltd, Bambino Agro Industries Ltd and Al Kabeer Exports Pvt Ltd.

• Swiss food giant, Nestlé India Ltd with Pazzta brand and Norway's company, MTR Foods Ltd with MTR brand are holding major chunk of market share of RTEF.

• The respondents are more aware of the brands in comparison to the parent companies.

Suggestions

• The marketers should launch some programmes to educate the customers regarding the meaning and uses of RTEF. In India, the most preferred, diverse, cheaper and growing medium is internet and it can be used to educate the consumers. Till 2016, around 39 million internet subscribers have been registered and the subscription can
reach to 730 million by 2020 (B hardwaj, 2017). So the marketers can use the medium to educate the customers through poster GIFs (graphics interchange format) and video advertisements through punch-lines like “cut it, eat it” on various websites. Even in urban areas, FM radio can also be used to tell about RTEF and its uses.

- The nuclear families are increasing and always in a rush to accomplish their routine tasks. So the marketers should target these families with punch-lines like “The food in no time” or “Jhatpat khao”. On the other hand side, joint families have comparatively more time to cook the food. Hence, the families should be addressed with punch-lines like “Khushiya manaye apno ke sath”. So that the food can be considered as a food for every good occasions of the joint families.

- Dominance of national brands over global brands gives indication to the Indian manufacturers to take their products globally. Indian manufactures can promote their food in two ways. First, recipes of popular Indian food (like dosa, idli, shahi paneer, upma etc) can be modified as per taste of the targeted country and can be promoted as “India’s kitchen in your house” or “Indian cuisine on your plate”. Second, the targeted country’s food can be served with little bit modification in their recipes as per their culture and can be promoted as “Your food, our recipe”.

- Females should be targeted with punch-lines like “Kitchen se azadi”, “Food for equality” or “Gender equality”. The message behind the campaign is image transformation of females from homemakers to family breadwinners.

5.2 Motives to purchase ready-to-eat food

- A fast paced and busy urban lifestyle along with rising income and dual salaries have forced male and female to choose RTEF. The choice is primarily driven by its convenience attribute between both the genders. Sensory appeal is the second most likely motive between both the genders may be due to experimental palate of the users.

- Apart from convenience orientation and sensory appeal, the other food choice motives are: marketer influence, mood, cooking skills, monetary consideration, social influence, and health orientation.

- Both the genders know that RTEF can affect their health and even they rated it as least motive (health orientation). Despite of this fact, the consumers still prefer to
have RTEF due to convenience attribute and they are ready to trade-off between convenience and health effects.

- Males rated cooking skills higher against females. The higher preference indicates that either male does not know culinary skills or they do not want to cook due to orthodox customs and traditions. Hence, for cooking, males dependent on females or prefer to have RTEF to quench their hunger.

- Females accepted that they are well-versed with cooking skills and while purchasing RTEF they give consideration to its monetary benefits. This may be due to female’s direct and sole engagement in planning budget for the kitchen.

- Social influence is rated among least choice motives by both the genders. The reason could be as eating is a low involvement task and oftenly related to habitual behaviour.

- Females give higher preference to mood in comparison to males as they are more susceptible towards emotions.

**Suggestions**

- Convenience orientation has emerged as prime motive behind consumption of RTEF, so marketer should focus on convenience, time saving and value for money aspects of RTEF. The marketer should promote items by highlighting benefits of RTEF like no cooking, no cutting, no peeling, no washing, 100 per cent time saving product etc; so that consumers perceive these benefits valuable to them whenever they want to save time for other activities.

- Sensory appeal is the second most motivation factor rated by RTEF users. The mind of the customers can be captured by providing diverse varieties of the RTEF. Even the products can be endorsed through well known chefs and credit for the recipe should be given to the chef.

- Females give consideration to monetary benefits of RTEF. Hence, the customers should be lured through discount coupons, buy two pay for one, buy one get one free and like that offers.
5.3 Demographics factors and consumption of ready-to-eat food

- Younger household heads spend more on RTEF in comparison to the senior ones.
- The household heads engaged in the profession of private sector spend lesser on RTEF than other professions. Household heads engaged in private sector spent around Rs. 411 per month lesser in comparison to household heads engaged in other occupations.
- The household heads working in night shifts spend lesser amount on RTEF than day shift household heads. Night shift household heads spend around Rs. 285 per month lesser on RTEF in comparison to day shift household heads.
- Household’s expenditure on RTEF increases as family income rises. The household spends more on non-RTEF items in comparison to RTEF.
- The families having more number of wage earners are likely to spend more on RTEF in comparison to families having lesser number of wage earners.
- The household heads spending more time at workplace likely to spend more on RTEF.
- The families having more number of family members are spending more on RTEF and vice-versa. Household spends around Rs. 779 per person per month on RTEF. However, the bigger families (more than four family members) prefer to prepare food at home.
- Around one-half of the families do have children and the presence of children in a family leads towards more expenditure on RTEF. The households with children spend around Rs. 2085 per month additional on RTEF in relation to the households without children. Furthermore, the children are not among decision makers for RTEF but act as strong initiators for RTEF.
- Around one-third of the households do have senior/s (more than 60 years of age) and presence of senior/s in a family leads towards more expenditure on RTEF. The households do have senior/s spend around Rs. 1493 per month more in comparison to household without seniors.
- Households with working homemaker likely to spend more on RTEF. The household spent Rs. 2824 per month extra in contrast to household where homemaker is unemployed.

- The education level of household head, gender, working shift of household head (day shift), occupation of household head (government employee and student), marital status of household head along with location of the household are found insignificant to predict expenditure on RTEF.

- Working status of homemaker, monthly family income and number of wage earners are the most important predictors of expenditure on RTEF.

**Suggestions**

- Presence of children, presence of seniors, working homemaker, number of wage earners and number of working hours of household heads giving an indication to marketers that the people are preoccupied and ready to spend on RTEF for their homemakers. Hence, the marketers can draw attention of the people through niche marketing towards benefits of RTEF.

- Monthly family income and number of wage earners emerge as important predictors for expenditure on RTEF. It means that the money is right in the wallets of these customers. If the customers can be targeted through world-class quality and higher food safety standard products then they can be milked in long-run.

- Similarly, younger people for attainment of higher education prefer to save time for their studies. Even the people do impulse purchasing and prefer to consume food away from home for fun or due to some compulsion. The people can be carefully targeted through attractive packaging, sales promotions, and eye-catching displays.

**5.4 Attitude and beliefs in consumption of ready-to-eat food**

- Consumer’s attitude significantly affects consumption intentions of RTEF consumers and subsequently, consumption intentions significantly affect consumer’s behaviour towards RTEF.

- Along with attitude, perceived behavioural control and subjective norms significantly enhances the predictability towards consumption intentions and thereafter, consumer’s behaviour towards RTEF.
Perceived behavioural control fails directly to predict consumer’s behaviour under theory of planned behaviour.

Among all the antecedents to intention, subjective norms emerged as most important predictor of intention. It clearly indicates that an individual eats RTEF under influence of important people around him like family members, close friends or colleagues.

The RTEF consumers can control the total intake of RTEF and even can prepare food from scratch to avoid RTEF. However, the consumers avoid cooking and embracing RTEF to save time for other activities.

The RTEF consumer’s thought process is dominated by feelings or emotions while selecting RTEF.

Consumers believe that RTEF keeps them away from tension or anxiety and give essence of feel free from responsibilities of feeding.

Convenient, save time and value for money are the most important cognitive beliefs among consumer of RTEF.

Suggestions

Subjective norms highly influence the purchase intentions of RTEF. Hence, marketers should endorse RTEF through social means like family members, close friends or colleagues. While crafting communication for RTEF, marketers should emphasize on family values on dining table through punch-lines like: “A food for beloved family members”, “Serve love and care on plate”, “More than just a food”.

Feelings or emotions are dominating over the thought process of an individual. Hence, while promoting RTEF, marketer should position the food with human feelings or emotions like “A food for joy”, “Eat health, live happy”.

5.5 Consumption pattern of ready-to-eat food

Households prefer RTEF out of its convenience characteristic followed by brand image, and quality.

Households primarily buy RTEF to assist main meals followed by as snacks between main meals.

A very small number of respondents consume RTEF as a main meal.
• Dinner is the most preferred time for consumption of RTEF followed by between regular meals and lunch.

• Majority of the households consume RTEF 3–4 times a week and consumers do not consider it as a food for special occasions or festive food.

• As far as initiator and the decision maker is concerned, preponderant influence of household heads is observed within the family members.

• Most preferred shopping venue for purchasing of RTEF is traditional grocery retailers followed by convenience stores and hypermarkets.

• Internet retailing is not preferred by RTEF consumers.

• Majority of the respondents are brand loyal.

• The primary source of RTEF information is TV/Radio followed by friends/relatives.

Suggestions

• Customers who thought that RTEF is not a food for special occasions should be targeted with punch lines “Why cook, just celebrate”, “No cooking, only celebration”, “food for special occasions”. Furthermore, new or low demand RTEF products should be bundled with high demand festive products like frozen Samosa with Soan-Papdi. The tactic will give an opportunity to customers to taste new food along with their favourite food.

• Majority of RTEF customers are found brand loyal. So to retain them the manufacturers should work on supply chain management in order to make sure that the products should readily available at all shopping venues. Second, loyal customers should be rewarded with incentives like cash-back offers, reward points, discount on next purchase. Furthermore, loyal customer’s reviews can be displayed on the website of the manufactures. Even negative review should be placed along with a course of action taken to rectify the raised issues. Moreover, database of the loyal customers can be created and various RTEF offers can be sent to them during or around eating times.

• Internet retailing for RTEF can be strengthened by push notifications through RTEF apps with e-payments options. It can further be prompted through punch-line s like “pocket menu”, “the menu in a pocket”. 

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The primary source of RTEF information is TV/Radio followed by friends/relatives. Apart engaging and interactive advertisement on TV/Radio, earn through referrals can also be promoted among friends and relatives. Every time a referral purchases a RTEF, then the individual should be rewarded through some discounts or points by using RTEF apps.

- Majority of the households use RTEF to assist main meals and prefer to consume at dinner. The customers can be educated to consume the food as full main meal at any time of the day. The marketers can target the customers with punch-lines like "your complete meal for any time and place".

5.6 Reasons for not purchasing ready-to-eat food (RTEF nonusers but aware)

- Prime reason behind avoidance of RTEF is health concerns followed by availability, behavioural control, sensory perception, monetary consideration, social influence and mood.

- Nonusers of RTEF consider it unhygienic and nutritious, and prefer to avoid it for good health. Nonusers prefer to prepare food from scratch to avoid RTEF.

- Nonusers believe that taste of RTEF is not up to their expectations and even appearance of RTEF is not alike home prepared food.

- Nonusers consider RTEF as an expensive product and prefer to cook food at home to save money. But they can go for RTEF if it turns out to be good for health.

- Nonusers avoid RTEF not only due to external social pressure but also due to influence of self-certified orthodox customs and traditions like RTEF reduce opportunity to learn cooking skills for my children. Furthermore, nonuser’s females avoiding RTEF under external social pressure while males negated this pressure.

- Nonusers also accepted that RTEF is not available at shops located in their areas. Even though it is available, then they do not know from where they can get it from the market.
5.7 Perception of nonusers of ready-to-eat food towards users of ready-to-eat food

- Nonusers believe that users are consuming RTEF to save time for other vital activities like study, work, child care etc.
- Nonusers believe that users of RTEF prefer to live alone and RTEF helps them to cope with life.
- Nonuser believe that users are either not interested in cooking or don’t know how to cook.
- Nonuser believe that users are either aged people or not able to cook due to some physical disorder.
- Nonusers believe that users by consuming RTEF are not acting against social principles and they even provide enough opportunities to their children to learn the cooking skill.

Suggestions

- Users and nonusers believe that RTEF are convenient but they also consider it unhygienic and unnutritious food that can affect their health. In that case, RTEF can be promoted through health experts like doctors, nutritionists who can recommend the customers to eat RTEF. The experts can appeal to the customers that the food is prepared from high quality organic and natural ingredients, and it is as hygienic and nutritious as home cooked food.
- Food safety and standards authority of India (FSSAI) make it mandatory for packaged food manufacturers to print on label level of preservatives used and possible affect on the health of an individual after consumption of RTEF.
- Brand repositioning should be done for the nonusers who believe that taste of RTEF is not up to their expectations. The new taste should be developed on the basis of suggestions/feedbacks of the potential customers. Then the customer should be bombarded with punch-lines like: “The taste that can delight you”, “The taste, cannot be denied”. Furthermore, the food variants should be issued as per region of the customers and during the promotions, emphasis should be given on the origin of food and ingredients used in the food like “North Indian Paneer-Tikka”
Non-availability of RTEF is like losing at the first moment of truth. So marketers should pay strong attention on strengthening distribution of the products. The products should be available every time to the customers when they visit a traditional grocery retailers, convenience stores or hypermarkets. Along availability, freshness of the products should also be maintained.

The RTEF recipe can be printed on the label or leaflet for the customers who believe that RTEF reduces opportunities to learn cooking skills for their children. The customers then can be requested to try to prepare the food at home. Further, the customers can be motivated to customize the recipe or send a new one to the company in lieu of a surprise gift.

Nonusers who believe that RTEF are for aged or physical disabled people can be cultured through extensive advertisement by employee punch-line such as “Healthy eating for all ages”.

5.8 General suggestions

The suggestions are not based on finding of this study. The suggestions are based on common observations during the survey in order to increase sales of the products:

- A full page advertisement on the cover page of a magazine or newspaper with fragrance printing can fetch attention of readers. The tantalising aroma will force the reader to think about the product. The same tactics can also be used near billing counters/point-of-sale (POS) through big size posters.

- The marketers can provide freebies independently or together with other items so that nonuser can at least taste the RTEF.

- The manufacturers can increase sales and get constant revenues if they can create partnership with government agencies for providing affordable RTEF. Indian railway can be a big market for them. Even, central or state government’s anganwadi centres and mid-day meals in schools can also provide big earnings to the manufacturers.

All the above suggestions are suggested to various marketers as per different needs of the market position of their RTEF. They are not suggested to employ all of them in one go as it can create confusion in the minds of customers. Hence, marketers are suggested to use them in a series and educate the customer step by step. However, priority of the suggestions can be set as per their requirement. Moreover, various decisions like duration of
advertisement, type of medium, broadcast timing etc depend upon budget and aims of an individual manufacturer. Hence, suggestions related to these things are kept separated from this study.

5.9 Conclusion

A fast paced urban lifestyle along with rising incomes has fuelled the demand of packaged food in India. The demand for RTEF is at nascent stage in the country. The choice of RTEF is primarily driven by its convenience and time saving attributes. However, the users and nonusers of RTEF believe that RTEF are not good for health. They are pressed for time and need something convenient on the cost of health. Further, the customers believe that RTEF keeps them away from tension or anxiety and give essence of feel free from responsibilities of feeding. It is also found that the consumer’s buy RTEF under influence of their feelings or emotions. The consumers use RTEF to assist main meals and prefer to consume at dinner. The consumers prefer to purchase RTEF from traditional grocery retailers and convenience stores. Nonusers consider RTEF as an expensive product and prefer to cook food at home to save money. But they can go for RTEF if it turns out to be good for health. Moreover, nonusers believe that users of RTEF lives alone, they do not want to cook or they are disabled people. In recent years growth rate of RTEF is on decline due to negative perception of consumers towards packaged food after the ban on Maggi. Marketers need to persuade cautious during the recovery process as now consumers are more aware and have alternatives to quench their hunger conveniently. The finding and suggestion will surely assist the marketers in developing effective strategies and tactics for gaining a competitive edge over its competitors.

5.10 Limitations of the study

It is likely that the findings of the study may be influenced by some limitation of the study. First, family income, expenditure on RTEF, consumption frequency of RTEF may be intentional or unintentional overrated or underrated by the respondents. Second, during survey, the ban on Maggi may have changed the perception of respondents towards RTEF and so it may be possible that the changed perception might have impacted their responses. Third, the respondents may possess different set of cooking skills and their perception towards RTEF varies accordingly. However, it is possible that they may have responded in a similar way to same set of questions. Fourth, few respondents have faced difficult in understanding five point likert scale while expressing their views. They were willing to
express their views through only three choices i.e. agree, neutral and disagree. Fifth, the respondents were not able to segregate RTEF from other packaged food. Majority of the customers thought that convenience food, ready-to-eat food, packaged food, processed food etc are same thing. So it is possible that they might have responded to the questionnaire by supposing any non-RTEF like Maggi (Ready-to-cook). Sixth, Sample size of 1122 respondents may have not been sufficient for generalizing the results across Haryana, NCR, Delhi, Chandigarh, and Punjab. Seventh, the study is carried out on overall RTEF category, not on any specific product of the category. Hence, results of overall RTEF category may have limitations in generalizing the results for different kind of product of the category. Eighth, violation of assumption of multivariate normality can bias the results. Hence the findings should be used with caution.

5.11 Directions for future research

Understanding consumer behaviour towards RTEF needs a multifaceted approach. This study can provide useful insight for future researches. The current study predicted consumer behaviour towards RTEF through attitude, perceived behavioural control and subjective norms (TPB model). In future, predictability of TPB model can be explored by adding few more variables like habit, self-efficacy, moral attitude, moral norms or emotion to the existing model. Moreover, effect of demographic factors as moderator can also be explored through TPB model. Another future area could be to find out causal relationships between RTEF choice motives and intention to consume RTEF. Furthermore, the study is conducted at only two states and two union territories of north India. However, the food choices of Indian people are strongly influenced by regional and cultural differences. Hence, future studies can carry the same study across different regions and cultures of the country to provide an overall picture of Indian people’s behaviour towards RTEF. Even the future studies can carry the same research in rural areas to understand their behaviour towards RTEF. In the future, researchers can also carry the same work on specific RTEF products or on different categories.