

“The study of effect of covid-19 on Consumer behaviour towards ITC food sector products”

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ABSTRACT

ITC is one among the India's foremost private sector companies, and a diversified conglomerate with business spanning in fast moving Consumption, packaging, agri - business and information technology. ITC is India's first company that promotes its brands through advertisements, campaigns as well as door to door promotions. ITC is mostly focusing on retailers and wholesalers to promote their brand. Covid-19 has a significant effect on ITC. Its Effect was felt low in the initial days of pandemic, but as the pandemic exploded worldwide, the ITC got significantly affected. Present paper gives an insight in to the ITC sales, promotional strategies that are being used after the outbreak of pandemic and the change in the consumer behaviour towards ITC. Online survey has been conducted over a sample size of 120 numbers with carefully designed questionnaire for understanding the reasons for drop in sales and analysis of data helps in coming up with new ways to gain hold in the market place. Data has been collected, thoroughly analysed and Hypothetical treating has been carried out to add new strategies to be followed in the post-Pandemic period.

Key Words: ITC, Covid-19, Consumer Behaviour, Food Sector, Online questionnaire, Hypothetical testing.

I. INTRODUCTION

ITC Ltd (Indian Multinational Conglomerate) Company headquartered in Kolkata, West Bengal was established in the year 1910. In the beginning ITC was named as Imperial Tobacco Company Limited for manufacturing Cigarette and Tobacco. Later in the year 1970, the company was renamed as the Indian Tobacco Company Limited as the most of the company's ownership progressively Indianized and later to ITC limited in the year 1947. At present ITC is Indian's most admired and valuable company. ITC contributing to

3 sectors of the economy viz., Agriculture, Manufacturing and service.

ITC comprises 13 businesses in 5 segments. In the beginning the company started its business with a leased office on Radha Bazar Lane, Kolkata. ITC provides world class Indian brands in food sector that helps one fourth of Indian's to meet their regular needs. Some of them are Ashirwad, Sun feast, Bingo, Kitchen of India, Yippee, B Natural etc. The sales of ITC products are not likely seasonal they have a good business overall the year.

The covid-19, an infectious disease which has broken out in the city of Wuhan, China in 2019 December. The public health emergency of International concern has been declared by world health organization on 30th of January 2020. Almost 195 countries have witnessed the worst effect of the pandemic, due to which several countries imposed partial / complete lockdown which has created an uncertainty in the global economy. In the books of history when ever such type of pandemic arises it showed a drastic change in the consumer preferences as there would be changes in their lifestyle, buying power and food habits. The present paper depicts the pandemic effect on the ITC, Food sector

II. OBJECTIVES OF THE STUDY

The main objectives of this study are :

1. The covid-19 effect on ITC, Food sector
2. To analyse the effect of covid 19 on the consumers preferences in the context of ITC food sector
3. Changes in consumer affordability after the breakdown of pandemic a fall of global economy.
4. Change in consumer behaviour about buying ITC food products

III. RESEARCH METHODOLOGY

The research methodology consists of 4 main parts

A] Research design:

The research design used for this project is descriptive research method which involves collection of data from the consumers in a systemic way which will be further investigated and interpreted such that the similar kind of response from the larger section of population

B] Research process:

Three step research process is used in this study

Explore >> Generate >> Evaluate

C] Sample design

The respondents were chosen using random sample method. The research has been done for the period of 45 days

D] Sample size

The sample size for this study was 120 people across the India

IV. COLLECTION OF DATA

Data collection can be defined as “The process of collecting, interpreting and analysing the collected information for research using some standard techniques. There are modes ways of collecting the data, the modes that are opted for this research are as follows :

A] Primarydata: Primary data is the data collected for the first time using the methods like surveys, interviews, or experiments. It is collected directly from the primary source. In this project the data is collected by Questionnaires

containing systematic sequence of questions , telephonic interviews and online polls

B] secondary data : Secondary data refers to data collected by someone other than the current researcher . Secondary data analysis is a time saving process as we will get detailed

Information, we no need to spend time in gathering the information. In secondary data mostly the data is gathered from surveys . The secondary data for this paper has been collected from various sources like articles , magazines , books , journals and press releases of ITC

The google forms has been used for conducting the survey which has been conducted over 120 respondents . the respondents have been mainly classified into three major age groups KG-1 , KG-2 , KG-3 . KG-1 contains of the respondents between the age of 16-35 this group majorly consists of students and young professionals . KG-2 contains respondents of age group 36-50 who are settled people with standard income . KG-3 consists of people whose age is above 50 years this group contains people from last part of their career and retired people who have well experience .

V. RESULTS AND ANALYSIS

The results are interpreted with respected to the classification mentioned above as KG-1 , KG-2 , KG-3 . the respondents of this survey are heterogeneous in terms of gender , occupation place of residence and income

S.No	parameter	characteristics	percentage
1	gender	Male	43.32
		Female	56.68
2	Place of residence	Metropolitan	13
		Urban	56
		rural	31
3	Marital status	Married	36
		unmarried	64

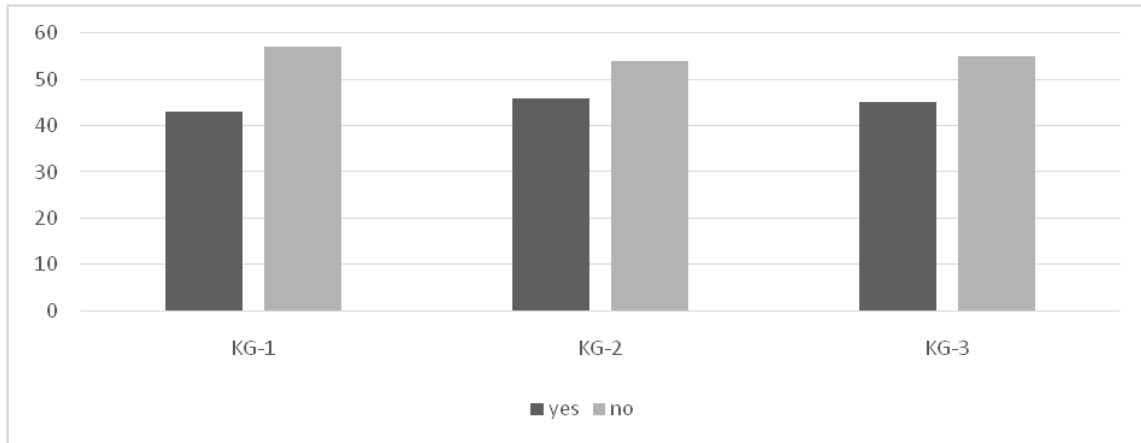
Table 5.1

SNO	PARAMETER	CHARECTERISTICS	KG-1	KG-2	KG-3	TOTAL
1	Usage of ITC Products	Regularly	65	67	63	65
		Occasionally	26	24	27	26
		Rarely	5	4	18	9
2	Price of ITC products	High	23	19	31	24.33
		Low	35	33	23	30.33
		Reasonable	44	40	51	45.336

Table-5.2

Table 5.2 shows the usage frequency of ITC products and perception of price of products age wise in percentages

Buying of ITC products during lock down

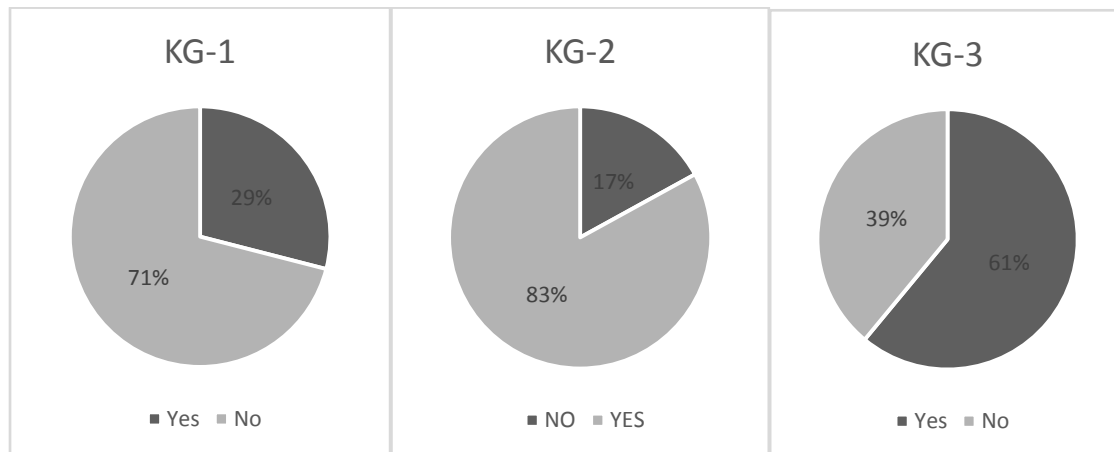


GRAPH 5.1

On a total irrespective of their age groups people are not showing very much interest to buy ITC products in this pandemic , only 47.4% of people are using ITC food product even in the period of lock down but 52.6% of people are not

showing much interest to buy outside packed food due to fear of COVID-19 This survey helped them to know that ITC always follow safety precautions and always manufacture hygiene food.

Awareness of hygiene measures that ITC is taking in period of pandemic



GRAPH 5.2

On a average the awareness of safety and hygiene measures that ITC is taking during this covid times has reached only a half of the people . the company need to ensure that that it reaches each and every person in order to improve its sales

Hypothesis testing

Hypothesis testing is the generally used strategy for deciding whether a sample data offer such

support for a hypothesis that generalization can be made The hypothesis may not be proved absolutely, but in practice it is accepted if it has withstood a critical testing . in this study we have made the hypothesis testing for the data collected through the survey the method used for the testing in this study is chi square

The **Chi Square** statistic is generally used for testing relationships between categorical variables.

The null hypothesis of the test indicates that there is no significant relationship exists on the categorical variables in the population; they are independent.

Chi-square analysis –personal factors and preference of chicory

Hypothesis: The personal factors of the respondents have no significant effect on the awareness of ITC products

Personal factor	Chi square	p-value	Significant value	S/Ns
Gender	7.04	0.042	0.05	S
Marital status	1.0	0.041	0.05	S
Income level	7.67	0.049	0.05	S
Educational status	1.59	0.004	0.05	S
Place of residence	1.46	0.003	0.05	S
Occupational status	8.22	0.049	0.05	S

Note: S-Significant (P-Value 0.05) From the above table it is found that the hypothesis is accepted (significant) in all cases.

VI. CONCLUSION

ITC has expeditiously scaled up presence in its newer FMCG business. ITC is one in every of India’s foremost private sector companies with a capitalisation and thus the World’s Most Reputable companies by Forbes magazine and among India’s most dear Companies by Business Today. ITC also ranks among fifty Asia’s best performing companies anthologize by Business Week. Today ITC is that the country’s leading FMGC marketer, the clean market leader within the Indian paperboard and Packaging industry. This study revealed about the satisfaction level among the consumers that the customers of ITC are satisfied with the products and their idea, preference and thus the acquisition pattern towards ITC products.

VII. RECOMMENDATIONS

ITC should decrease the price of some products . ITC should improve its marketing strategies. It should spread more awareness among the customers regarding the safety measures that the company is taking to ensure the safety of customers health in the present regimen of covid-19. ITC have to invest more on advertising its products. It must follow precautions while manufacturing product especially in this pandemic. The only things customer needs is quality, so ITC must increase its products quality.

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