

# Analytical study on Consumer behavior towards “Maggi Instant noodle” in Mumbai –A post ban Scenario

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## ABSTRACT

*This research paper focuses on perception of consumers post ban towards Maggi instant noodles. Researcher has taken 50 sample size of age group of 15 and above. Research is conducted in city of Mumbai using convenience sampling method. The study deals with consumer behavior towards Maggi in post ban scenario is interlinked with wellness and health industry as ban was due to hazardous content in the Maggi*

*Maggi is an international Brand of instant noodle owned by Nestle since 1947. Maggi instant noodle penetrate in India in 1983.they instantly capture market with an entirely new food category called as instant noodle. The target consumer was children and mothers. with its 25 years, it has reached 90% of instant noodle market. Maggi is the great revenue contributor for Nestle. Suddenly there is a drop in sale due to negative publicity due all wrong reason like presence of hazardous content which has shaken the trust of Consumer. Researcher has Highlighted the comparative analysis of maggi consumption in pre and post ban scenario*

**Keyword** – Maggi, instant noodles, consumer behavior

## 1. Introduction:

In the world of Digitalization, news spread at very fast speed And if the news are unfavorable, it impossible to stop. Brands, therefore, are more affected and sensitive issue, than in any other day and age. Change in external environment, government policy, consumer preferences, media and cut throat competing by firms make it all too easy to fall from top. And the losses are in the terms of reduction in revenue, loss of clients or suppliers and loss of market share.

The victim of such mess is Maggi, the instant noodles brand from food and beverage company Nestle. One of India’s most trusted brands and perhaps the country’s most favored comfort food, it has captured the market in terms of brand value and sales ever since the recent controversy regarding hazardous ingredients that are not safe for health and should not consume. The issue arose due to the Uttar Pradesh Food Safety and Drug Administration ordered the recall of a batch of 200,000 Maggi noodle packs and found that Maggi is not healthy to consume due to which many states decided to randomly test samples and banning sales in the market as a result retailer removed Maggi from their shelf.

### 1.1 Literature review:

**Dr.Mustiary Begum(2016)** <sup>[1]</sup> paper has highlighted issues related to Maggi and how consumer have changed their perception regarding Maggi after post ban. Researchers have taken 93 respondents and have done analysis

with the help of simple analytical tool like graph and tabular form. The study shows those consumers are ready to buy Maggi after it relaunch in the market provided that they include healthy ingredient.

However researcher has not mention about the profile of the respondent like gender, age, and preference which has greater impact on decision making secondly the area of study is not covered by researcher which contribute towards decision making of noodle the test and preference differ in different state hence the present study has tried to cover maximum possible factor which affect behavior of consumer. **SHABISTA BOOSHAN (sept 2016)** <sup>[2]</sup> Paper has highlighted impact of Maggi noodle on the psyche of the Indian consumers. The sampling technique used is Stratification followed by SRSWoR. The researcher has divided entire population of India into strata, according to the target audience groups of Maggi Noodles. Then the stratum that holds people falling in the age group of 18 – 24 years from middle class families was selected. After this the sampling method of SRSWoR was applied in the stratum, where the survey questionnaire was randomly sent out the consumers scattered all over India. The conclusion is based on the data collected immediately after 5 months of Maggi relaunch. According to researcher 75% of the population were ready to accept Maggi after its comeback. However, the study has taken sample size restricted to age group of 18-24 years. The decision taken is based on this selected age group which may not give proper outcome as children below 18 years consumed maggi at large. Secondly the period selected i.e. 5 month was too early to give any decision on relaunch of Maggi. Thus the present study has tried to cover all age group and quiet long period so that decision derived has impact to some extent

**Ayushi Jain (2016)** <sup>[3]</sup> the author has taken comparative study of Maggi and Patanjali aata noodle. The said paper has highlighted growth of patanjali noodle due to Maggi ban. The sample size was 100 respondents and restricted to Delhi region. Research shows that consumer has accepted Maggi whole heartedly after its ban and also stated that Patanjali is most favored due to its price. **Dr. Ramesh Sardar (July 2015)** <sup>[4]</sup> the study is based on comparative analysis of Maggi at international market and Indian market. Study is based on secondary data which highlighted the preferences of Maggi at international market as compare to Indian market.

**Dr. GOMATHI.D (Jan 2016)** <sup>[5]</sup> The said study has taken overview of the status of Maggi before and after ban in the market. Paper has highlighted scenario of Maggi in general. however the specific period and the preferences of consumer is out of the scope of this study.

**Neha Garg (July 2015)** <sup>[6]</sup> Author has taken secondary source for the said study. Research paper examine the root cause of the Maggi row. However the paper is based on secondary data hence consumer preferences are out of the scope of the study. Consumer behavior is the main criteria to study the impact of Maggi in India after its ban.

## 2. Research Methodology:

**2.1 Research problem:** According to article stated in news paper “Regaining customer confidence isn’t easy once consumers have a negative perception of a brand”, Is true for Maggi brand. Crisis management requires more efforts to regain its value. The study analyses how consumer behavior changed towards Maggi in terms of Attitudes, preferences, intentions, and decisions .

### 2.2 Objective of Study

1. To study consumer behavior irrespective of age, gender and category towards Maggi Noodles.
2. To study the impact of ban on consumer towards buying decision of Maggi.
3. To study the growth of substitute due to ban on Maggi.
4. To analyse the opinion of consumer regarding Maggi after it hit the market again.

### 2.3 Primary data:

**Sample Size:** 50 respondents of all age group and gender

**Sampling Technique:** Convenience Sampling

**Instruments used:** Structured Questionnaire

**Research Methodology:** Survey method.

**Secondary data:**

SecondaryData will be collected from journals, reports on Maggi product, books, internet and other relevant information for the said study.

**2.4 Significance of the study:**

In the past, Maggi was popular food amongst all age group of consumer. The sales of Maggi Noodles had sharply increased over the years; however the ban on maggi has greater impact on consumer as well as company and other stake holders. The study examines the change in sales and consumption pattern over the years, the study is helpful to other small scale company and food to analyze and to understand the issue related to such a big company.

The study is guide for further research in the field of FMCG. It will also serve as guide to overcome with the problem of brand image and how rebuild brand image

**3. Analysis and Interpretation****Objective: To study consumer behavior irrespective of age, gender towards Maggi**

Consumer behavior consist of those factor which affect test, preferences, likes and dislikes and decision of consumption .Age and gender plays important role for consumption pattern. Test and preferences differ as per the age. the main purpose is to see the consumption pattern of consumer at different age category and with gender

Q.1) Following table indicate Age and Gender of the Respondents

**Table 1:**Age of respondents \* Gender Cross tabulation

	Gender		Total
	Male	Female	
Age of respondents 15-25	13	12	25
25-35	9	8	17
35-45	6	2	8
<b>Total</b>	<b>28</b>	<b>22</b>	<b>50</b>

**Analysis:** The above table indicates the demographic factor of respondent. out of 50 respondent 25 respondent are under the age bracket of 15-25 years of age ,of these respondent 13 are male and 12 are female.17 respondents are in the age bracket of 25-35 age group of which 9 are male and 8 are female. It reflect that only 8 respondent are in the age group of 35-45 of which 6 are male and 2 are female. **Interpretation:** To conclude majority of the respondent are in the age group of 15-25 bracket and male respondent are more as compare to female respondent.

Q.2) give your agreement for instant noodle

**Table 2:** Preference for Instant noodle

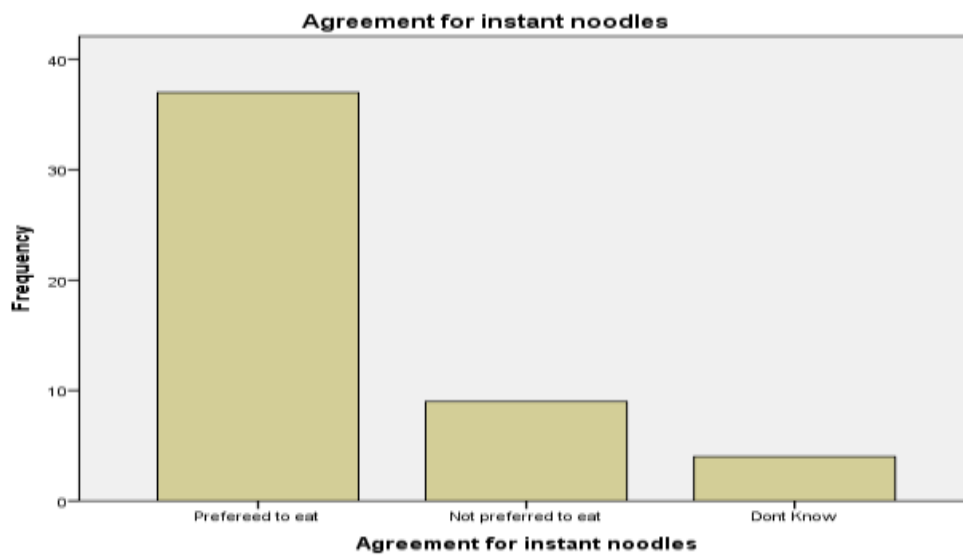
	Frequency	Percent
Valid Preferred to eat	37	74.0

Not preferred to eat	9	18.0
Don't Know	4	8.0
Total	50	100.0

**Analysis:** The above table show the preferences of consumer regarding instant noodles. when asked them about their preferences for instant noodles 37 respondent out of 50 respondent prefer to eat as compare to 4 respondent who are not able to answer about the same. however 9 respondent i.e 18% of the total respondent not preferred to eat instant noodles.

**Interpretation:** of the 50 respondent majority of respondent preferred to eat noodle i.e 74% of the total population. Following the graphical representation of the same.

**Chart 1:** Agreement for instant noodle



**Q3) Which of the brand of instant noodle consumed by you**

**Analysis:** Below table indicate the usage of brand by the respondent for consumption of maggi.it has been observed from the table that out of 50 respondent 34 respondent i.e 68% of the total population preferred maggi over other brands.8 respondent i.e 16% of the total population takes patanjali brand and only 3 respondent i.e 6% takes sunfeast.

**Interpretation:** majority of population buy maggi instant noodle over any other brand which shoes the popularity of maggi in the market. following is the graphical representation of the same.

**Table 3:** Brand Preferences

	Frequency	Percent
Magii	34	68.0
Valid Patanjali	8	16.0
Yuppie	5	10.0

Sunfeast	3	6.0
Total	50	100.0

**Objective: To study the impact of ban on consumer towards buying decision of maggi**

**This objective highlights how consumer behaves for buying maggi due to its ban.**

**Q.4) how often did you consume the product before the ban?**

**Table 4:** Consumption pattern Before Ban

	Frequency	Percent
Everyday	1	2.0
Thrice a week	11	22.0
Twice a week	15	30.0
Valid Once a week	13	26.0
Once a month	9	18.0
Once a Six month	1	2.0
Total	50	100.0

**Analysis:** The above table shows the usage of maggi before its ban. it shows the popularity of maggi before its ban. the frequency of consuming maggi is more for the respondent who consume thrice in a week i.e 15 respondent .only 1 respondent consuming maggi on a daily basis however 13 respondent i.e 26% of the total population consume once a week. and 18% of total population consumed once a month. **Interpretation:** it is observed that maximum respondent preferred to consume 3 times a week which shows that frequency of consumption is higher..

**Q.5) Do You Believe Maggi Noodles Contained Unhealthy Levels of Lead and MSG up until 2015?**

**Table 5:** Agreement for Hazardous content

	Frequency	Percent
Yes	14	28.0
Valid No	18	36.0
Maybe	18	36.0
Total	50	100.0

**Analysis:** The table indicates awareness of harmful ingredient in maggi before its ban.it shows how consumer conscious and alert about the ingredient in maggi. When asked about the presence of unhealthy lead and MSG in maggi 14 respondent i.e 28% of the total population knows about it. However equal number of members are on the other side of the agreement.

**Interpretation:** it is observed that majority of respondent are not aware about of presence of unhealthy lead and the same number of respondent i.e 36% are not sure about the same.

#### Q.6) Are you consuming maggi after its relaunch?

**Analysis :**Below table shows willingness to consume maggi after its relaunch. it shows how the consumer react and prefer maggi post ban situation. when asked about their willingness to consume after its relaunch,38 respondent i.e 76% of the total population ready to use and 12 respondent are not willing to buy after relaunch.

**Interpretation:** it has been observed that majority of population still buy maggi which conclude that respondent decision making is not much affected due to ban.

**Table 6:** Preference of maggi after its relaunch

	Frequency	Percent
Yes	38	76.0
Valid No	12	24.0
Total	50	100.0

#### Q.7)If yes How often did you consume the product after its comeback?

**Table 7:** Consumption pattern after relaunch

	Frequency	Percent
Thrice a week	2	4.0
Twice a week	4	8.0
Valid Once aweek	11	22.0
Once A MONTH	25	50.0
Never	8	16.0
Total	50	100.0

**Analysis:** The above table indicates consumption pattern of respondent after its relaunch.it shows how ban has affected their buying decision of maggi. 25 respondents consume maggi once a month .11 respondents consume once a week. Only 2 respondent i.e 4% of the population consume thrice a week.

**Interpretation:** comparative analysis shows that frequency to consume has reduced after its relaunch. Before ban majority population were consummating maggi thrice a week. i.e 30% of the total population were of this category however data shows that it has gone down to 4% after its relaunch..it means ban has affected consumption frequency of maggi.



**Objective: To study the growth of substitute due to ban on Maggi**

**Q.8) which instant noodle product were you consuming during the ban on Maggi Noodles?**

**Table 8:** Products consumed during ban on Maggi

	Frequency	Percent
Sunfeast	12	24.0
Yuppie	12	24.0
Valid Patanjali	19	38.0
Other	7	14.0
Total	50	100.0

**Analysis:** The above table indicate substitute that consumer preferred during ban on maggi. Data reflects strong competitor who satisfied consumer when maggi was out of the market. When asked about other brand majority of consumer give their choice for patanjali noodles i.e 19 respondent out of 50. It means 38% of the total population consumed patanjali during ban phase. sunfeast and yuppie has same number of respondent .

**Interpretation:** it is conclude that after maggi the second preference was given to patanjali noodles during ban period it shows that patanjali is tough competitor of maggi

**Q.9) Do you still prefer that product over Maggi Noodles?**

**Analysis:** Below table shows preferences of other brand over maggi after its relaunch.28 respondent ready to consumed maggi after its relaunch.i.e 56% of the total population were in favour of maggi. however when asked about the preference of other brand over maggi 14 respondent i.e 28% of the total population stick to other brand even after come back of maggi.

**Interpretation:** it shows that maggi is still choice of the consumer as maximum consumer consumed maggi after it is back in market.

**Table 9:** Preference of other noodles over maggi post launch

	Frequency	Percent
Yes	14	28.0
Valid No	28	56.0
May Be	8	16.0
Total	50	100.0

**Objective: To analysis the opinion of consumer regarding Maggi after it hit the market again.**

**This objective is basically deals with the opinion of consumer after maggi relaunch.it also deals with the quality of maggi after its back in the market.**

**Q.10) .give you opinion regarding test of maggi noodles after it hit the market.**

**Table 10:** Opinion about taste of Maggi post launch

	Frequency	Percent
Changed from good to bad	6	12.0
Valid Same as before	44	88.0
Total	50	100.0

**Analysis:** The above table shows the opinion of consumer towards maggi after it hit the market again. it shows the comparative opinion of consumer before and after ban of maggi.44 respondent i.e 88% of the total population said that the test of maggi is same as before there is not much change in test and quantity of maggi. However only 12% of the total population said that taste has changed and become bad as compare to pre ban maggi test.

**Interpretation:** majority of population are under the belief said that maggi test is same as before. they believe t at ban has not change the test and confidence of consumer

#### **Comparative Analysis of maggi consumption during pre and post ban**

Below data indicate comparative analysis of maggi consumption in pre and post ban. It has been observed that respondent with the age group of 15-25 years majority in maggi consumption in pre as well as post ban period .i.e 25 respondent approx 50% of the total population are under this age bracket and are consuming more maggi as compare to others. consumption under this age group has gone down due to ban.8 respondent were consuming maggi thrice a week before ban period which has gone down to 2 respondent after ban period. the same trend is follows for different age bracket respondent for consumption in three time a week. Data also indicate that the number of respondent increases in consumption of maggi in once a month during post ban period as compare to pre ban period. earlier only 9 respondent were consuming maggi once a month it means that the frequency of duration to consume maggi has increases in post ban period It shows that more people are avoiding maggi on frequent basis they take once in a month.

**Table 11:** Age of respondents \* Consumption before Ban Cross tabulation

Count

	Consumption Before Ban						Total
	Everyday	Thrice a week	Twice a week	Once a week	Once a month	Never	
Age of respondents 15-25	1	5	8	6	4	1	25
25-35	0	4	5	4	4	0	17
35-45	0	2	2	3	1	0	8
Total	1	11	15	13	9	1	50



**Table 12:** Age of respondents \* Consumption After Relaunch Cross tabulation

	Consumption After Relaunch					Total	
	Thrice a week	Twice a week	Once a week	Once A MONTH	Never		
Age of respondents	15-25	1	2	5	14	3	25
	25-35	0	1	3	10	3	17
	35-45	1	1	3	1	2	8
Total		2	4	11	25	8	50

#### 4. CONCLUSIONS

The above study has highlighted some of the finding which was analyzed from the available data

1. Maggi consumption is more amongst the respondent with the age group of 15-25 years as compare to other age group.
2. Maggi is consider as most preferred instant noodle brand as compare to other brand of instant noodles
3. The trend of maggi consumption is not much affected by ban.
4. Maggi has maintained trust and confidence amongst the consumer even after post ban period due to its quality and test.
5. At macro level ban has not affected maggi for consumption..consumer still buy maggi as instant noodle
6. At micro level the frequency of consumption has gone down due to ban. Consumer are not frequently consume maggi same as before they were consuming. The choice of maggi become once a month in post ban period is more as compare to pre ban which clearly shows that people's consumption frequency has gone down.

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