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Study on Product Awareness and Brand Image of Amul Ice-Creams in and around Siliguri Subdivision of North Bengal

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Abstract: *The Ice-cream market in India has been one of the fastest growing sectors in India and contributing to the growth and development of dairy industry also. The ice-cream sector being one of the most important subset of Indian dairy Industry is growing at around 12-15% annually with the current market worth of approximately Rs 3000 Crores in 2013-14. Though the Indian ice cream industry has low per-capita consumption, only 13% of the world but still there can be a huge opportunity in this sector in India in attracting new regional and national entrants amidst the presence of major players like Amul, Kwality Walls, Mother Dairy, Vadilal, Cream Bell, Baskin-Robbins, etc. The objective of this study was to analyze the Product Awareness & Brand Image of Amul Ice creams at Siliguri region of North Bengal with respect to availability, acceptability and affordability with respect to the quality of performance of product, Competitor's product, Cost analysis etc.*

Key Words: *Ice cream, paired t-test, Brand image, Brand Awareness, Probiotic foods*

I. INTRODUCTION

Ice-cream, being considered as indulgent category earlier, has now undergone a substantial evolution from consumer perception to the nature of products and services offerings. The ice-cream/frozen desserts category has started to come out from the traditional realm of vanilla, chocolate and strawberry along with *kesar pista, mango, elaichi, traditional kulfi*, etc. to catch the array of innovations in ice-creams in new sub categories like frozen yoghurt coming up. Compared to global context where ice-cream is treated as a habitual intake, in India this category is more aspirational, impulsive and a reliever from scorching summer heat which together offers immense business potential. The increasing disposable incomes, modern trend toward eating-out and greater discretionary spending of average Indians contributed a lot to change their perceptions upon this category as a snacking option by consumers. The category's growth, at a healthy CAGR of ~10-15% has lured international and regional players in foraying into the industry. The branded ice-cream market has a host of national and overseas players like - Amul, Kwality Walls, Mother Dairy, Vadilal, Cream Bell, Baskin-Robbins, etc. In tune with changing consumers' preferences and inclination towards healthy and premium options, ice-cream companies have come up with probiotic and sugar-free variants. Within the purview of this article customer needs, response and emotions are tracked so as to undergo market research and brand image of Amul ice-cream. The study was undertaken in and around Siliguri region of Northern West Bengal with site visits for three summer months to measure the demand and satisfaction of ice-cream lovers. In the questionnaire some attributes like customers' requirement in terms of flavour, colour, taste, variety and availability offered by company were identified as motivational factors for increased sales & satisfaction to consumers. Since, in Siliguri region Amul ice-cream encounters a stiff competition from HUL's Kwality it was essential to know the feedback of customers so as to plan effective marketing and sales strategies in future and improve the quality of service to achieve better consumer satisfaction.

II. ICE CREAM BUSINESS & ITS MARKET IN INDIA

Ice-cream notably being a seasonal product, with demand peaking during the summer months April to June and leaning during November to January for a sharp decline in consumption and resultant dip in sales and profits. In recent years, a rising trend in consumption of ice-cream and other frozen novelties in winter has discarded its seasonal impact due to array of factors like -changing consumer perception, capturing regional variations, diverse consumer segments, favourable retail location, product range and innovation, festivities and promotions. On account of lower consumption of ice-cream in India at 300-400 ml per capita per year compared to the global average of 2,300 ml, companies are striving hard to keep the category relevant in the food sector through innovative flavours, formats, availability etc. to provide some cushion against seasonality. Since, for ice-cream piggybacking is not possible the business requires a separate supply chain, an entirely different cold storage and dealer network, communication and price points. Erratic supply of electricity, especially during summer months affects the ice cream stocking behaviour of the retailers as when it melts becomes non-saleable. As of now, ice cream business is underinvested in India and likely continues for the next couple of years because of poor profit margins even less than 10% compared to in excess of 15 per cent in FMCG. With a view to unleash the sales potential in the health conscious consumers, Indian ice-cream makers are coming out with pro-biotic and low fat versions through processes that reduce air content in ice-creams. The ice-cream consumers follow a variety seeking behaviour since ice-cream is a low involvement item and such behaviour can be best tackled by different attitudinal components of which ego-defensive motivation is the strongest influencer. Probiotic ice-creams that increase metabolism are functional foods whose consumption depends on healthy eating intentions and ego-defensive attitude which in turn enables the marketer to determine right market strategy.

Out of the major Indian ice-cream giants - GCMMF's Amul, HUL's Kwality Walls, Mother Dairy, Vadilal, Cream Bell, Baskin Robbins, Amul's proposition is ice-creams made of natural milk at reasonable prices while Kwality Walls' ice-creams are for pleasure and bonding and Baskin Robbins promotes its offerings as high quality premium ice-creams with innumerable exotic flavours. Apart from premium class, Amul, Vadilal, Cream Bell and Mother Dairy have their portfolios available at wide-ranging price points. The Indian ice cream market of which over 40% belongs to the organized sector growing at about 15% Y-o-Y, Amul leads the pack with about 36-38% market share (5% of its total revenues), followed by Kwality Walls & Vadilal with about 12-14% share each. A large chunk of ice cream sales in India, nearly half the market is driven by Impulse purchase and rest by family consumption (35%) at home and in-parlour sales (15%). The parlour business is dominated by niche players like Naturals in the West, Nirula's in the North and premium players like Baskin Robbins and the homegrown Italiano Gelato. Amul & HUL also entered this niche segment with their Scooping & Swirl parlours respectively.

III. OBJECTIVE OF THE STUDY

1. To understand ice-cream market better at Siliguri & it's surrounding.
2. To understand the marketing and promotion strategies adopted by Amul for its ice-creams.
3. To understand the perception of the customers regarding brand Amul and evaluating its image.

IV. RESEARCH METHODOLOGY

a) **Research Approach:** Survey Method conducted for four months (March –June'14) at Siliguri and its adjoining areas and the respondents were general people and specially the Gen-Y youngsters visiting multiplexes & the shopoholic customers visiting Malls or Big Retail outlets.

b) **Data Collection Method:** Use of questionnaires for retailers and customers.

1) Types of Data Collected

- A. Primary Data through questionnaires for consumer.
- B. Secondary Data through Internet and company's report.

- 2) Source of Data: 1. Observation, 2. Direct communication with the people, 3. Personal interviews, 4. Cold calling and 5. Tele calling

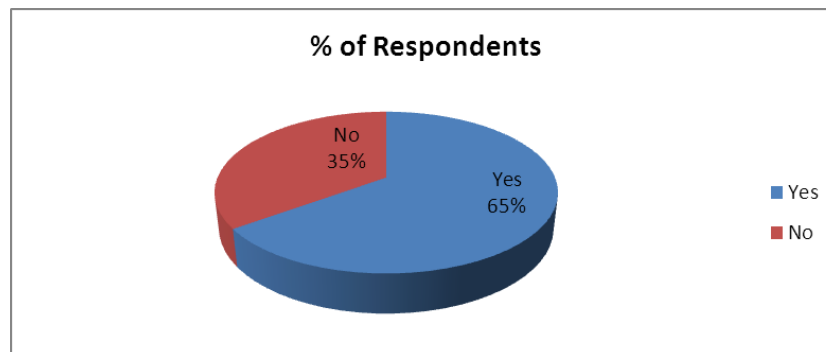
c) **Data Collection Instrument:**

1. **Questionnaire:** A structured questionnaire of 12 questions of mix type with open ended, closed ended and multiple choice questions, having of a 5-point Likert Scale ranging from 'strongly disagree' to 'strongly agree' through 'can't say options.'
2. **Sampling Procedure:** 1. Type: Descriptive 2. Type of Method: Random 3. Sample Unit: Young generation, Consumer visited Retail shop and Multiplexes 4. Sample Size: 100 Respondents 5. Sampling Method: Random Sampling Method
3. **Tool Used:** Charts, Bar-Diagram, Tables, Percentage, t-distribution
4. **Area:** Siliguri & Outskirts
5. **Respondent profile:** General People, Youngsters, Teenagers and Mall based Retailers

TABLE-1: Showing the respondents awareness about the Amul's Ice-cream products

| Aware of Amul's ice-creams | No of Respondents | % of Responses |
|----------------------------|-------------------|----------------|
| Yes | 65 | 65% |
| No | 35 | 35% |

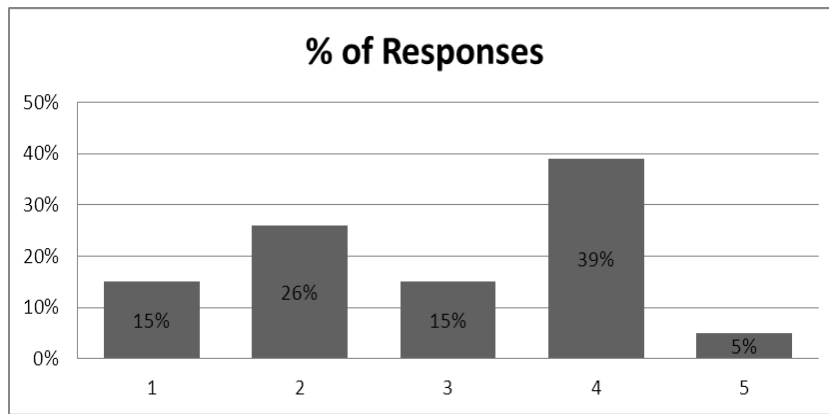
GRAPH-1: Respondents awareness about the Amul products



INTERPRETATION: Table-1 & Graph-1 indicates that 65% of the respondents are aware of the Amul's ice-creams and noticed consistency in the quality of the product whereas 35% are not aware of the product.

TABLE-2: Showing the various sources of awareness

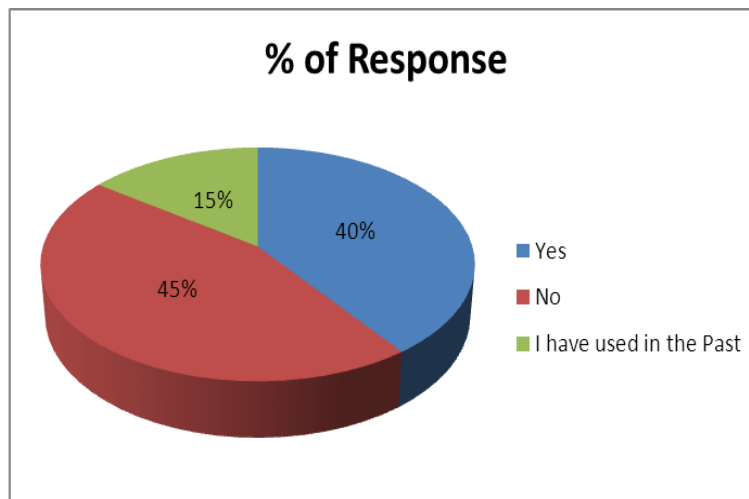
| Source of | No of | % of |
|-------------------|-------|------|
| 1. Advertisements | 10 | 15% |
| 2. Friends | 17 | 26% |
| 3. Retailers | 10 | 15% |
| 4. Relatives & | 25 | 39% |
| 5. Others | 3 | 5% |
| 6. Total | 65 | 100% |

GRAPH-2: Showing the various sources of awareness

INTERPRETATION: From above Table-2 & Graph-2, it is clear that the Mechanics are the best source of information of Amul's ice-creams (39%) followed by friends (26%), shop keeper of a retail shop and advertisement (15% each) and 5% respondents aware through other source.

TABLE-3: Showing the no. of respondent who uses Amul's ice-creams

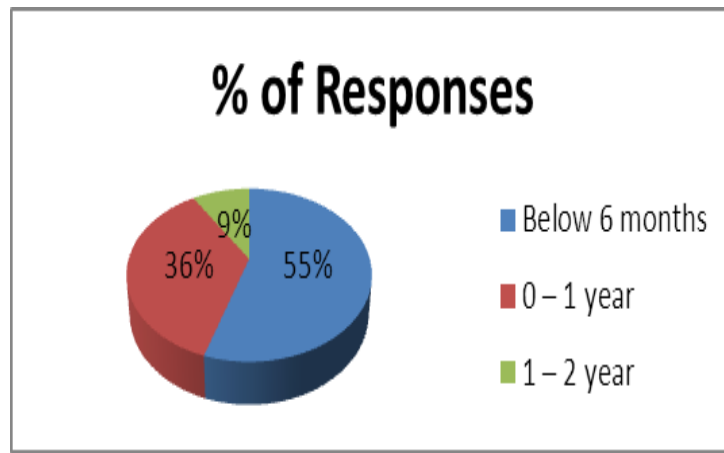
| Using Status of Amul's ice-creams | No of Respondents | % of Responses |
|-----------------------------------|-------------------|----------------|
| Yes | 40 | 40% |
| No | 45 | 45% |
| Used in the Past | 15 | 15% |

GRAPH-3: Showing the user of the Amul's ice-creams

INTERPRETATION: From the Table 3 & Graph 3, it can be inferred that 55% respondents used the Amul's ice-creams, among them 40% are the current users and rest of the 15% are used in the past.

TABLE-4: Showing the time period from when the respondent has been buying the Amul's ice-creams

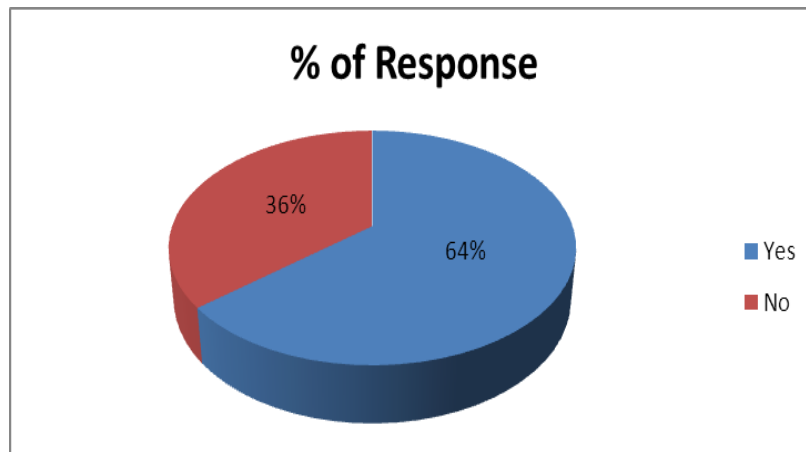
| Duration | No of Respondents | % of Responses |
|----------------|-------------------|----------------|
| Below 6 months | 30 | 55 % |
| 0 – 1 year | 20 | 36 % |
| 1 – 2 year | 5 | 9 % |
| Total | 55 | 100% |

GRAPH-4:- Showing the time period from when the respondent has been buying the Amul's ice-creams

INTERPRETATION: From the above graph it can be inferred that most of the respondents are new users; *i.e.* 55% of the respondents are the user of Amul's ice-creams from below 6 months, 36% from 0-1 yr. and 9% from 1-2 yrs.

TABLE-5: Showing that Advertisement is the major buying decisions makers for customers

| Advertising has a major influence in your Purchase | No of Respondents | % of Responses |
|--|-------------------|----------------|
| Yes | 35 | 64 % |
| No | 20 | 36 % |
| Total | 55 | 100% |

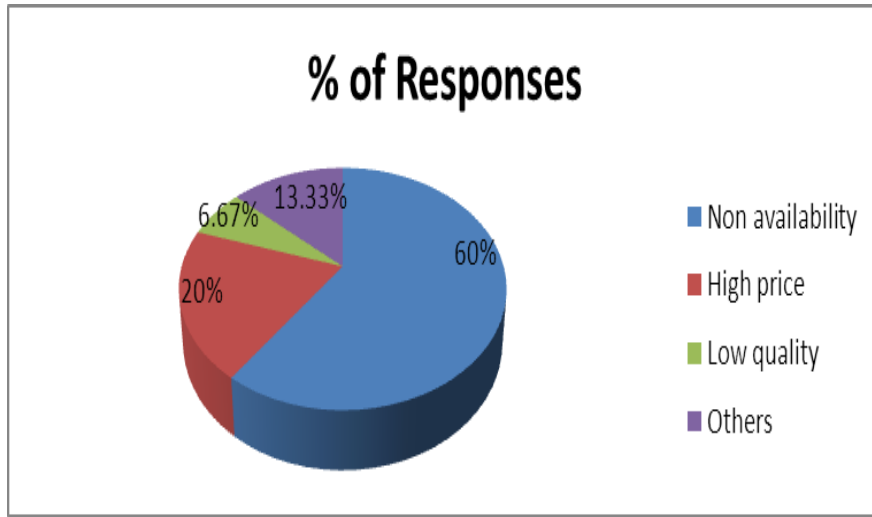
GRAPH-5: Showing influence of advertising in purchase decision

INTERPRETATION: From the above table it is observed that 64% of the respondents agree with the fact that advertisement is the key influencer in buying and the rest 36% respondents are not agreed.

TABLE-6: Showing reason behind switching behavior of Amul's ice-cream lovers

| Reason | No of Respondents | % of Responses |
|------------------|-------------------|----------------|
| Non availability | 9 | 60% |
| High price | 3 | 20% |
| Low quality | 1 | 6.67% |
| Others | 2 | 13.33% |
| Total | 15 | 100% |

GRAPH-6: Showing that reason behind Amul’s ice-creams which forced respondents to switch to the other brand.

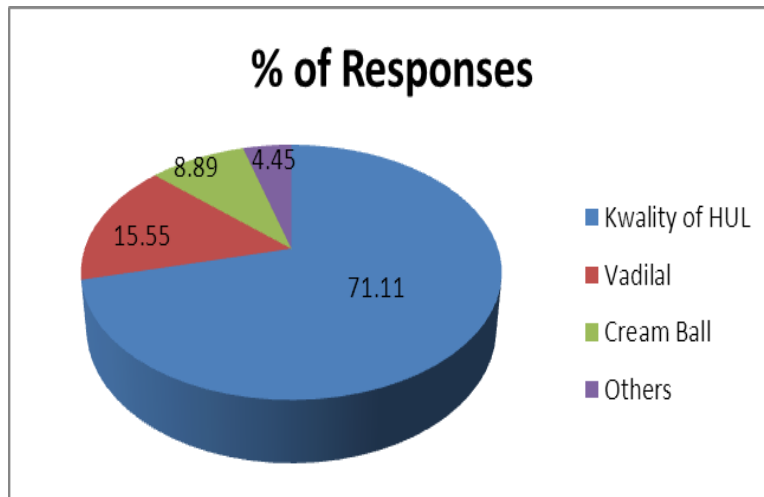


INTERPRETATION: From the above table it is observed that out of 15 those had Amul ice-cream in past, 60% of the respondents are switch over to other brand because of none availability of the product, 20% due to high price and 6.67% for low quality and rest for other reason.

TABLE-7: Showing that the no. of Non-users of Amul’s ice-creams

| Using Status of Other Products | No of Respondents | % of Responses |
|--------------------------------|-------------------|----------------|
| Kwality Walls of HUL | 32 | 71.11 |
| Vadilal | 7 | 15.55 |
| Cream Ball | 4 | 8.89 |
| Others | 2 | 4.45 |
| Total | 45 | 100% |

Graph 7: Showing that the no. of Non-users of Amul’s ice-creams

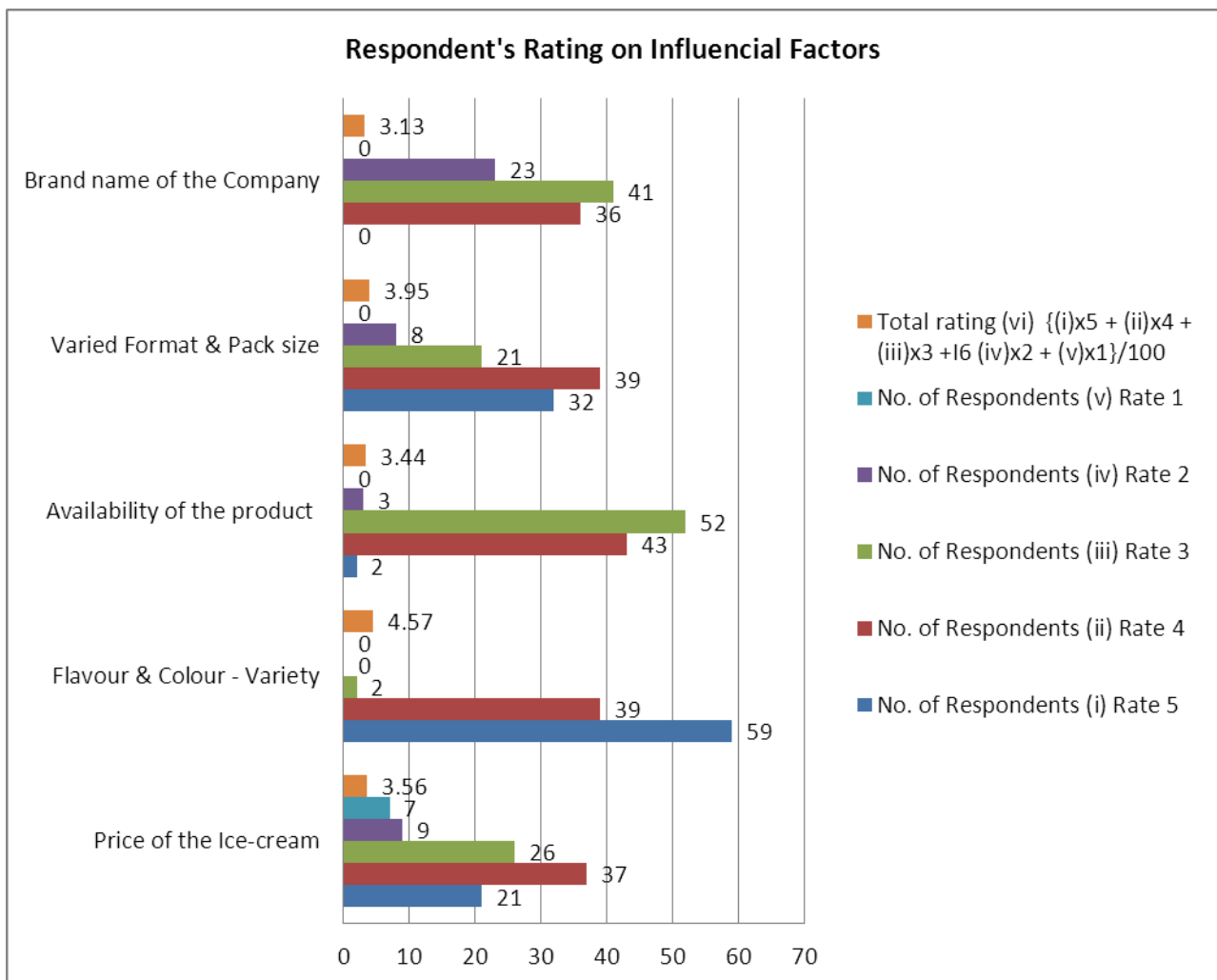


INTERPRETATION: From the above table it is observed that 58% of the Non users of Amul are using Kwality Walls whereas 17% users used Vadilal and Cream Ball respectively and 8% users use other products.

TABLE-8: Showing the respondent’s rate of the different factors which influences the purchase decision (For Retail customers)

| Factors Influencing Purchase Decision (Retail customers) | No. of Respondents | | | | | Total rating |
|---|--------------------|--------|--------|--------|--------|---|
| | (i) | (ii) | (iii) | (iv) | (v) | (vi) |
| | Rate 5 | Rate 4 | Rate 3 | Rate 2 | Rate 1 | $(vi) = \{(i) \times 5 + (ii) \times 4 + (iii) \times 3 + (iv) \times 2 + (v) \times 1\} / 100$ |
| Price of the Ice-cream | 21 | 37 | 26 | 9 | 7 | 3.56 |
| Flavour & Colour - Variety | 59 | 39 | 2 | 0 | 0 | 4.57 |
| Availability of the product | 2 | 43 | 52 | 3 | 0 | 3.44 |
| Varied Format & Pack size | 32 | 39 | 21 | 8 | 0 | 3.95 |
| Brand name of the Company | 0 | 36 | 41 | 23 | 0 | 3.13 |
| Advertisement & Sales promotion activities | 0 | 27 | 36 | 24 | 13 | 2.77 |

GRAPH-8: Showing the respondent’s rate of the different factors which influences the purchase decision

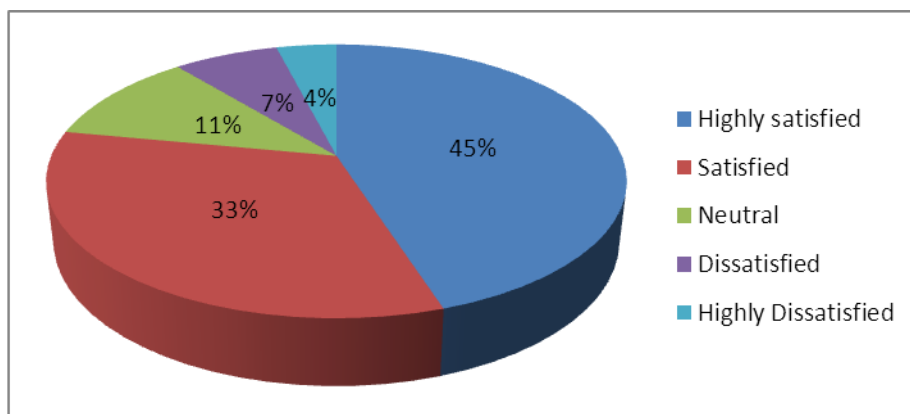


INTERPRETATION: From the above table & Graph it is observed that 'Flavour & Color - Variety gets highest rating followed by 'Varied Format & Pack size; and 'Advertisement and Sales promotion' is received the least rating.

TABLE-9: Showing the satisfaction level of respondents towards Amul's Ice-cream

| Satisfaction Level | No of Respondents | % of Responses |
|---------------------|-------------------|----------------|
| Highly satisfied | 45 | 45% |
| Satisfied | 33 | 33% |
| Neutral | 11 | 11% |
| Dissatisfied | 7 | 7% |
| Highly Dissatisfied | 4 | 4% |

GRAPH 9: Showing the satisfaction level of respondents towards Amul's Ice-cream



INTERPRETATION: From the graph it can be inferred that only 45% of respondents highly satisfied. 33% of them reasonably satisfied 11% are neutral whereas 7% of the respondents dissatisfied and 4% are highly dissatisfied.

V. STATISTICAL ANALYSIS

TABLE-10: Showing the area-wise sales before and after Promotional activity

| SI | Study Area | Pre Promotional | Post Promotional Activity |
|----|---------------------------------|-----------------|---------------------------|
| 1 | College Para & Hati more | 35 | 40 |
| 2 | Siliguri Junction Area | 277 | 285 |
| 3 | Sivmandir & University | 40 | 42 |
| 4 | Bidhan Market & S. S Market | 136 | 135 |
| 5 | Cosmos Mall/Big Bazar | 48 | 46 |
| 6 | City Center & S F Road | 132 | 132 |
| 7 | NJP area & Kanchanjanga Stadium | 67 | 72 |
| 8 | Hakimpara & Pakurtala | 18 | 21 |

To determine whether Promotional activity has resulted or not in a significant increase in its sales Paired t-test has been used.

H₀: There is no significant increase in sales

H₁: There is significant increase in sales.

$$t \text{ (Calculated)} = \frac{d}{\sqrt{\frac{s^2}{n}}} = \frac{3}{\sqrt{\frac{11.71}{8}}} = 2.06$$

t (tabulated) (0.05, 7) = 1.90

INFERENCE: The critical value t for $(8-1) = 7$ df at 5% level of significance is 1.90. As calculated t value is greater than the critical region value, it falls in the rejection region. Therefore we reject the H_0 and conclude that the canopy activity have significant increase in sales.

VI. CONCLUSION

The brand awareness plays a big role influencing the consumer's purchase decision. Best marketing & brand awareness activity in current scenario is "Advertisement". Satisfied customer also plays an important role in brand awareness as they recommend others to purchase and such referral brings new customers and promotes positive brand image whereas dissatisfied customers may lead negative brand image which hinders successful brand awareness activity. Purchase has a positive correlation with Ice-cream brand, flavour/colour and format/pack size of the product but a negative correlation with price. Based on the study, most important factors in having ice-cream are the ice-cream brand and quality and. In Indian Ice-Cream industry, where switching cost is negligible a product can't be placed in the market on the basis of brand alone, but it should match the spending power of customers and cordial relationship. It is not only the ice-cream itself, but the yummy flavour, effective distribution channel as well as hard working sales team that differentiate one company from another and drives a company on front foot.

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APPENDIX

Survey Questionnaire

1) Name:-

2) Occupation:-

1. Office/service 2. Students 3. Business 4. Housewife

3) Are you aware of Amul's ice-cream Products?

Yes

No

4) If yes, how do you come to know about this product?

Advertisement Friends Retailers Relative/Associate Any other source (Specify)

5) Are you having Amul ice-cream?

Yes No I have used in the past

6) If you are a lover of Amul ice-creams, how long have you been buying it?

Below 6 months 0-1 year 1-2 year

7) Do you think the advertisement of Amul ice-creams has a major influence in your buying decision?

Yes No

8) If you were a customer of Amul ice-creams, please mention the reason behind Valvoline Products which forced you to switch to the other brand?

None availability High Price Low quality Other

9) If you are not a current customer of Valvoline Products, what products you used?

Kwality (HUL) Vadilal Cream ball Other

10) Please rate the following factors (Strongly agree-5, Agree-4, Neutral-3, Disagree-2, Strongly Disagree-1) Factors which influence your purchase decision:

| S.No. | Factor | Rate |
|-------|--|------|
| 1) | Price of the Ice-cream | |
| 2) | Flavour & Colour - Variety | |
| 3) | Availability of the product | |
| 4) | Varied Format & Pack size | |
| 5) | Brand name of the Company | |
| 6) | Advertisement & Sales promotion activities | |

11) How much satisfied are you with Amul ice-creams compared with the others ice-cream brands available in the market?

Highly satisfied Satisfied Neutral Dissatisfied Highly Dissatisfied

12) On a scale of 1 to 10 (10 being the highest), how likely is it that you will recommend Amul ice-creams to your friends/family?

AUTHOR(S) PROFILE



Shomnath Dutta received the B.E degree in Mining Engineering from Bengal Engineering & Science University (BESU) Howrah and MBA degree in Marketing Management from Institute of Modern Management, Kolkata in 1999 and 2003, respectively. In the year 2009, he became the Gold Medalist of IGNOU in MA Economics Examination. For last 10 years he is attached with Department of Business Administration of Siliguri Institute of Technology as Assistant Professor. He is the author of the book Industrial Management for All India B.Tech courses published by New Delhi based Vrinda publications.