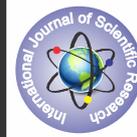


## “THE ATTITUDE OF CONSUMERS TOWARDS PROCESSED FOOD –WITH SPECIAL REFERENCE TO MTR BRAND”



### Management

**KEYWORDS:**

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### ABSTRACT

*The aim of this study is to understand the attitude of consumers towards MTR brand. Data was collected from 30 respondents of Mysore city. Both the genders were considered, which included different age group, religion, income level. After the study it was examined that both product knowledge and product image has a positive impact on consumer purchase towards MTR brand.*

### 1.1 INTRODUCTION

The increasingly competitive global market forces are companies focusing to separate themselves from their competitors in order to survive and take advantage of growth and opportunities. One way to differentiate themselves from competitors is the creation of strong brands and try to increase the profitability reduce their marketing costs. The importance of brands is not only measured in terms of competitive advantage it is a future opportunities that available in markets. In this way, companies can access new markets through an existing brand, known to reduce both the cost of the introduction of new products and the risk of product failure. Therefore companies follow the brand extension strategy.

According to Klink and smith (2001) Consumers play an important strategic role towards brand extension because the failure and success of the brand is based on the consumer's judgment. In the evaluation of brand extensions is perceived by consumer belong to the existing category. Therefore beliefs and behaviors associated with the parent brand were transferred to the new product. According to Martinez and Pina (2003) extension strategy not suitable for all the brands it has both negative and positive impact it may negatively affect the image of parent brand. Although the launch of the new product may be positive negative relations with parent brand it can also harmfully affecting the consumer attitude towards the brand image and extension. Company makes extension our brand that is popular in market and in the mind of customer and also have positive image. Companies use that strategy to decrease the risk of product failure after launching. A good brand extension strategy is one where the brand supports the expansion, while a brand extension strengthens the brand. On the other hand this type of strategy has negative impact and root cause of dilution of parent brand image. Developing new brand requires much more investment than creating brand extension so, due to this reason firms use brand extension strategy to enter new markets. This is an area where significant research has been conducted. Brand extension research focuses on consumer perceptions of brand extensions. There are two type of extension. First brand extension within product line and second is brand extension out of product line. the greater the similarity between the current and the expanded product, the greater the transfer of brand influence. Well known brand name to promote new products or service in unrelated fields also called brand stretching.

Using an existing brand name to brand a new product – is one of the most popular strategies in exploiting brand equity for the purpose of growth and product diversification. Substantial research is available on the factors influencing brand extension evaluation by consumers. Owing to the high costs of launching new products, brand extensions have been the basis of national and international strategic growth for many firms over the past few decades. Brand extension strategy consists of using an established brand name to launch new products (Keller, 2007). One of the main advantages of using brand extensions is the reduction of communication costs (Tauber, 1981; Aaker, 1990; Aaker and Keller, 1990) as a result of the synergies generated between

experience and communication of any products of the firm (Erdem and Sun, 2002). Furthermore, brand extensions reduce the costs of brand name introduction and enhance the probability of success since consumers transfer their perceptions and attitudes from the original brand to the extension (Tauber, 1981; Aaker and Keller, 1990). Brand extensions can also have positive effects for the parent brand. They can strengthen the brand meaning, help to build brand equity (Keller and Sood, 2003), and encourage purchasing of other products from the firm, particularly amongst nonusers of the parent brand

### 1.2 BACKGROUND BRAND

The first definition of “brand” is the name given to a product or service from a specific source. Used in this sense, “brand” is similar to the current meaning of the word “trademark.” More than a century ago, cattle ranchers used branding irons to indicate which animals were theirs. As the cattle moved across the plains on their way to Chicago slaughter houses, it was easy to determine which ranches they were from because each head of cattle was branded. Brand is a known identity of a company in terms of what products and services they offer but also the essence of what the company stands for in terms of service and other emotional, non tangible consumer concerns. To brand something is when a company or person makes descriptive and evocative communications, subtle and overt statements that describe what the company stands for. For example, is the brand the most economical, does it stand for superior service, is it an environmental responsible provider of x,y,z service or product. Each communication is deliberate in evoking emotion in the receiver to leave him/her with an essence of what the company or person stands for.

The brand is one of the most important assets a firm owns. A firm with a high brand equity achieves high perceptions of the brand by the customers, greater loyalty by customers, less vulnerability to competitors' marketing actions, high profit margins, less negative reaction by customers to price increases, higher support of middlemen, higher marketing promotion effectiveness, increasing licensing and brand extension opportunities (Keller, 2008, p. 49). In order to achieve high brand equity the firm must invest heavily in the brand. Creating and maintaining a new brand is very costly. This fact leads firms to adapt cost effective ways of entering a new market. One of the most popular strategies of growth that is less risky and cheaper than creating a new brand is brand extension. Because the brand name is already known by customers, the extension usually gains easier acceptance in the market. “Brand extensions provide a way to take advantage of brand name recognition and image to enter new markets” (Aaker and Keller, 1990, p. 27). The consumer is more familiar with and has greater knowledge about the brand, so develops higher affect to the extension as compared to an entirely new brand name.

### 1.3 MTR AS A FOOD BRAND

MTR Foods - the byword for authentic Indian food marks its global

presence for its wide range of packaged products and recipes that can only make you ask for more. MTR Foods Ltd. is one of India's leading purveyors of packaged foods. Its products include a variety of vegetarian snack foods and chips, ready-to-eat meals, and partially pre-cooked meals, emphasizing the cuisine of southern India. Other products include pickles, vermicelli, and over 30 varieties of ice cream and ice cream cones. The company is one of only a few that sell packaged food nationwide. MTR Foods also exports canned foods to the United States in an arrangement with the grocery chain Kroger and sells spices in the United Kingdom through the British company Centura Foods. MTR products are also available in Australia, Singapore, Malaysia, and other Asian countries. In 2002, MTR Foods began opening franchised fast-food restaurants across India that served its vegetarian specialties. These are called MTR Super Shops. Maiya says the secret of his success is maintaining consistency in product quality. For example, he gets around the problem of seasonal variations in the quality of ingredients such as chillies and tamarind by sourcing from different regions. Heeng (asafoetida) comes from Afghanistan, and cinnamon from Sri Lanka. "I will never mess with quality, even if it means having to increase the product price," he says.

## 2.1 LITERATURE REVIEW

One of the advantages of well-known brands is, over time consumers form expectations about the performance of the brand (Keller, 2008, p. 497) and hence create certain associations about the brand. The reason why firms introduce brand extensions to the market instead of creating a new brand rests highly on this fact. When a brand extension is introduced to the market, it is easily accepted by consumers especially if there is a high fit between the extension and the parent brand regarding product category or associations. Perceived fit between the extension and the parent brand may depend on the transferal of current skills or assets to making the extension; the perceived product class complementarity; and the perceived product class substitutability.

Determine the name and identification number of a product is an important process that when companies designing a product strategies they also consider all these things. The Manufacturing companies also know that their product brand is a source of power that is received from market. The American Marketing Association defines a brand as a name, word or phrase name sign symbol design or combination their aim is to create a product or service that offered by the seller and that distinguish their products from other competing companies. Brand extension means that a successful brand image is used for a new product in other categories. A positive attitude brand perceived quality and perceived similarity between the product and the extension products are the most important success factors. Different companies use different methods to expand the brand. There you can use the vertical extension or horizontal extension of the brand. These two methods used by companies in different situations. The horizontal brand extension can be defined as an extension of a parent brand to a product that is same in product category and that is new. Vertical expansion is the second extension of the brand in which introduced a new brand on the basis of price and quality. It can be defined as a similar import brand in the same product category although different in price and quality. Vertical brand extension can be divided into extension and contraction of brand extension. Vertical Extension luxury brand is an extension of the brand is in the highest quality and higher price compared to the parent brand. Contraction or Downscale vertical brand extension extends brand with lower quality and price. Brand extension and line extension are different from each other, line extension means new product introduced within same category class and brand extension means completely different category of product introduced within market. The perceived quality and positive attitude towards the extension is only show in case of high type of product similarity. The perceived quality can exercise a direct effect on the brand extension.

A company have high brand equity achieve high perception of the consumers, greater loyalty, high profit margins, less negative

reactions if price increases, high support of middleman and brand extensions. The extensions usually easier acceptance in the market and have very low risk of product failure. "product or brand extension occurs when any firm use its already established brand name to introduce new brand into new product category. Line extension occur when a company wants to introduce new size, flavours etc. Brand extension may be two different directions: horizontal extension and vertical extension. When existing product name is used to extend into same product class or into number of category this is called horizontal extension. On the other hand vertical extension occurs when new product is introduced in a same product category with different price and quality level also stress on that point, any kind of inappropriate extension may also create serious type of damage to the parent brand and after some time may be very challenging for company to overcome this situations. In the modern age the thinkable and well managed brand is successful. Brands are the thing that attach with the minds and emotions of the people because people give more importance to the brands as compare to any other thing. Brand extension is depends on the fitness of parent brand and extended brand. If new brand is close to the existing brand then there is a lot of chances that new product may be successful and survive. Moreover, goods can also be categorised based on their durability and risk associated with them such as FMCG and consumer durables. Consumers have little problem in understanding FMCG products, such as soap, toothpaste and shampoo, as these products are associated with day-to-day consumption. FMCG products are bought with a larger frequency, which allows consumers to develop expertise in their purchase

Objective was derived from following research papers:

1 F. Mu'ge Arslan and Oylum Korkut Altuna published on 2010 in Journal of Product & Brand Management to identify the effect of brand extensions on product brand image for 474 respondents. It was found that The results show that brand extensions affect the product brand image negatively, whereas the fit between the parent and extension brands decreases the negative effect.

2 Martinez, Eva;de Chernatony, Leslie published on 2004 in The Journal of Consumer Marketing to identify the effect of brand extension strategies upon brand image for 389 respondents. It was found that that brand extension dilutes the brand's image, changing the beliefs and associations in consumers' minds.

3 Isabel Buil Published on Jun-05 to identify Brand extension strategies: perceived fit, brand type, and culture influences for 250 respondents. It was found that – Brand extensions with high fit receive more favourable consumer evaluations and decrease the negative feedback effects of extensions on parent brand equity.

4 Hongwei He on march 2009 to identify the Consumer evaluation of technology based vertical extension from 200 respondents. It was found that downward brand extension is generally evaluated more favourably due to its positive effect on perceived fit; technological direction moderates the effect of fit on brand extension – fit has stronger positive effect on downward brand extension than on upward brand extension; fit moderates the effect of brand loyalty on brand extension – when fit is high, brand loyalty's effect is positive, whereas when fit is low, brand loyalty can have negative effect on brand extension; and the moderating effect of fit on brand loyalty is further moderated by technological direction of brand extension – for upward brand extension, the moderating effect of fit on brand loyalty is as general, but for downward brand extension, fit enhances the effect of brand loyalty.

5 Eva Martinez on june 2005. It was found that brand extension strategy dilutes the brand image in both markets. It is found that brand image before extension and fit has positive effects on brand image after extension.

6 Kavita Srivastava published in 2013. Objective is to Consumer attitude towards brand extension A comparative study of fast moving

consumer goods, durable goods and services. It was found that the impact of perceived quality was greater in the case of services than FMCG and durables. On the other hand, perceived risk and involvement had stronger influence on evaluation of durables and service than FMCG brand extensions.

7 Tina Vukasovic, objective is to Searching for competitive advantage with the brand extension process. It was found that the positive influence of the parent brand on the brand extension to the new product category. With launching a new product brand Poli is entered into a new category, namely the group pate.

8 Guoqun Fu published on April, 2007. The objective is to Ownership effects in consumers' brand extension evaluations. It was found that product similarity, which has two levels: high and low, defined as the similarity in function, usage and manufacture technology between the extension and the original products.

9 Valerie A. Taylor published on Number 2, 2000. The objective is to brand name and price cue in brand extension. It was found that high price information may enhance perceived quality evaluations of new offerings extended from moderate quality parent brands, and that there may be a limit to the enhancing effect of high price on perceived quality evaluations of a new offering extended from a high quality parent brand.

10 Isabel Buil Leslie de Chernatony published on 2009. The objective is to Brand extension strategies: perceived fit, brand type, and culture influences. It was found that Brand extensions with high fit receive more favourable consumer evaluations and decrease the negative feedback effects of extensions on parent brand equity

## 2.2 OBJECTIVE

The objective of this study is to:

- Understand consumer attitude towards MTR brand and their products
- Perception of consumer towards MTR as a brand

## 2.3 LIMITATIONS

Survey was conducted only in Mysore city. Residents of Mysore is only taken into consideration. One food product brand named MTR brand is taken into consideration in this research. So, only consumer attitude towards MTR brand is understood here and cannot be generalised to all FMCG brands

## 2.4 IDENTIFICATION OF VARIABLES

The dependent variable is purchase attitude towards MTR brand

Independent variables include:

- (a) Familiarity (b) Perceived quality (c) Attitude (d) Brand image

## 2.5 UNDERSTANDING VARIABLES

### FAMILIARITY:

Brand familiarity is a unidimensional construct that is directly related to the amount of time that has been spent processing information about the brand, regardless of the type or content of the processing that was involved. Thus, brand familiarity is the most rudimentary form of consumer knowledge. Moreover, this definition specifically assumes that brand familiarity is context-independent and is affected in more or less the same way by advertising exposures, purchase behavior, and product consumption or usage. This seems to be the simplest definition possible and is therefore a reasonable starting point for our investigation. In the remainder of this paper we examine two principal ways in which brand familiarity might affect brand choice: (1) by increasing the likelihood that the brand is included in the evoked set, and (2) by contributing to brand preference.

### PERCEIVED QUALITY:

Quality is discussed in terms of perceived quality, a perception process that may have a different content for various persons, products and places. Several elements of an integrative model of the

quality perception process are addressed. Quality cues can be intrinsic or extrinsic and are used by consumers to form more abstract beliefs about the quality of a product. Experience quality attributes are based on actual consumption while credence quality attributes remain purely cognitive. The quality perception model can be used to bridge the gap between producer defined quality and consumer based quality perception. This quality guidance approach offers a useful framework for further identification and measurement of relevant quality parameters. Subjectively perceived quality of life is a priority concern in planning, implementing and evaluating health policy and treatment decisions.

### ATTITUDE:

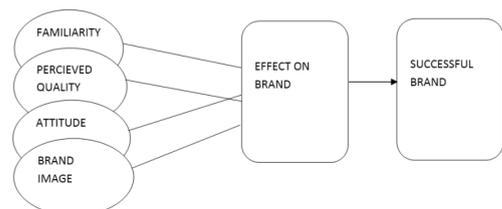
An attitude is somewhere between a belief, a stance, a mood, and a pose. If you've got an attitude about something, it can be hard to change it because you think you're right. An individual with a positive attitude towards a product/service offering is more likely to make a purchase; this makes the study of consumer attitudes highly important for a marketer. Attitudes are a learned predisposition. Attitudes are learned; they are formed as a result of i) self experiences with the product/service offering and the mix; ii) interaction with other people, be it family, friends, peers and colleagues; iii) information obtained from the marketer through promotion particularly advertisements as well as dealers and salespeople. Attitudes are consistent in nature, particularly with respect to the third component, i.e. behavior. Consumers are consistent with respect to their behaviour. Apart from helping a consumer make evaluations about a product/service offering ending up in purchase decisions (to buy/not to buy), attitudes play other functions as well. They perform four basic functions, viz., utilitarian function, ego defensive function, value expressive function, and knowledge function. The four functions are not mutually exclusive. In fact, they are related to each other and consumer attitudes are illustrative of a combination of functions.

### BRAND IMAGE:

Brand image is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for. It is a set of beliefs held about a specific brand. In short, it is nothing but the consumers' perception about the product. It is the manner in which a specific brand is positioned in the market. Brand image conveys emotional value and not just a mental image. Brand image is nothing but an organization's character. The idea behind brand image is that the consumer is not purchasing just the product/service but also the image associated with that product/service. Brand images should be positive, unique and instant. Brand images can be strengthened using brand communications like advertising, packaging, word of mouth publicity, other promotional tools, etc.

Brand image develops and conveys the product's character in a unique manner different from its competitor's image. The brand image consists of various associations in consumers' mind - attributes, benefits and attributes. Brand attributes are the functional and mental connections with the brand that the customers have. They can be specific or conceptual. Benefits are the rationale for the purchase decision.

## 2.6 CONCEPTUAL MODEL



## 2.7 HYPOTHESIS

H0: There is an effect of product knowledge on purchase of MTR brand

H1: Product knowledge donot effect purchase of MTR brand  
 H0: There is an effect of product image on purchase of MTR brand  
 H1: Product image doesnt effect the purchase of MTR brand

**3.0 METHODOLOGY AND QUANTITATIVE ANALYSIS**

**3.1 SAMPLE SELECTION**

The method used in this study is non-experimental, cross sectional survey. The sampling method used here was convenience method. The sample size of this research was 30 and sampling frame was from Mysore city. The data was collected from consumers on simple random sampling technique. The data was analysed in exploratory factor analysis to identify and validate the items contributing to each component in model.

**3.2 MEASUREMENT SECTION**

Survey is the type of measure used in this research. Two variables namely product knowledge and product image were considered. The SPSS will be adapted to analysis the factors influencing the consumers to purchase jewellery in Mysore city.

**3.3 QUESTIONNAIRE DESIGN**

Questionnaires in this study are self- framed structured scaled questionnaires. Precisely liker scale is adopted. The above mentioned variables include different constraints for framing questions. Four variables were identified and each variable included different number of questions. In questionnaire, questions 1-8 were on the basis on financial value, followed by functional value which had questions from 9-16. Individual value included questions from 17- 23 and finally social value included questions from 24- 30. Then demographic data of the respondents were also collected after that. Primary data was collected from respondents.

**3.4 KMO AND BARTLETTS TEST**

It is a measure of sampling adequacy that is recommended to check the case to variable ratio for the analysis being conducted. KMO test plays an important rolefor accepting the sampling adequacy. While KMO ranges from 0 to 1, the world-over accepted index is over 0.5.

**3.5 FACTOR ANALYSIS**

Factor analysis is a general analytical class of procedures primarily used for data reduction and summarization is also an interdependence technique in that an entire set of interdependent relationships is examined without making the distinction between dependent and independent variables.

**4.0 DATA ANALYSIS**

Three methods namely KMO, reliability and factor analysis are being carried out. Related tables are mentioned below.

**4.1 FACTOR ANALYSIS**

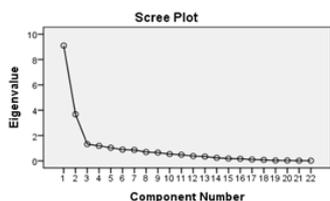
**TABLE: 1**

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.586
Approx. Chi-Square	542.675
Bartlett's Test of Sphericity	df 231
Sig.	.000

**ANALYSIS:**

The statistic of KMO- Kaiser-mayer-olkin measure of sampling adequacy of 0.586 was significant (.000) with a chi-square of 542.675 and 231 degree of freedom



**FIGURE: 2**

**ANALYSIS:**

When data was transferred to screen plot, it depicted two cuts which explains that there are two facors. These two cuts are the different factors which has effect on consumers for purchase of MTR brand. For both these two factors various variables were identified. These are mentioned in the below tables.

**TABLE: 2 Rotated Component Matrix<sup>a</sup>**

	Component	
	product knowledge	product image
attitude	.843	
perception	.828	
matches	.806	
authenticity	.806	
consume	.785	
Taste	.783	
Safe	.781	
reliable	.771	
quality	.730	
aware	.722	
familiarity	.635	
thought	.618	
Easy	.616	
services	.586	
Word	.572	
changes		.709
Price		.706
celebrity		.705
competitor		.683
emotional		.636
packaging		.605
New		.601

Extraction Method: Principal Component Analysis.  
 Rotation Method: Varimax with Kaiser Normalization.<sup>a</sup>  
 a. Rotation converged in 3 iterations.

**ANALYSIS:**

After screen plot, it was identified that two factors were identified in rotated component matrix. Two factors were named as product knowledge and product image. Each factor includes fourteen and seven variables respectively.

**4.2 RELIABILITY TEST**

**TABLE:3 (PRODUCT KNOWLEDGE)**

**Reliability Statistics**

Cronbach's Alpha	N of Items
.927	16

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
consume	48.3333	122.713	.720	.920
quality	48.3667	121.068	.594	.924
thought	48.9000	121.128	.684	.921
perception	48.4000	118.800	.770	.918
Easy	48.4667	121.430	.658	.921
Safe	48.5000	120.052	.747	.919
influence	49.3000	138.493	-.043	.940
familiarity	48.9667	118.516	.661	.922
attitude	48.4333	122.806	.720	.920
reliable	48.6667	122.368	.698	.921
Taste	48.5000	121.500	.706	.920
authenticity	48.6667	120.368	.796	.918
aware	48.1333	122.189	.678	.921
services	48.8667	123.223	.580	.924
matches	48.3333	119.333	.769	.918
Word	48.6667	124.023	.594	.923

**ANALYSIS:**

Cronbach alpha value is 0.927 which had sixteen items namely consume, quality, thought, perception, easy, safe, influence, familiarity, attitude, reliable, taste, authenticity, aware, services, matches and word. Alpha value is above 0.7 which showed that product knowledge factor is reliable and has an effect on consumer attitude towards purchase of MTR brand.

**TABLE: 4 (PRODUCT IMAGE)****Reliability Statistics**

Cronbach's Alpha	N of Items
.804	7

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
celebrity	19.2667	19.444	.506	.790
Price	18.3667	20.930	.605	.768
packaging	18.4667	21.085	.541	.778
competitor	18.2000	22.648	.482	.789
emotional	19.1333	20.326	.613	.765
New	19.0333	21.068	.502	.785
changes	18.5333	20.671	.550	.776

**ANALYSIS:**

Cronbach alpha value is 0.804 which had seven items namely celebrity, price, packaging, competitor, emotional, new, changes. Alpha value is above 0.7 which showed that product knowledge factor is reliable and has an effect on consumer attitude towards purchase of MTR brand.

**5.1 FINDING AND CONCLUSION**

It was found that the two main factors extracted from screen plot namely product knowledge and product image has an effect on forming an image for purchasing MTR branded products. Also it shows that all the variables that come under these two factors affect consumer attitude towards MTR brand. Hereby in both the cases H0 is accepted.

**5.2 FUTURE RECOMENDATION**

Survey was conducted only in Mysore city, for further study same survey can be conducted in different states. Same survey can be conducted for different brands for future research.

**5.3 MANAGERIAL IMPLICATION**

Companies can make use of the variable which is mostly affected for their betterment of organisation. So company can utilise the most effected variables and adopt such strategies specially in the feild of advertisement and create awareness among the consumers.

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