

## **Factors Influencing Consumer Preference for Purchasing of Processed Food Products in Modern Retail Formats - A study in Bengaluru City**

**Abdul Kafil Bidar, Azizul Rahman Ragashtai**

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**Abstract** Processed foods are any food that has gone through chemical, mechanical or physical processing in the processing industries or at home and which has been altered from its natural state to a new state. These foods include frozen, pasteurized, fried, condensed, dried, dehydrated, canned and homogenized food. The food processing industry has an important role to play in linking the farmers to the final consumers in the domestic as well as the international markets. The consumer preference for processed food products in Modern Retail Formats are influenced by physiological, psychological and sociological factors. The present study made an attempt to analyze the factors influencing the purchase of processed food products from Modern Retail Formats, the primary data was collected from 60 consumers in Bengaluru city. The study revealed that 50% of the respondents preferred processed food products. Nearly one third of the

consumers are purchasing processed food products once in a week. Easy availability, taste, convenience and quality were the main factors influencing purchase of processed food products by consumers in Modern Retail Formats. The study clearly indicated that there is a wide scope for food processing industries in Bengaluru city, since consumers preference for processed food products is increasing. Hence the study clearly reveals that manufacturers need to ensure that their products meet requirements of consumers in terms of meeting the requirements of easy availability, taste, quality and convenience in the usage of processed food products.

**Keywords** Factors, Purchasing, Consumers, Processed foods, Modern Retail Formats.

### **Introduction**

Food is an essential part of human life for human being. Food provides energy and nutrients to grow, to be healthy and to an active life. Food is any substance consumed to provide nutritional support for the body. It is generally of plant or animal origin and contains essential nutrients such as carbohydrates, proteins, fats, vitamins and minerals. Food is needed to produce energy, maintain life, or stimulate growth. The evolutionary history of humans characterized by significant dietary changes, which include the introduction of meat eating, cooking and the changes associated with plant and animal domestication. For about 190,000 years, Homo sapiens followed a

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Abdul Kafil Bidar\*, Azizul Rahman Ragashtai  
MBA (ABM) students,  
Department of Agricultural Marketing, Cooperation and Business Management, University of Agricultural Sciences, Bengaluru 560065, India  
e-mail:abdulkafil1392@gmail.com  
\*Corresponding author

hunter-gatherer lifestyle. Their diet consisted of the meat, fruits, vegetables and nuts. The agricultural revolution 10,000 years ago marked a significant change in primate nutrition due to domestication of wild grains. Cultivation of these grain crops allowed cities and culture to develop (Nandagopal et al. 2003, Caleguer et al. 2007, Kumar 2003).

Food processing mainly deals with converting raw food and other farm produce into edible usable and palatable form. It is the conversion of clean, harvested, butchered or slaughtered components into marketable food products with value addition so as to improve their quality, reliability and shelf life. Further Food processing is about preservation of food providing greater potential for market. Food processing is one of largest sector which includes many industries that use agriculture, horticulture, plantation, animal husbandry and fisheries inputs for manufacturing of final products (Brown et al. 2000)

Processed food are any food that has gone through chemical, mechanical or physical processing in the processing industries or at home and which has been altered from its natural state to a new state. These foods include frozen, pasteurized, fried, condensed, dried, dehydrated, canned and homogenized food (Puri et al. 1989).

Food processing involves any type of value addition to agricultural or horticultural produce and also includes processes such as grading, sorting and packaging which enhance the shelf-life of food products. The food processing industry provides vital linkages and synergies between industry and agriculture (Ramasamy et al. 2005, Siri 2012, Sabeson 1992, Srinivasan and Elangovan 2000)..

## Materials and Methods

The data collected for the study was processed and analyzed by using suitable statistical techniques. Descriptive statistics and Garretts ranking technique were used in the analyse the primary data. A detailed description of the analytical tools employed in the study is presented below.

## Descriptive statistics

Percentage analysis was used to study the preference of processed food products by consumers and frequency of purchase and visiting the Modern Retail Formats in Bengaluru City.

## Garrett's ranking technique

Garrett's ranking technique was adopted for ranking the factors influencing the consumer preference for the preference of processed food products in Modern Retail Formats in Bengaluru metropolitan and to analyse the constraints faced by retail outlets in the marketing of fruits and vegetables. As per this method, respondents were asked to assign the rank for all the factors, after which the assigned ranks were counted into percent position value by using the formula.

Garrett's formula for converting the ranks into percent is given by per cent position =  $100 * (R_{ij} - 0.50) / N_j$

Where  $R_{ij}$  = Rank given for the  $i^{\text{th}}$  item by the  $j^{\text{th}}$  individual,  $N_j$  = Number of items ranked by the  $j^{\text{th}}$  individual.

With the help of Garrett's table, the per cent position estimated was converted into scores. Then for each factor, the scores of each individual respondent were added and divided by the total number of respondents for whom the scores were gathered. The mean scores for all the factors were ranked, following the decision criterion that higher the value, the more important the factor was in the order of the preference by the consumers. The overall ranking was obtained by assigning the ranks 1, 2, 3 in the descending order of the mean score.

## Results and Discussion

Preference for processed food and non processed food products by consumers is presented in Table 1. It is cleared from the table that nearly 50% preferred processed food and nearly 33.33% preferred non – processed food. However, the remaining (16.66%) respondents preferred both processed and non– processed food.

**Table 1.** Preference for processed and non processed food products by the consumers, n = 60.

| Sl. No. | Preference of food | Number | Percentage to the total |
|---------|--------------------|--------|-------------------------|
| 1.      | Processed food     | 30     | 50.00                   |
| 2.      | Non processed food | 20     | 33.33                   |
| 3.      | Both               | 10     | 16.67                   |
| Total   |                    | 60     | 100.00                  |

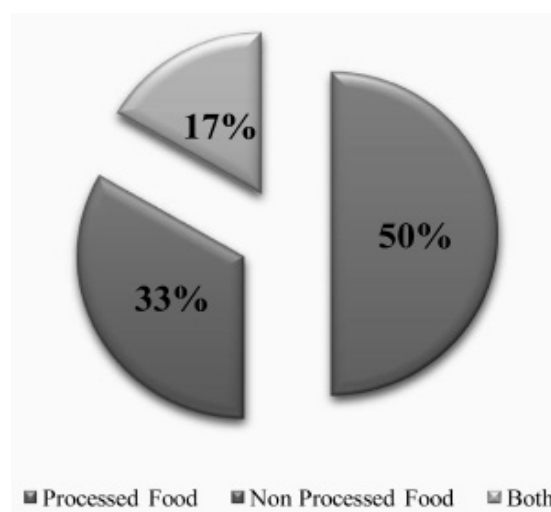
It is clear from the Table 1 and Fig. 1 that the processing food is already accepted as majority of the consumers due to changes in life styles, rapid urbanization and increase in per capita income. Further the emergence of organized retail stores is also indirectly promoting sales of processed food products particularly in cities like Bengaluru.

Frequency of visit to Modern Retail Formats by consumers for purchasing processed food products in Bengaluru city

Frequency of visit by consumers in purchasing processed food products from Modern Retail Formats in Table 2. It is clear from the table that 33.33% of respondents were purchasing processed food products from Modern Retail Formats once in a week, followed by twice in a week (31.61%). However 20% of respondents were purchasing almost regularly. The consumers who are purchasing once in fortnightly are very marginal (11.66%). It is also clear from the table that a negligible percentage (3%) of respondents are

**Table 2.** Frequency of visit to Moderan Retail Formats for purchasing processed food products in Bengaluru city. n = 60. Source : Primary data.

| Sl. No. | Frequency of visit | Number | Percentage to the total |
|---------|--------------------|--------|-------------------------|
| 1.      | Daily              | 12     | 20.00                   |
| 2.      | Once in a week     | 20     | 33.33                   |
| 3.      | Two times in week  | 19     | 31.61                   |
| 4.      | Fortnightly        | 7      | 11.66                   |
| 5.      | Monthly            | 2      | 3.40                    |
|         | Total              | 60     | 100.00                  |



**Fig. 1.** Preference for processed and non processed food products by the consumers.

purchasing once in a month.

It is clear from the table that the consumers who are purchasing processed food products daily, once in week and twice in week are mainly using processed food products in their day to day consumption. In fact a vast majority (84.90%) comes under this category indicating the dependence of consumers on processed food products in Bengaluru city.

Factors influencing the purchase of processed food products by consumers from Modern Retail Formats in Bengaluru city

The rank matrix of common factors influencing purchase of processed food products by consumers from Modern Retail Formats in Bengaluru city furnished in Table 3. It is clear from the table that easy availability was considered as the most important factor (mean score of 68.67) influencing purchase of processed food products. The second important factor was taste and flavor with (a mean score of 68.2). Quality was ranked as third factor (mean score of 53.92). Convenience and good for health of the processed food were ranked 4<sup>th</sup> and 5<sup>th</sup> ranks (mean score of 53.88 and 53.37 respectively). The price was also another important factor (mean score of 51.13). The freshness

**Table 3.** Factors influencing the purchase of processed food products in Bengaluru city. n = 60.

| Sl. No. | Factors                    | Garrett's score | Garrett's ranking |
|---------|----------------------------|-----------------|-------------------|
| 1.      | Easy availability          | 68.67           | I                 |
| 2.      | Taste and flavor           | 68.2            | II                |
| 3.      | Better quality             | 53.92           | III               |
| 4.      | Convenience                | 53.88           | IV                |
| 5.      | Good for health            | 53.37           | V                 |
| 6.      | Price                      | 51.13           | VI                |
| 7.      | Freshness                  | 46.27           | VII               |
| 8.      | Brand image                | 42.68           | VIII              |
| 9.      | No time to prepare at home | 39.38           | IX                |
| 10.     | Color                      | 31.92           | XI.               |
| 11.     | Discount sales             | 31.75           | XI                |

and brand image were also considered as other factors (mean score of 46.27 and 42.68 respectively). No time to prepare at home and color were also another factors (mean score of 39.38 and 31.92 respectively). The discount sales was ranked as 11<sup>th</sup> factor (mean score of 31.75). The study was conducted on an elite group of respondents, who were the residents of Bengaluru city. The easy availability, taste and quality of the product will definitely be the prime factors for preference to a processed food products. It does not mean that all other factors like convenience, advertisements, price, brand image, color and offers would not have any influence on preference. These factors coupled with the above three prime factors would influence the preference of processed food products (Gaur et al. 2002).

### Conclusion

Food is an essential part of human life. Food provides us energy and nutrients to grow, be healthy, and active. Food is any substance consumed to provide

nutritional support for the body. It is generally of plant or animal origin and contains essential nutrients such as carbohydrates, proteins, fats, vitamins and minerals. Food processing involves any type of value addition to agricultural or horticultural produce and also includes processes such as grading, sorting and packaging which enhance the shelf-life of food products. The food processing industry provides vital linkages and synergies between industry and agriculture. The study reveals that the preference for processed food products is highest among the consumers. Besides nearly one-fourth of the consumers are using both processed and non-processed food. The consumers purchase processed food products in Modern Retail Formats due to easy availability, taste and flavor, better quality, convenience and other most of factors.

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