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## **EFFECT OF VARIOUS STIMULI ON CONSUMER BEHAVIOUR FOR FOOD COMMODITIES IN AN AREA OF MYMENSINGH DISTRICT**

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### **ABSTRACT**

The study area covered the Bangladesh Agricultural University and its adjoining areas. The respondents were divided into three income groups and a total of 238 respondents were interviewed. "Weighted average" method was used for determining the preference and frequency of purchase of the households. Most households used to make decision for buying food jointly with husband and wife and did shopping as a matter of necessity rather than pleasure. The male members in the lower age groups had generally high level of preference for high calorie food than their women counterparts. However beyond the age of forty their preference for these foods fell drastically. Company's reputation was the most important criterion in choosing new brands of products. Foreign products were considered superior to local products. Most respondents were not prepared to pay extra price for services such as grading, processing and packaging of primary agricultural products. Most of them exhibited brand affinity and brand loyalty. They thought that of the two competing brand products the one having higher price was of better quality. Among the mass media television was ranked as the most effective means of communication. In the events of rise in price of consumer goods households' first perceived action was to cut the consumption of some non-food items and cut the consumption of food only as the last resort.

### **I. INTRODUCTION**

Consumer behaviour has been defined as the behaviour that consumers display in searching for, purchasing, using and evaluating products, services and ideas which they expect will satisfy their needs. The study of consumer behaviour is the study of how individuals make decision to spend their money, time and effort on consumption related goods (Schiffman & Kanuk, 1978). Among these goods food unquestionably remains the most important and basic. The study of consumer behaviour is not only fascinating in its own right but also very important from marketing viewpoint as it flows naturally from marketing concept that encompasses the idea of looking at the product from consumer's point of view.

Consumer research is extremely important to market strategy, because knowledge of the factors influencing consumer-buying behaviour can help increase market share. If marketers understand the psychological and socio-cultural factors operating on consumers, it becomes much easier for them to predict how consumers will react to a new product, price change, and

promotional campaign. Hence knowledge of consumer behaviour makes it simpler for the firm to analyse the consumer market and plan appropriate market strategy.

Consumer behaviour, however, is dependent on various stimuli that the consumers are constantly subjected to. Knowledge of the consumers' response to these stimuli towards a food product/products is important to marketers, the producers and the food industries. The behaviour of individual consumer is of no use to marketers as individuals react differently variously to a particular stimulus. However, study of consumer behaviour of a population does give an idea of general response to a stimulus. The objective of this study is to understand the consumer behaviour, the factors influencing it and the effect of marketing and other stimuli on it for food commodities in an area of Mymensingh district.

## II. METHODOLOGY

The study area covered the Bangladesh Agricultural University residential campus and adjoining areas which included villages of Kawotkhali to the North, Boyra and Digharkanda to the south and the west respectively. A purposive sampling method for the selection of households was used in this study. The respondents were selected to represent three per capita income groups of households namely lower (per capita income up to TK 1,200), middle (>TK 1,200- TK 2,700) and upper (>TK.2,700) income groups.

Data were collected through carefully prepared and pre-tested closed type questionnaires from literate respondents and through interview schedule from those who were illiterate. Questionnaires were distributed to over 300 households of which a total of 238 responded to the questionnaire. Among the respondent, 83, 85 and 70 belong to upper, middle and lower income groups respectively. All households, however, did not respond to all the questions included in the questionnaire.

Data were analysed as percentages. However, to determine the relative preference of the households for different food items and to estimate the frequency of their purchase "weighted average" method was used. Options given under each question were ranked by the respondents by putting 1,2,3 etc. in decreasing order of priority. Analysis of respondents' ranking was done by putting weight to each option in a manner that the options receiving the lowest priority was given a weight of 1,2,3 etc. to the rest of the options in increasing order of priority. In other words for analysis the weightage ranking was the reverse of the ranking done by the respondents. Weights were chosen in such a way that the difference between two consecutive weights was 1.

The following formula was used for computing weighted average for a particular option.

$$\text{Weighted Average} = \frac{[n.a_1 + (n-1)a_2 + (n-2)a_3 + \dots]}{N}$$

Where,

N = Total number of respondents answering a specific question

n, n-1, n-2 ...= Weights assigned to each option under a specific question according to decreasing order of priority where n carries the highest weightage.

a<sub>1</sub>, a<sub>2</sub>, a<sub>3</sub>,... = Number of respondents indicating priority in decreasing order.

The weighted averages were calculated for response of various groups and all households. Based on these weighted average the responses of total number of households for the options under a question were ranked in order of decreasing importance by using Roman numbers I, II, III, IV etc. depending upon the number of options that were applicable to individual respondent. The number I was assigned to the option scoring the highest weighted average, II for the second highest weighted average and so on<sup>1</sup>.

### III. CONSUMER BUYING BEHAVIOUR

Consumers buying behaviour refers "to the process whereby individual decides whether what, when, where, how and from whom to purchase goods and services" (Walters and Paul, 1970)

#### Decision Makers and Involvement of Family Members

It was found that in one third of the households surveyed the decision makers were husbands alone while in one half of the cases decisions were made by both husbands and wives (Table 1). The highest percentage of households in which husbands (67%) were decision-makers belonged to the lower income group. On the other hand, in fairly high percentages of households, in which both husbands and wives jointly were decision-makers belonged to upper and middle-income groups respectively. Of the households surveyed 70% involved their family members in budgeting for food while 30% did not do so. High percentage of involvement is seen in upper and middle-income groups.

**Table 1. Decision makers for purchase of food items.**

(% of respondent)

Decision makers	Income group			
	Upper	Middle	Lower	All
Husband	10.15	27.16	66.67	32.86
Wife	15.94	7.41	1.67	8.10
Both husband & wife	71.01	59.26	8.33	49.05
Others	2.90	6.17	23.33	10.00

#### Shopping Pattern

Of the total respondents highest percentage (32%) preferred to shop for food in the evening followed by those (28%) preferring late morning hours (Table 2). Early morning shoppers constituted 18% while those preferring noon and afternoon time constituted nearly

equal percentage (around 11%). Group- wise break down showed that some 81% households that preferred evening shopping time belonged to lower income group. Among the upper income group one half preferred late morning hours for shopping.

**Table 2. Preferred time for shopping food.**

Time of the day	Income group			
	Upper	Middle	Lower	All
Early morning	20.73	27.63	4.29	17.98
Late morning	50.00	23.68	7.14	28.07
Noon	6.10	15.79	2.86	10.53
Afternoon	12.20	23.68	4.29	11.40
Evening	10.98	9.21	81.43	32.02

Over 46% of respondents reported that they did shopping for food as a matter of necessity followed by 36% who considered it not as a very pleasant job. The higher percentages of respondents holding the former opinion belonged to lower and middle income groups while majority of the respondents who gave the latter opinion belonged to upper income group.

Satisfying the taste and preference of the members of the household as a motivating factor for shopping for food commodities was ranked I by overall households, whereas selection of high quality food items was ranked II (Table 3). The findings imply that consumers were concerned more about what food their family members preferred and also about the quality of the food commodities they consume.

**Table 3. Motivational factors influencing households' shopping for food.**

Motivational factors	Income group			
	Upper	Middle	Lower	All
To satisfy family members	I (3.63)	I (3.43)	I (3.21)	I (3.41)
To select high quality food	II (3.47)	II (3.10)	II (3.05)	II (3.12)
To save shopping time	III (3.22)	III (2.81)	III (2.50)	III (2.55)
To save cooking time	IV (2.53)	IV (2.00)	V (1.43)	IV (1.99)
To save money	V (0.92)	V (1.12)	IV (1.60)	V (1.09)

### Factors Influencing the Choice of Food Commodities

The households were asked the rank according to their relative importance the factors that influenced their choice of the unprocessed food commodities. Relative influence of

various factors for overall households based on the weighted average of the response was as follows: **Liking of the family members> Availability> Price> Quality perception> Attractiveness >Opinion of sellers> Ease of cooking> Opinions of friends** (Table 4). The group wise response showed that *Liking of the family members* was ranked I by upper and middle income group and II by the lower income group. On the other hand, *Price* was the most important factor for lower income group (rank I) for choosing unprocessed food.

For processed food the ranking was as follows: **Taste> Quality perception> Brand>Price> High sale of the product> Advertisement> Opinion of friends> Opinion of Shopkeepers> Attractive package> Product information> Quality guarantee by the company**. In respect of group wise break down, taste was the most important factor for all groups followed by the quality perception for upper and middle income group while price was the second most important factor for lower income group.

**Table 4. Factors that influence the choice of unprocessed food commodities.**

(Rank & Weighted average)

Factors	Income group			
	Upper	Middle	Lower	All
Liking of family members	I (5.83)	I (5.78)	II (5.45)	I (5.76)
Availability	II (5.55)	II (5.41)	III (5.26)	II (5.44)
Price	IV (5.13)	III (4.90)	I (5.56)	III (5.29)
Quality perception	III (5.34)	IV (4.84)	IV (5.19)	IV (5.12)
Attractiveness	V (4.97)	V (4.21)	VI (4.08)	V (4.13)
Opinion of shopkeepers	VI (4.12)	VI (3.92)	V (4.10)	VI (4.01) S
Ease of cooking	VII (3.98)	VII (3.86)	VII (2.81)	VII (3.11)
Opinion of friends	VIII (3.10)	VIII (2.96)	VIII (2.66)	VIII (2.95)

### Length of Time for which Foods are Purchased

Except for rice, wheat and spices, no household bought any other commodity once for the whole year. However, while 20% of the respondents bought rice at a time for whole year, only 2% did so each for wheat and spices (Table 5). All the less perishable items were purchased at a time for a month by varying number of households. The items that were bought for a month by over 50% percent of the households included cooking oil, rice, salt, pulses, spices and powder milk. Commodities that were bought for fortnights by over 25% of the respondents included wheat, pulses, onions, spices, powder milk and tea. Items that were bought once for a week by over 20% of the households included wheat, salt, sugar, pulses, onion, biscuits, tea and potato.

Nearly 5% of the households who did not have a refrigerator bought eggs for a fortnight (Table 6). Items that were bought for a week included fruits and eggs by 14% and 42% of the households respectively. Households that owned a refrigerator did not buy any item for a year. However, 17%, 10% and 15% of households purchased meat, egg and drinks on a monthly basis respectively. Fortnightly purchased of meat, fish, fruits, eggs and drinks were made by 22%, 5%, 4%, 18% and 17% of the households respectively. Fairly high percentages of households bought meat, fish, fruits and eggs on weekly basis. Every item included under the perishables was purchased by more or less number of households on daily basis. Fluid milk, vegetables and fish were especially purchased on daily basis by a vast majority of households.

**Table 5. Length of period for which households buy less perishable food commodities at a time**

Items	(% of respondent)				
	Yearly	Monthly	Fortnightly	Weekly	Daily
Rice	20.0	70.2	6.8	3.0	0.0
Wheat	2.2	19.9	40.9	32.3	4.8
Cooking oil	0.0	80.0	14.9	5.1	0.0
Salt	0.0	60.0	20.0	20.0	0.0
Sugar	0.0	46.0	30.2	23.8	0.0
Pulses	0.0	54.9	25.1	20.0	0.0
Onion	0.0	26.8	25.1	46.8	1.3
Spices	2.1	66.0	25.1	6.0	1.0
Potato	0.0	6.0	3.8	68.1	22.1
Powder milk	0.0	52.1	42.0	5.9	0.0
Biscuit	0.0	1.0	9.1	65.0	28.0
Tea	0.0	40.0	28.1	31.9	0.0

**Table 6. Length of periods households buy more perishable food commodities at a time.**

Items	(% of respondent)									
	With freeze					Without Freeze				
	Yearly	Monthly	Fort-nightly	Weekly	Daily	Yearly	Monthly	Fort-nightly	Weekly	Daily
Meat	0.0	17.1	15.7	42.1	186	0.0	0.0	0.0	0.0	100.0
Fi sh	0.0	0.0	5.0	50.7	44.3	0.0	0.0	0.0	0.0	100.0
Veg.	0.0	0.0	0.0	9.3	90.7	0.0	0.0	0.0	0.0	1000
Fruit	0.0	0.0	3.6	44.3	52.1	0.0	0.0	0.0	13.7	863
Milk	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	1000
Eee	0.0	10.0	17.9	67.1	5.0	0.0	0.0	4.6	42.5	530
Drink	0.0	15.0	17.1	20.7	47.1	0.0	0.0	0.0	0.0	00

### Preference Levels among Different Age and Sex Groups

Children had preference of high level for chicken and milk, moderate levels for sweets and eggs and low levels for fish, beef, vegetables and fruits (Table 7). This is understandable since children, as a rule, do not like fibrous and bony food items. There were some very

**Table 7. Preference levels among different age and sex groups.**

(Preference level &amp; Weighted average)

Commodities	Groups by age & sex						
	>0-8yrs	>8-20yrs (Male)	>8-20yrs (Female)	>20-40yrs (Male)	>20-40yrs (Female)	>40yrs (Male)	>40yrs (Female)
Chicken	I 2.78	II 2.77	III 2.59	IV 2.57	V 2.51	VI 2.49	VII 2.23
Beef	VII 1.77	III 2.22	V 1.96	II 2.23	I 2.25	VI 1.79	IV 2.06
Mutton	V 1.90	I 2.19	IV 1.95	III 2.04	II 2.05	VI 1.71	VII 1.64
Fish	VII 2.09	IV 2.14	V 2.27	IV 2.43	I 2.58	II 2.56	III 2.54
Eggs	III 2.46	II 2.57	V 2.34	I 2.59	IV 2.44	VII 2.27	VI 2.28
Milk	I 2.64	II 2.59	VII 2.34	V 2.45	IV 2.49	III 2.57	VI 2.38
Sweets	II 2.43	I 2.56	IV 2.34	III 2.40	V 2.28	VII 2.09	VI 2.19
Vegetables	VII 1.82	V 2.09	VI 1.90	IV 2.43	III 2.51	I 2.61	II 2.53
Fruits	IV 2.59	VI 2.54	V 2.57	II 2.74	I 2.76	III 2.65	III 2.65

interesting differences in terms of preference levels for various foods between male and female members of the age group of >8-20 years. Male members in this group exhibited high preference for mutton, sweets, milk, eggs and chicken, moderate preference for beef and low preference for fish, vegetables and fruits. On the other hand, female members of this group showed a very low preference levels for all food items with the exception of chicken even for which they exhibited only moderate preference level. This age group is particularly important as it spans both a part of child life and part of adult life. This is also a period of not only high rate of physical growth but of mental growth. It seems necessary, therefore, to reflect upon the causes of such glaring differences between the two sexes. Boys and male teenagers are generally very active physically. They participate in various kinds of outdoor and indoor games, sports and other physical activities. They burn calories in huge amounts. This makes them hungry. They eat all kinds of foods available to them but prefer those that yield energy and builds body. That is the reason why they have relatively high preference level for six out of nine food items under scrutiny. The picture is entirely different when it comes to girls and female teenagers. Partly because of our social and cultural conditions and partly because of their own volition they practically confine themselves in the house; and those who are school and college students practically have little physical activity. Thus slowly they lose the interest in and appetite for food and in the end develops apathy for it. This becomes ultimately their instinct. However, one more factor contributing to this situation can be pointed out. Females in this group particularly the teenagers become very conscious of their beauty and figure. They are worried for becoming obese. Thus they cut food consumption by choice and eat only



those foods, which provide bulk but not much nutrients. This, however, does not and indeed cannot reflect the preference level.

The male members in the lower age groups have generally higher levels of preference for animal foods than their women counterpart. However, beyond the age of 40 the level of preference for both men and women falls drastically <sup>2</sup>. This may be explained by the fact that animal foods in particular have been associated with various cardiovascular diseases and sweets with diabetes <sup>3</sup>. This is a statistical truth that most of the incidents of heart attack and diabetes occur during the age between 40 and 50 years. In recent times, there has been a considerable awareness about nutrition and various diseases associated with some foods and the vulnerability to these diseases of certain age groups.

#### IV. EFFECT OF MARKETING AND OTHER STIMULI ON CONSUMER BEHAVIOUR

Stimulus in general term refers to any unit of input to any of our senses. Marketing stimuli include Product, Price, Place and Promotion-the 4Ps. Besides these, there are stimuli that come from consumers environment e.g., economic, technological, cultural and political stimuli. Response to these stimuli depends upon how consumer processes the content, form, complexity and information presented by these stimuli. The stimuli are processed in the form of perceptions, attitude and action. Marketers strive that the stimuli be such as to produce positive response from the intended target markets. In this paper the effect of only some of the marketing and a few other common stimuli on consumer behaviour is included.

##### Local versus Foreign Product

Of the total households surveyed 69% preferred to buy local products while the rest 31 % went for foreign products (Table 8). The group wise response showed that upper income group tended to prefer foreign to local products. Middle-income group, on the other hand, preferred local to foreign product (ratio 2:1). Lower income group, however, relied almost entirely on local products.

Ninety percent of the households believed that foreign products were qualitatively superior to local products (Table 9). Some 65% opined that foreign products had better taste than the

**Table 8. Preference of local and foreign processed food products for buying**

(% of respondent)

Response	Income group			
	Upper	Middle	Lower	All
Local products	48.05	65.88	97.06	69.13
Foreign products	51.95	34.12	2.94	30.87

**Table 9. General perception about the foreign and local products**

Perceptions	% of total households
Local products are qualitatively as good as foreign products	100.00
Tastes of foreign products are better than that local products	95.45
Tastes of local products are as good as that of foreign products	91.92
Foreign products are more prestigious	91.92
Foreign products are qualitatively superior to local products	90.91
Your patriotic emotion is involved with local products	86.87
Foreign products are more nutritious	79.8
Local products are equally nutritious	77.27
Foreign products are sold in more attractive and useful packages	69.19
The packages of both are equally good	67.68
Information of the products given on the package of foreign products are more comprehensive than that of local products	65.15
Product information of the packages of foreign products are correct	59.6
Product information on packages of local products are not entirely correct	40.4
You have better trust on foreign products because in most cases they are products of world wide famous companies	34.85
Foreign products are produced under more rigorous hygienic condition than the local products	26.26
Foreign products are subjected to greater quality control than local products	17.17
Foreign products sold in our country are inferior to those sold in the country of manufacture	4.55
Foreign products are costlier than local products because they are better quality	4.04
Foreign products are costlier not because they are qualitatively superior to local products but because import and other duties raise the price	2.53

local products. Nearly 92% of the households thought that foreign products were more nutritious than local products; 60% were of the opinion that foreign products were sold in more attractive and useful packages. In the opinion of 80% of the households the information about the product provided on the packages of the foreign products were more comprehensive while 68% believed such information to be entirely correct. Nearly 87% of the households believed that foreign products were produced under more rigorous hygienic conditions than local products. Over three fourths of the households believed that foreign products during manufacture were subjected to greater quality control than the local products. Nearly 92% of the households thought that foreign products were more costly because of their better quality. On the other hand, only 4% thought that their high cost was due to import and other duties. Some 92% of the households had better trust on foreign products because in most cases they were manufactured by world famous companies. However, 35% of the respondents thought

that the foreign products sold in our country were inferior to those sold in the country of manufacture.

Nearly 26% of the households thought that the tastes of the local products are as good as that of foreign products whereas 81% considered local products equally prestigious. Only 2.5% considered local products as nutritious as foreign products. Some 69% were of the opinion that the information on the packages of local products is not entirely correct. It was interesting that 100% of the households indicated the involvement of their patriotic emotion with the local products.

### Processing, Grading and Packaging of Products

Households were asked if they would be prepared to pay extra price for services such as grading, dressing and packaging of meat, fish, milk, fruits and vegetables. Nearly 31 % of the households answered in affirmative while the rest 69% in negative (Table 10). Clearly this reflects the economic constraint of the households as it is seen that significant percentage of the households belonging to upper income group were prepared to pay extra for these value added products whereas those belonging to middle and particularly lower income groups generally did not support such services.

Over 38% of the households thought that grading cost raised price of the products (Table 11). On the other hand 58% and 52% respectively thought that graded products of the same commodity carried different price tags and that products were available with desired attributes. Some 47% thought that grading saved shopping time whereas 30% were apprehensive that sellers would grade the products dishonestly. Looking at the group wise response the highest percentage of respondents who were concerned with price hike owing to grading belonged to lower income group. However, 61% of the households indicated their willingness to buy graded products provided it did not raise the price of the product to any great extent.

**Table 10. Prepared to pay extra price for services such as processing, dressing, grading, packaging for food commodities.**

(% of respondents)

Response	Income group			
	Upper	Middle	Lower	All
Prepared to pay extra price	42.50	28.00	13.64	30.65
Prepared to pay no extra price	57.50	72.00	86.36	69.35

**Table 11. Perception about grading of food commodities.**

(% of respondents)

Perception	Income group			
	Upper	Middle	Lower	All
Grading raises price	4.88	33.75	80.77	34.11
Graded products have desired attributes	47.56	50.00	36.54	45.79
Sellers may grade the product dishonestly	25.61	32.50	21.15	26.64
Graded products have different price	20.73	68.75	73.08	51.40
Grading saves shopping time	43.90	46.25	32.69	42.06

Packaging is strictly linked to strategic market decision and also has critical implication for the components of marketing mix. In fact some marketing authorities consider it as the 5<sup>th</sup> P of the marketing mix (Kotler & Armstrong, 1996). Households were asked about their opinion regarding the package of food products. That package ensures the preservation of product quality attributes received the highest ranking of I by the overall households (Table 12).-The perceived role of packaging to ensure the maintenance of hygienic condition of the product was ranked II. The perception about packaging ranked III was negative in the sense that product quality cannot be judged without opening the package. The opinion that package products are convenient to carry, easy to store and easy to handle was ranked IV. This is entirely a utilitarian view about packaging. Another utilitarian view that package saves shopping time was ranked V. The opinion that package does not allow purchase of product in amounts needed by the customer was ranked VI. The perceived function of package to protect the product from physical damage and that packaging unnecessarily raises the price of the product were ranked VII & VIII respectively.

**Table 12. General perceptions about packaging.**

(Rank & weighted average)

General perception	Income group			
	Upper	Middle	Lower	All
Ensure high quality	I (7.30)	I (7.19)	IV (6.16)	I (7.03)
Ensure hygienic conditions of the product	II (7.14)	II (6.98)	II (6.62)	II (6.94)
Quality cannot be judged	III (6.89)	III (6.43)	IX (4.30)	III (6.05)
Convenient to carry and easy to store	IV (5.98)	V (6.29)	III (6.29)	IV (5.93)
Saves shopping time	V (5.70)	IV (5.99)	VI (5.12)	V (5.67)
Cannot be purchased in exact amount needed	VI (5.59)	VI (4.52)	V (6.10)	VI (5.28)
Protects product from physical damage	VII (4.48)	VII (4.10)	VII (5.03)	VII (4.39)
Unnecessary increases price	VIII (3.12)	VIII (3.47)	I (6.91)	VIII (4.16)

### Brand Product

Brand describes product identification by word, name, symbol or design or a combination of these. Brand has great influence on consumer behaviour and impact on market share. Households were asked whether they had affinity for brands. Nearly 56% of households surveyed reported to buy branded products where available, while 44% indicated no such affinity (Table 13). Group wise response showed that the highest percentage of those exhibiting brand affinity belonged to upper income group while the highest percentage not indicating affinity belonged to the lower income group.

Households that indicated affinity for brand were asked the reasons for their attitude. The reason ranked I was that brand offers a perception of quality (Table 14). The opinion that branded products strictly conform to specification was ranked II. The idea that branded products had to undergo quality control during manufacture scored the III ranking.

Nearly 52% of the households surveyed responded that they generally stick to the old brand. On the other hand, 48% of the households said that they generally liked to try new brands. It was interesting to note that higher percentages of both upper and lower income groups generally liked to try new brands whereas a higher percentage of those showing brand loyalty belonged to the middle-income group.

The households that did not exhibit brand loyalty were asked to indicate the reasons for their behaviour for trying new brands. Nearly 77% tended to try new brands to see if the new brand was better than the old ones while 23% did so just for a change (Table 15). Group wise distribution showed that considerably higher percentage of those who tried new brands for former reason belonged to middle and upper income classes. However, significant percentage of those who tried new brands just for a change belonged to lower income group.

**Table 13. Affinity for brands.**

(% of respondents)

General perception	Income group			
	Upper	Middle	Lower	All
Affinity	73.61	52.86	36.84	55.78
No affinity	26.39	47.14	63.16	44.22

**Table 14. Reasons for having affinity for brands.**

(Rank & weighted average)

Factors	Income group			
	Upper	Middle	Lower	All
Give perception of quality	I (4.10)	I (3.89)	I (3.70)	I (3.98)
Brand products stick to specification	II (3.79)	II (3.68)	II (3.50)	II (3.67)
Undergo quality control during manufacture	III (3.18)	III (3.27)	IV (2.85)	III (3.10)
Indicate attributes of the product	IV (2.87)	V (2.42)	III (2.98)	IV (2.85)
Have longer shelf life	V (2.93)	IV (3.69)	V (2.19)	V (2.43)

**Table 15. Reasons for trying new brands.**

(% of respondents)

Response	Income group			
	Upper	Middle	Lower	All
To know if the new brand is better than old one	79.07	90.48	55.56	76.83
Just for a change	20.93	9.52	44.44	23.17

In indicating their reactions to the arrival in the market of a new branded product, 59% of the households said that they would try to gather information about the brand before actually buying it (Table 16). Nearly 37% would prefer to wait until the branded product turns into a high selling one. Only a small percent indicated that they would buy it as soon as it arrives in the market. These are obviously compulsive brand switcher and mostly belong to upper class. High percentages of those who preferred to gather information belonged to upper and middle income group while those who preferred to wait till the brand product proves itself in the market belonged to the lower income group.

**Table 16. Reaction after learning about the arrival of a new product in the market.**

(% of respondents)

Reactions	Income group			
	Upper	Middle	Lower	All
Try to gather information	71.19	60.53	34.29	59.41
No purchase until proved to be high selling	22.03	36.84	60.00	36.47
Purchase immediately	6.78	2.63	5.71	4.12

Company often sells a number of products under the same brand name. Again a company sells a number of products under different brand names. Consumer satisfaction is very important in both the situations. The households surveyed were asked if they would feel discouraged to purchase other products of the same brand if they were dissatisfied with a product of that brand. Nearly 12% and 6% of the households were categorical in indicating that they would be always and *never* discouraged respectively (Table 17). About 45% and 27% respectively responded that they would be generally and sometimes discouraged. Those who thought that they would be always discouraged fell mainly to upper class and those who claimed that they would never be discouraged fell mainly in lower income group. A majority of the respondents believed that a bad product of a company could make a huge dent in the reputation of the company and might adversely affect the market size of its other products as well.

**Table 17. Whether consumers get discouraged to buy a new product of a brand if they are dissatisfied with another product bearing the same brand.**

(% of respondents)

Response	Income group			
	Upper	Middle	Lower	All
Generally	55.13	43.90	0.00	44.63
Sometimes	12.82	46.34	0.00	27.12
Always	24.36	2.44	0.00	11.86
Occasionally	6.41	4.88	11.76	6.21
Never	1.28	2.44	88.24	10.17

**Product Guarantee**

Households were asked if the quality guarantee by the company increases their confidence in the company's branded products. Some 70% of the households answered in the affirmative while the rest in the negative. Obviously this is the result of the consumers' perception about the genuineness of the guarantee. The highest percentage of those showing positive response belonged to upper income group although other two groups constituted significant percentages. On the other hand, those having negative perception about guarantee belonged mostly to middle and lower income groups.

**Two Branded Products with Different Price]**

During the survey, households were asked about their perception of two branded products apparently identical except in price. Some 44% of the households thought that higher price was indicative of better quality (Table 18). About 20% thought that by putting higher price tag the company was making higher profit and that it had nothing to do with quality. On the other hand, some 30% of the respondents thought that through lower price the company was making an effort to popularise its brand. Group wise response showed that very high percentage of households in lower income group perceived higher price as an index of quality although significant percentage of households holding this opinion belonged to upper and middle-income group as well. A considerably high percentage of households that perceived higher price only as a means of making profit belonged to middle income group. On the other hand, a considerably high percentage of households that perceived price as a means to popularise the product belonged to the upper income group. Most of the households that attributed price to prestige belonged to lower income group.

**Table 18. Perceptions about two brands of the same product with different market price.**  
(% of respondents)

Perceptions	Income group			
	Upper	Middle	Lower	All
Higher price indicate better quality	38.03	31.58	78.79	44.10
Though lower price the Co. is popularising its brand	49.30	24.56	0.00	30.43
Through higher price the Co. is making more profit	9.86	43.86	0.00	19.88
Brand with higher price is prestigious	2.82	0.00	21.21	5.59

### Price Responses of the Favourite Branded Product

Nearly 55% of the households thought that reduction in price was a marketing strategy of the company to boost the sale of its product (Table 19). Nearly 12% of the respondents, however, thought that the price reduction was due to fall in the product popularity that forced the company to do so in an attempt to maintain the market share of its product. Nearly 11 % of the households considered it an aggressive policy to push the similar products out of the market. In contradistinction, 22% of the households considered it a means to clear the market of the product. Such reduction sales are quite common in developed countries.

**Table 19. Perception.of respondents about sudden fall in the price of favourite brand.**  
(% of respondents)

Perceptions	Income group			
	Upper	Middle	Lower	All
To boost the product sale	27.54	78.38	58.33	54.75
To clear the market	39.13	18.92	0.00	22.91
Fall in product popularity	7.25	1.35	41.67	11.73
Ploy to push competitive product out of the market	26.09	1.35	0.00	10.61

Nearly 28% of the households thought that the company raised the price because of improvement in product quality and hence increased cost (Table 20). Nearly 36% on the other hand thought the rise in price was the result of increased demand for the product. Some 30% of the respondents thought that by increasing the price the company wanted to bring home the fact that the product was superior to others. Some 7% of respondents attributed the increase in price to the cost of aggressive promotional activities. In indicating their reaction to this situation, some 38% of the households indicated that they would continue with the brand product in spite of price hike. Some 62% on the other hand said that they would switch to other brand. Group wise distribution of reaction response showed that very high percentage of households belonging to upper income group wanted to continue with the brand. Considerably smaller percentage of such diehards belonged to middle income group and none to lowincome group. On the other hand, 100% of households belonging to low income group said



that they would switch to other brands. Similarly some 74% and 33% of the households belonging to middle income and upper income groups respectively also indicated their willingness to change to a new brand.

**Table 20. Consumers' perception when the price of their favourite brand rises over the same product of other brands.**

(% of respondents)

Perceptions	Income group			
	Upper	Middle	Lower	All
Rises in demand	7.89	54.05	57.58	35.52
To show that the product is better and more popular	51.32	20.27	0.00	29.51
Quality improved	36.84	12.16	42.42	27.87
Aggressive promotional activity increases the cost	3.95	13.51	0.00	7.10

### Preferred Shops of the Consumers

Some shops sell their food commodities at fixed prices while others through bargaining. Consumers differ in their behaviour towards these sale conditions. Nearly 82% of the households surveyed told that they preferred to buy from fixed price shop while only 18% from bargain shop (Table 21). The choice of fixed price shop was not limited to any income group. Fairly high percentages of respondents from each group preferred to buy from fixed rather than bargain shop. Such attitude of the consumers help to stabilize market price of various food commodities.

Some 76% of the households surveyed reported that they bought their food commodities from known shops while the rest from any shop that they found convenient. Households were asked to rank the reasons that had positive effect on their shopping from known shops. The rankings were as follows: Reasonable Price> Good & Prompt Service>Availability of assorted products>Attractive condition of the shop> Nearness to the residence> Offer to buy on credit (Table 22).

**Table 21. Preferred shop of the consumers.**

(% of respondents)

Response	Income group			
	Upper	Middle	Lower	All
Fixed price shop	92.68	87.01	58.82	82.38
Bargain shop	7.32.	12.99	41.18	17.62

**Table 22. Reasons for shop loyalty.**

(% of respondents)

Reasons	Income group			
	Upper	Middle	Lower	All
Reasonable price	III (4.03)	I (4.97)	I (4.95)	I (4.77)
Good & prompt service	I (4.89)	II (4.84)	IV (3.83)	II (4.71)
Availability of assorted products	II (4.71)	III (4.40)	V (3.66)	III (4.29)
Attractive condition of the shop	IV (3.75)	IV (3.32)	VI (3.07)	IV (3.21)
Nearness of residence	V (2.43)	V (2.60)	III (3.56)	V (2.96)
Offer to buy on credit	VI (0.40)	VI (2.79)	II (4.36)	VI (2.11)

### Effectiveness of Advertising

Advertising is the non-personal communication of information usually paid for and usually persuasive in nature about products services or ideas identified sponsors through the various media (Bovee & Arens, 1986). Households were asked to rank the various mass media in order of their effectiveness as means of advertising. Television as a medium of communication was considered the most effective by the households and was given the rank I (Table 23). Newspapers & Magazines were ranked II. The opinion of friends & relatives was ranked III. Radio and transistors received the rank IV. The opinion of the shopkeepers was ranked V. The effort of sales representatives was not considered very effective and was ranked VI. Cinema as medium of communication received the last ranking. Group wise response showed that for upper and middle income groups Television, Newspapers & Magazines and Opinion of Friends & Relatives were more effective means. On the other hand, for lower income group Radio, Shopkeepers' opinion and Opinions of friends and relatives were more effective.

Almost all the households surveyed were of the opinion that advertising on mass media informs about the presence of the product in the market and provides the consumers the choice of products. Over 40% of the households thought that it is simply a ploy to sell the product, exaggerate the quality of the product and educate about the product. A small percentage of the households thought that the advertising on mass media expresses truth about the product. However, none of the households agreed that such advertising propagates down right lie<sup>4</sup>. Group wise distribution brought out certain glaring difference as well as convergence of opinion among the three groups. For example 45% 0 of the lower income

**Table 23. Effectiveness of different media for obtaining information about new products in the market.**

(Rank &amp; weighted average)

Media	Income group			
	Upper	Middle	Lower	All
Television	I (6.92)	I (6.76)	IV (4.89)	I (6.69)
Newspapers & Magazines	II (6.66)	II (6.15)	VI (3.47)	II (5.90)
Friends & Relatives	III (6.30)	III (5.57)	III (5.08)	III (5.53)
Radio	VI (3.22)	V (5.10)	I (6.74)	IV (5.46)
Shopkeepers	IV (5.96)	IV (5.21)	II (5.53)	V (5.38)
Sales representative	V (3.51)	VI (3.37)	VII (1.00)	VI (3.23)
Cinema	VII (1.00)	VII (1.11)	V (4.45)	VII (2.79)

households thought that such advertising express truth in complete disagreement with upper and middle-income households. On the other hand middle and upper income groups tended to think that it is simply a ploy to sell the product.

#### **Actions taken during rise in General Price Level**

Rise in price of goods and services have significant effect on consumers buying and consumption behaviour. Households were asked what action they would take under such situation. The highest ranking (I) was assigned to the perceived action that in such situation they would first cut the consumption of non-food items to meet the increased overall expenditure. In other words they would not initially cut or modify the consumption of food. The perceived action of households that received the second ranking was that the households would draw upon their savings to meet the extra expenditure if the situation persisted. The next preferred action that ranked III was that they would cut the consumption of non-food items as well as some luxury food items such as sweets, ice creams, drinks, etc. without increasing the household expenditure. The last option which ranked IV was that the households would also cut the consumption of necessary food to meet the extra expenditure caused by price hike. Thus, households moved from option ranked I through to that ranked IV according to the intensity and persistence of price hike. In other words, households would take recourse simultaneously to more than one options and in extreme cases all four.

#### **Change in Purchase of Food Items on the Expectation of Rise or Fall in Price**

The households were asked if they would stock some major food commodities such as rice, pulse, oil, onions etc. if they apprehended that price of general food item would increase

in near future. Nearly 46% of the households replied in the affirmative while 54% replied in the negative (Table 24). Group wise response showed that the middle income group had greater tendency to stock major food items whereas both upper and lower groups tended not to do so presumably because the former generally did not care while the latter did not have the means to buy extra food to stock.

Households were asked if they would postpone or reduce the purchase of some major food items if their price was expected to fall in near future. Nearly 49% of the households replied in the affirmative whereas 51% said "No". Group wise response showed that middle income group households tended to postpone or reduce purchase of the food items under the given condition whereas the households belonging to upper and lower income groups in general tended not to react to such speculation.

**Table 24. Stocking major food items if the price is expected to rise in near future.**

(% of respondents)

Response	Income group			
	Upper	Middle	Lower	All
Stock food items	39.71	56.47	32.50	45.60
Do not stock	60.29	43.53	67.50	54.40

#### **Reaction of Consumer to Seeing People Frantically buying a Product**

Households were asked if they would also buy a product when they saw many people frantically buying it. Some 18% of the people answered that they would tend to buy the product presumably because they considered it to be a very good bargain; or else why so many persons were competing to buy it (Table 25). On the other hand, a vast majority of respondents (nearly 82%) responded that they would not buy the product. Perhaps they were inclined to avoid the crowd without passing any judgement as to the bargain. Group wise response showed that all the income groups households tended not to be involved in purchase under such situation. However, the middle-income group exhibited relatively higher tendency to go for such purchase.

**Table 25. Buying of a product if it is seen many people frantically buying it.**

(% of respondents)

Response	Income group			
	Upper	Middle	Lower	All
Buy	17.46	22.89	9.09	17.89
Do not buy	82.54	77.11	90.91	82.11

## **V. CONCLUSION AND RECOMMENDATIONS**

The study revealed that most households used to take decision for buying food jointly with husband and wife; involve the members in budgeting for food; prefer shopping in the

evening and do shopping as a matter of necessity rather than pleasure. Satisfying the taste and preference of the members of the households was the most important motivational factor for purchasing food commodities. Most of the less perishable items were purchased for a month or for fifteen days. Households that owned a refrigerator bought perishable items either on weekly or daily basis but non-owner purchased these items on daily basis.

Children had high preference for chicken and milk and low preference for fibrous and bony food items. The male members in the lower age groups had generally high level of preference for high calorie food than their women counterpart. However beyond the age of forty the level of preference of these foods for both men and women fell drastically. Company's reputation was 'the most important criterion in choosing between two new brands of products. Foreign products were considered superior to local products. But households mostly bought local products.

Most respondents were not prepared to pay extra price for services such as grading, processing and packaging of primary agricultural products. However, most of them agreed that graded products offered affordable commodity to various income groups because of different price tags. Preservation of product quality attributes was the most important perceived function of packaging.

Most households exhibited brand affinity and brand loyalty because they believed that brands were a symbol of quality. Those who habitually tried new brands did so to find if the new product was better than the old competing brand products. Most households prefer first to know about the new brand product before actually buying it; think that they would be discouraged to buy other products of the same brands if they get dissatisfied with one product of that brand; consider Company's reputation as the most important criterion in choosing between two new brands of products. Product guarantee by the company is perceived to be an important means to improve consumer confidence.

Most households thought that of the two competing brand products the one having higher price was of better quality. Most households perceived the sudden fall in the price of their favourite products as a marketing strategy to boost the sale of the product. On the other hand, an increase in price of their favourite product relative to other similar products was perceived to be due to increased demand for the product. However, most of the respondents said that they would switch to some other relatively cheaper brand if the price of their favourite brand increased.

Consumers preferred to do their shopping from fixed price retail store. They also exhibited shop loyalty and considered reasonable price as the main factor affecting the shop loyalty.

Of the mass media, television was ranked as the most effective means of communication. Most respondents considered advertising on mass media as a means to inform the consumers of the presence and arrival of a specific product in the market.

In the events of rise in price of consumer goods and/or of the food commodities, households' first perceived action in both situations was to cut the consumption of some non-food items first and cut the consumption of food only as the last resort. Most households would not stock major food items if the prices of foods were expected to rise in the near future; nor would they postpone or reduce purchase of major food items if their prices were expected to fall.

Based on the finding of the study a few general recommendations can be made. Fixed price food stores may be established and kept open well after evening. Shopping environment and quality of services in the market should be improved. Primary food products should be offered in graded forms at prices affordable to all income groups. Consumers' rights should be honoured. Attempts should be made to improve the overall quality and packaging of local products to match the foreign products. Aggressive promotional campaign should be undertaken to mould the consumer buying behaviour favourably towards local products. This is particularly important in the context of impending free market economy and globalisation.

**Foot Notes:**

1. Detail methodology is presented in Gheyas (2002).
2. Horvath et. al. (1995) showed that consumers were influenced more by their income, age and level of education, than the area in which they lived.
3. Stewart and Anderson (1989) revealed that older consumers attached more importance to health and nutrition than to taste.
4. Chang (1989) indicated that generic advertising seemed to be more effective than brand specific advertising in affecting aggregate demand due in part, to the offsetting effects of comparative brand specific advertising.

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