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An Analytical Study on Consumer Buying
Behaviour for Bakery Products

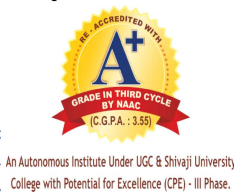
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ABSTRACT

Bakery product refers to the products which are sold in a bakery or store to the consumer in a packed form. India's growing middle class and their changing food habits are giving huge opportunities to the fast-food and bakery industry. In a competitive marketplace, it is important to know the consumer behavior to increase consumer satisfaction. Consumer purchase decision is influenced by various factors. Marketers have to understand those factors and create marketing stimuli to influence the consumer by their product. Bakery products are consumed as fast food products and consumption is also used as staple food and daily consumption. Exploratory factor analysis results reveal that Product & Brand Recognition, Affordability & Availability and packaging are the important factors influencing preference for bakery products. Hypothesis testing results show that Product Taste & Brand Recognition for bakery products is dependent on the Income of the consumer. Besides Affordability & Availability and Efficient packaging are independent of income of the consumer.

INTRODUCTION

Consumer behavior describes how consumers make purchase decisions and how they use and dispose of the purchased goods and services (Lamb, Hair, & McDaniel, 2012). Consumer behavior is defined as the behavior consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs (Schiffman & Kanuk, 2014). In today's competitive business scenario, understanding consumer behavior will be the key to business success. Marketers understand factors influencing consumer buying behavior and create marketing stimuli to influence the consumer by their product (Karunakaran, 2013).

Bakery products today are not just luxury but also product use by common man and hence the market of bakery product is largely growing. A bakery product includes food items such as biscuits, cakes, pastries, flat-bread, tortilla, chapati, bun, croissant, etc. Bakery industry in India is the largest of the food industries with an annual turnover of about Rs. 3000 cr (Indian mirror, 2019). According to the latest report by IMARC the Indian bakery industry has reached a value of US\$ 7.22 Billion in 2018 (Digital Journal,

2019). The Indian bakery industry is dominated by unorganized sector which comprises of around 50,000 small and medium-size producers along with some organized producers (NIIR, 2019). This creates an intense competition in the industry, and to survive in the industry players have to keep the pace of changing customers' expectations. Understanding consumer buying behavior would help the marketers to get the deeper insight into the factors that

influence on consumer buying for bakery products. In this study, we have made an attempt to study the consumer buying behavior for bakery products in Kolhapur district.

Literature Review

The study was undertaken to understand the behavior of bakery consumers as well as their purchase decision process in Brazil. The study reveals that consumers buy bakery products as perishable food or food for immediate consumption. Consumers are not willing to pay more for baked products than for products from other industries, although they have been showing preference for baked products. Bakery consumers are influenced by their spouse's relatives, friends and co-workers. The study shows that women are more involved in purchasing bakery products. In terms of consumer willingness to purchase, consumers exhibit the preference to pay lower prices for baked goods than for other alternatives; hence pricing is the important

factors influencing the buying decision. The study concluded that there is further scope for research to understand the consumer buying behavior at different geographical scope, including other cities, regions and countries, because may show different behavioral patterns(Gustavo Quiroga Souki, 2016).

Ladislav Skořepa & Kamil Pícha studied the consumers' buying behavior and decision-making process for bread as a bakery products. The most important factors influencing on choosing bread are freshness, appearance habit and price. The study showed that importance of the price grows with the increasing age and decreases with the increasing consumers' income. The study underlined the importance of brand, reference and recommendation from family and friends in selection of bakery brands (Skořepa & Pícha, 2016).

The present research involved a sociological survey of consumers. The study intends to understand consumption changes, motivations, knowledge, expectations, satisfaction and loyalty of the consumer towards bread. Bread quality was perceived as a permanent value. It was observed that consumers chose wheat bread by price (Eglite & Kunkulberga, 2015).

This research analyzed the influences of the four dimensions of brand equity, which are brand awareness, brand association, perceived quality, and brand loyalty over the purchasing behavior. The Structural Equation Modeling (SEM) was used to analyse the data. The analysis suggests that brand awareness significantly influenced brand association, perceived quality, brand loyalty and purchasing behavior. The study results strengthened the proposition that brand association significantly influence over the perceived quality and brand loyalty as well as brand loyalty influenced significantly the purchasing behavior (Pulungan, Sumarwan, & Simanjuntak, 2016).

RESEARCH OBJECTIVES:

1. To ascertain the level of brand awareness for Bakery
2. To study factors influencing the selection of Bakery brand.
3. To study consumer behavior towards bakery products

HYPOTHESIS:

Following hypothesis was envisaged to study the relationship between Brand Preference and Consumer monthly income

H0: Factors influencing on preference for bakery products is independent of the Income of the consumer.

RESEARCH METHODOLOGY:

Data Collection: The study is descriptive and diagnostic in

its nature. It intends to describe the factors that influence on consumer decision for purchasing a particular bakery brand and whether the importance given to the particular factor differs to the income of the consumer.

To test the stated hypothesis primary data was collected through structured questionnaire. The factors that influence on consumer purchase decision were identified through strong literature review. The respondents were asked to grade the statement in terms of five point scale, where 1 represent highly unimportant and 5 represent highly important.

Sampling Design and Sample Size: The study was conducted in Kolhapur City. The population under study was infinite as it is difficulty to identify the people consuming bakery products. Hence sampling method for the study was convenience sampling. Total 225 respondents have filled the questionnaire and it was sample under the study.

Data Analysis: For analysis MS office Excel and SPSS 20.0 was used. To understand the factors influencing on consumer decision for purchasing a particular bakery brand principle component analysis was run on Bakery product preference scale. Reliability of the items score under each factor was assessed using Cronbach alpha index. Finally, ANOVA was used to test the stated hypothesis.

ANALYSIS AND DISCUSSION:

The important objective of this research work is to identify the factors contributing to consumer behavior in the bakery products. Here with a thorough literature review, thirteen attributes were identified and respondents were asked to rank of attributes while selection of bakery products on the given statement. Factor analysis is used to identify the significant factors contributing to consumer behavior.

Table No.1 Results of Sampling Adequacy Test and Validity of Factor Analysis

Test	Result
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.751
Bartlett's Test of Sphericity	.000

To test the sampling adequacy KMO (Kaiser-Meyer-Olkin Measure of Sampling Adequacy) test was performed. KMO test statistic score is 0.751. The Barlett's Test of Sphericity testing for the significance of the correlation matrix of the variables indicates that the correlation coefficient matrix is significant as indicated by the p-value(0.00) corresponding to the chi-square statistic.

The sample size of 225 is more than 5 times the number of variables (seventeen). All these justify the use of factor analysis for the given set of data (Chawla & Sondhi, 2016).

Table No.2 Eigenvalues, variance, cumulative variance for factors

Component	Total Variance Explained								
	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.422	31.583	31.583	4.422	31.583	31.583	3.152	22.512	22.512
2	1.858	13.268	44.851	1.858	13.268	44.851	2.333	16.666	39.178
3	1.288	9.197	54.049	1.288	9.197	54.049	1.821	13.008	52.186
4	.964	6.886	68.362						
5	.790	5.641	74.004						
6	.744	5.315	79.319						
7	.617	4.410	83.729						
8	.489	3.492	87.221						
9	.454	3.246	90.467						
10	.406	2.900	93.367						
11	.391	2.793	96.160						
12	.322	2.303	98.463						
13	.215	1.537	100.000						

Extraction Method: Principal Component Analysis.

There are only four factors, each having Eigen value exceeding 1 for consumer satisfaction. The Eigen values for the three factors are 4.422, 1.858, and 1.288 respectively. The percentage of the total variance is used as an index to determine how well the total factor solution accounts for what the variables together represent. The index for the present solution accounts for 54.049 percent of the total variations in Consumer Preference. It is good extraction as it can reduce the number of factors (from thirteen items to three factors). The percentages of variance explained by factor one to Three in consumer Preference are 22.512, 39.178, and 52.186 respectively. The rotated Component Matrix shows the loading of the twenty-three variables on three factor. The higher the absolute value of the loading, the more the factor contributes to the variable. Based on the pattern of factor loading, labels were assigned to the factors. Table No. 3 shows the rotated factor loading score, title assigned for each factor, mean score, standard deviation.

Table No.3 Factors with its Descriptive Statistics and Reliability Analysis

Variables	Factor	Factor Name	Mean	Standard
Nutrients value/ Healthiness	0.737	Product & Brand Recognition	4.484444	0.675448
Flavor	0.718		4.412556	0.697631
Freshness	0.702		4.271111	0.721055
Easy availability	0.606		4.284444	0.784321
Established brands	0.6		4.346667	0.746898
Advertised brands	0.576		4.311111	0.750661
Available in smaller and big pack sizes	0.54		4.382222	0.697985
Lower price compared to other brands	0.836	Affordability and Availability	4.115556	0.970538
Discounts, promotional offers available	0.665		4.017778	1.073065
Location near home	0.651		4.275556	0.918353
Well packaged	0.86	Efficient packaging	4.462222	0.767443
Ingredients of the product are shown on	0.715		4.466667	0.661438
the visual appeal of the package	0.6		4.368889	0.757057

Factor analysis has revealed the following factors that influence on purchasing bakery products.

Product & Brand Recognition: The Products are necessary to be tasty, fresh, healthy With nutrition values. Well-known brand available with suitable quantity (in packs/sizes) influence on consumers preference for bakery products.

Affordability & Available: In the line of other studies the study underlines the importance of pricing in bakery products. Bakery products are perishable products and there are number of alternative products available hence customers give importance for price of the products. Customer prefers those products that are available at lower price near to their home.

Efficient packaging: It is evident that packaging has the most important factor that influence on customer preference for bakery products. Packaging work as a promotion tool for the product. A well packed product attracts customers. It create the visual appeal to the customer.

Hypothesis testing: Further it is checked whether the factors influencing on preference for bakery products differs to the customer preference for the product

The following table shows the hypotheses result for Factors affecting on preference for bakery brand.

Table No.4 Descriptive statistics of Income and factor score

Factor Name	Income Group In Rupees	N	Mean
Product Taste & Brand Recognition	up to 15000	61	4.2131
	15001-30000	116	4.3818
	30001-45000	31	4.3579
	45001 & Above	17	4.6891
	Total	225	4.3560
Affordability and Availability	up to 15000	61	4.0765
	15001-30000	116	4.2011
	30001-45000	31	4.1828
	45001 & Above	17	3.8235
	Total	225	4.1363
Efficient packaging	up to 15000	61	4.4973
	15001-30000	116	4.4511
	30001-45000	31	4.1935
	45001 & Above	17	4.5098
	Total	225	4.4326

Table No.4 gives the details of the income group wise mean score for each factors and table No. 5 give the hypothesis testing results. ANOVA test is used to analysis whether importance given to each factors differs to income of the respondents.

Table No. 5. Result of ANOVA Test

ANOVA						
		Sum of	df	Mean	F	Sig.
Product Taste & Brand Recognition	Between	3.209	3	1.070	4.420	.005
	Within	53.481	221	.242		
	Total	56.690	224			
Product Cost (Competitive price with product Availability)	Between	2.436	3	.812	1.409	.241
	Within	127.384	221	.576		
	Total	129.820	224			
Efficient packaging	Between	2.168	3	.723	2.397	.069
	Within	66.615	221	.301		
	Total	68.783	224			

Product Taste & Brand Recognition: The ANOVA test statistics value for Product Taste & Brand Recognition is 4.420. P-value is 0.05. Here the P-value is less than 5% level of significant value (P-value $0.005 < 0.05$ L.O.S). Hence we reject the null hypothesis. Therefore, it is concluded Preference for Product Taste & Brand Recognition of bakery products is dependent on the Income of the consumer.

Affordability and Availability: The ANOVA test statistics computed value is 1.409. The corresponding P-value is .241. Here the P-value is greater than 5% level of significant value (P-value $.241 > 0.05$ L.O.S). Hence we fail to reject the null hypothesis. Therefore, it is concluded Preference for Product Cost of bakery products is independent of the Income of the consumer.

Efficient packaging: The ANOVA test statistics computed value is 2.397. The corresponding P-value is .069. Here the P-value is greater than 5% level of significant value (P-value $.241 > 0.05$ L.O.S). Hence we fail to reject the null hypothesis. Therefore, it is concluded Preference for Efficient packaging of bakery products is independent of the Income of the consumer.

The hypotheses testing result reveals that the importance given by the customers for purchasing of Bakery product is dependent on their monthly income. Where efficient packaging and cost of product are independent whereas taste and brand name of product are dependent on consumer income.

CONCLUSION

Changing lifestyle, an influence of westernized culture, the impact of media, people's readiness to explore new delicious food and bakery items all these factors are fueling the growth of bakery industry in India. The findings have important implications for the marketers of Bakery. An exploratory factor analysis result indicates that consumer preference is an outcome of customer's opinion about the affordability of the product. Bakery food consumption is an impulse purchases decision. Accessibility as well as affordability is important in determining the customer preference for the bakery products. The study has revealed the packaging is the important factor that influence on customer preference for bakery product. It study confirms the proposition that importance given by the consumer for Product Taste & Brand Recognition depends on the income of the customer. As income of the consumer increase importance given by the customer for this factor increase.

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