



Study of Consumer preference towards Nestle and Cadbury

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INTRODUCTION

In this research I have survey the product performance and buying behavior of two famous brands of chocolates – Nestle and Cadbury, which are consumed by people of all ages. During this research I have interacted with people of “Ambala”. After this research I came to know how people perceives these products on the variables like price, quality, advertisement, satisfaction, taste, packaging, brand loyalty etc. I also came to know which particular brand of chocolate is most preferred by people of different age groups. In this research I have surveyed that how frequently and how much chocolate they consume, whether they buy small, big or family pack. Trend of ongoing changes in their likings has been shown in the report. In this report I have tried to explain the entire research and facts product wise.

CONSUMER PREFERENCE

All marketing starts with the consumer. So consumer is a very important person to a marketer. Consumer decides what to purchase, for whom to purchase, why to purchase, from where to purchase, and how much to purchase. In order to become a successful marketer, he must know the liking or disliking of the customers. He must also know the time and the quantity of goods and services, a consumer may purchase, so that he may store the goods or provide the services according to the likings of the consumers. Gone are the days when the concept of market was let the buyer’s beware or when the market was mainly the seller’s market. Now the whole concept of consumer’s sovereignty prevails. The manufacturers produce and the sellers sell whatever the consumer likes. In this sense, “consumer is the supreme in the market”.

As consumers, we play a very vital role in the health of the economy local, national or international. The decision we make concerning our consumption behavior affect the demand for

the basic raw materials, for the transportation, for the banking, for the production; they effect the employment of workers and deployment of resources and success of some industries and failures of others. Thus marketer must understand this.

Preference (or "taste") is a concept, used in the social sciences, particularly economics. It assumes a real or imagined "choice" between alternatives and the possibility of rank ordering of these alternatives, based on happiness, satisfaction, gratification, enjoyment, utility they provide. More generally, it can be seen as a source of motivation. In cognitive sciences, individual preferences enable choice of objectives/goals.

The study of the consumer preference not only focuses on how and why consumers make buying decision, but also focuses on how and why consumers make choice of the goods they buy and their evaluation of these goods after use. So



for success of any company or product promotion it is very necessary to depart its concentration towards consumer preference.

OBJECTIVES OF THE STUDY

This project is based on the comparative study consumer behavior towards Nestle and Cadbury chocolates. Objectives of the study are:

- ❖ The other objective is to know about the customer satisfaction level associated with the product and the customer preference level.
- ❖ To increase customer satisfaction and recapture the market share by fulfilling the customer needs.
- ❖ To study the factors affecting the consumption pattern.

LIMITATIONS OF THE STUDY

In attempt to make this project authentic and reliable, every possible aspect of the topic was kept in mind. Nevertheless, despite of fact constraints were at play during the formulation of this project. The main limitations are as follows:

- ❖ Due to limitation of time only few people were selected for the study. So the sample of consumers was not enough to generalize the findings of the study.
- ❖ The main source of data for the study was primary data with the help of self-administered questionnaires. Hence, the chances of unbiased information are less.
- ❖ People were hesitant to disclose the true facts.

- ❖ The chance of biased response can't be eliminated though all necessary steps were taken to avoid the same.

RESEARCH METHODOLOGY

This chapter describes the methodology of the study. This project is based on information collected from primary sources. After the detailed study, an attempt has been made to present comprehensive analysis of consumption of Cadbury and nestle chocolates consumed by the people. The data had been used to cover various aspects like consumption, consumer's preference and customer's satisfaction regarding Cadbury and Nestle chocolates. In collecting requisite data and information regarding the topic selected, I went to the residents of Ludhiana and collected the data.

Survey design:

The study is a cross sectional study because the data were collected at a single point of time. For the purpose of present study a related sample of population was selected on the basis of convenience.

Data Collection:

The data, which is collected for the purpose of study, is divided into 2 bases:

- ❖ **Primary Source:** The primary data comprises information survey of "Comparative study of consumer behavior towards Nestle and Cadbury chocolates". The data has been collected directly from respondent with the help of structured questionnaires.
- ❖ **Secondary Source:** The secondary data was collected from internet, References from Library.

ANALYSIS OF THE STUDY LIKING FOR THE CHOCOLATES

Table:1

Liking for the Chocolate	Yes	No
Number of Respondents	95	5

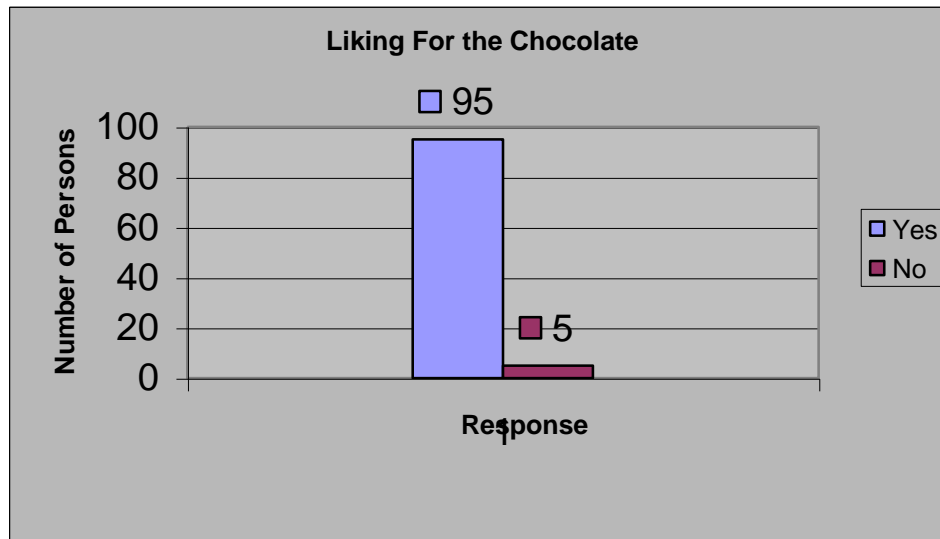


Chart:1

From the above analysis of the given sample of 100 respondents it is concluded that out of 100 people 95 people likes to eat chocolate while only 5 people don't prefer to eat chocolate.

DIFFERENT AGE GROUPS

Table:2

AGE GROUPS	0-10	10-20	20-30	ABOVE 30
NUMBER OF RESPONDENTS	14	42	33	11

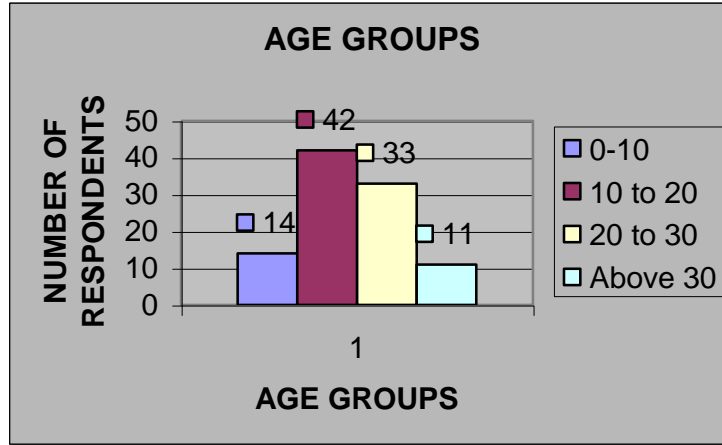


Chart:2

According to the above analysis it is concluded that I have surveyed 100 respondents out of which 14, 42, 33, 11 belongs to age group 0-10, 10-20, 20-30, above30 respectively.

PREFERENCE ACCORDING TO AGE GROUPS

Table:3

BRANDS	AGE GROUPS			
	0-10	10-20	20-30	ABOVE 30
CADBURY	7	35	24	5
NESTLE	5	6	8	5
NO CONSUMPTION	2	1	1	1

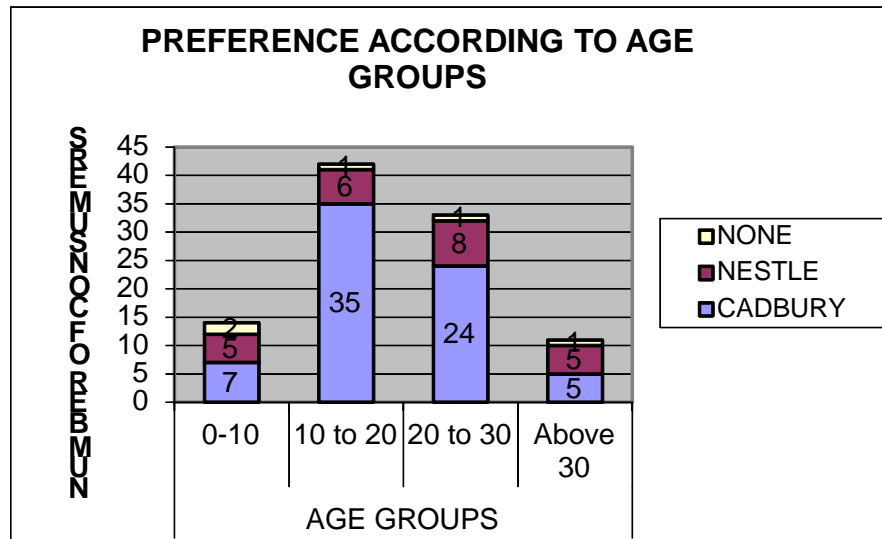


Chart:3

According to the above analysis it is concluded that people of different age groups prefer mostly Cadbury brand of chocolate while Nestle brand is least preferred by the age group between 10-20. People of age group above 30 equally likes to have both brands.

BRAND PREFERENCE

Table:4

BRANDS	PREFERENCE BY CONSUMERS
CADBURY	73
NESTLE	22

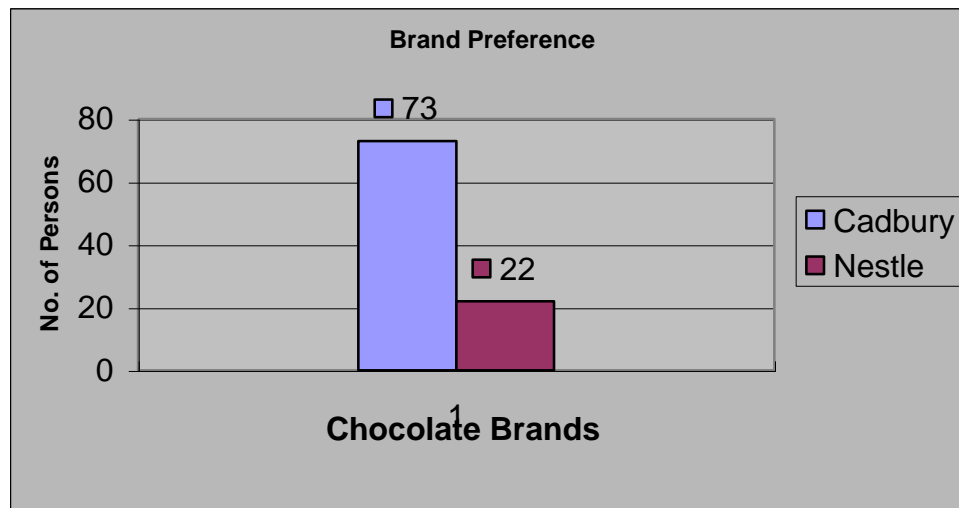


Chart:4

From the above analysis of given sample of 93 respondents who eat chocolates it is concluded that only 22 people prefer to eat Nestle chocolates while 73 people likes to eat Cadbury chocolates.

PURCHASE OF CHOCOLATES

PURCHASE OF CADBURY CHOCOLATES

Table:5

CADBURY CHOCOLATES	
SUB- BRANDS	NUMBER OF RESPONDANTS
DAIRY MILK	69
5 STAR	64
PERK	61
CELEBRATIONS	49
TEMPTATIONS	41

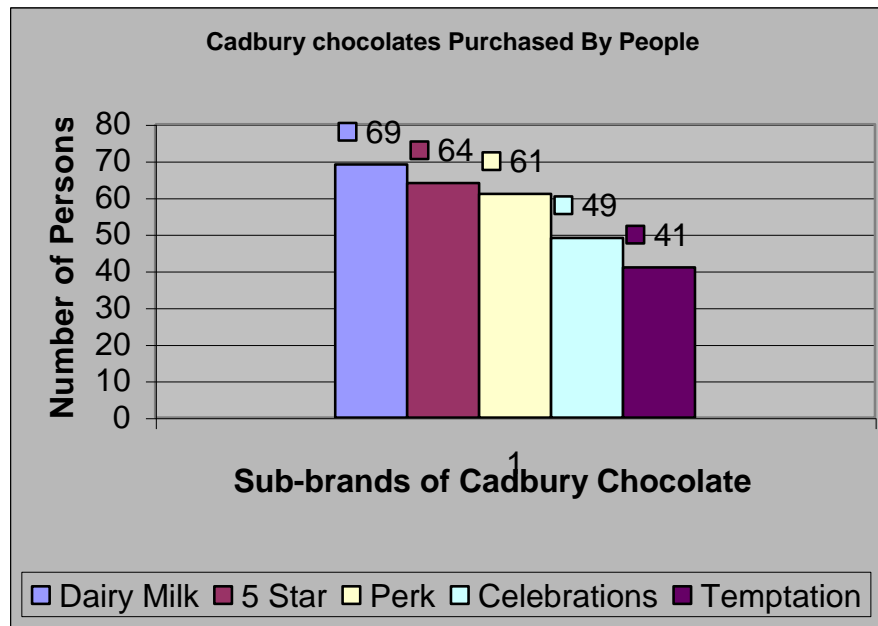


Chart:5

From the above analysis of given sample of 73 respondents who eat Cadbury chocolates it is concluded that mostly people has purchased Dairy Milk sub-brand of Cadbury while Temptation is least purchased by the people.

PURCHASE OF NESTLE CHOCOLATES

Table:6

NESTLE CHOCOLATES	
SUB- BRANDS	NUMBER OF RESPONDANTS
KIT KAT	17
MUNCH	19

MILKY BAR	18
BAR- ONE	16
MILK CHOCOLATE	11

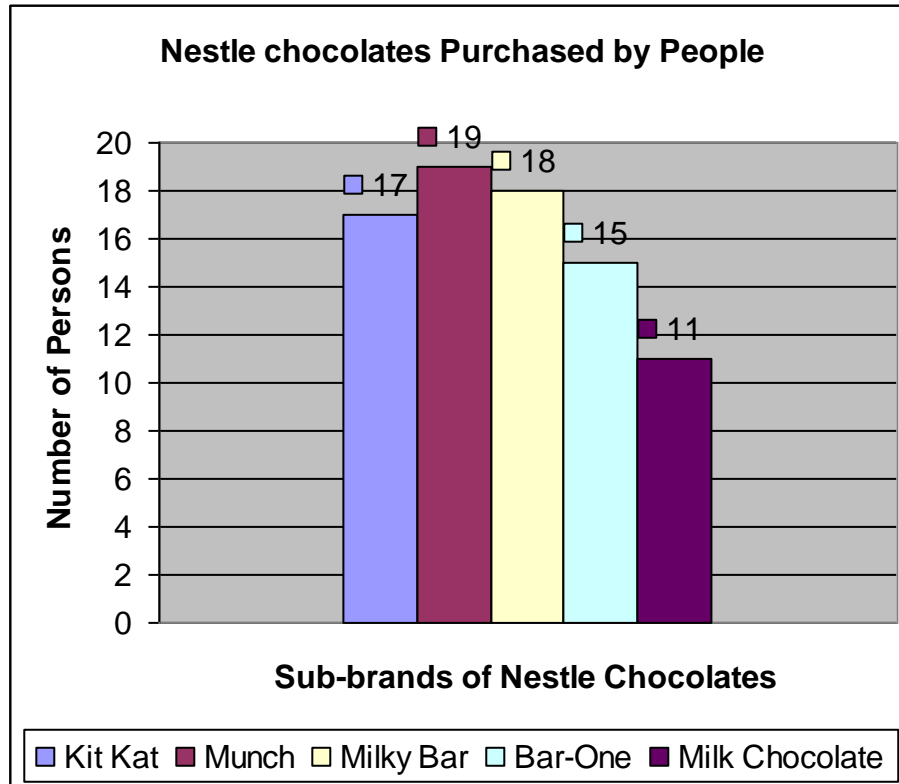


Chart:6

From the above analysis of given sample of 22 respondents who eat Nestle chocolates it is concluded that mostly all sub-brands are purchased by people but top most is Munch followed by Milky Bar and Kit Kat. While surveying we have found that many people are not aware of Milk Chocolate.

OVERALL PURCHASE OF CHOCOLATES

Table:7

OVERALL PURCHASE OF SUB- BRANDS OF CHOCOLATES	
SUB-BRANDS	PERCENTAGE OF PURCHASE
DAIRY MILK	13
5 STAR	12
PERK	11
CELEBRATIONS	9
TEMPTATIONS	7
KIT KAT	10

MUNCH	11
MILKY BAR	11
BAR ONE	9
MILK CHOCOLATE	7

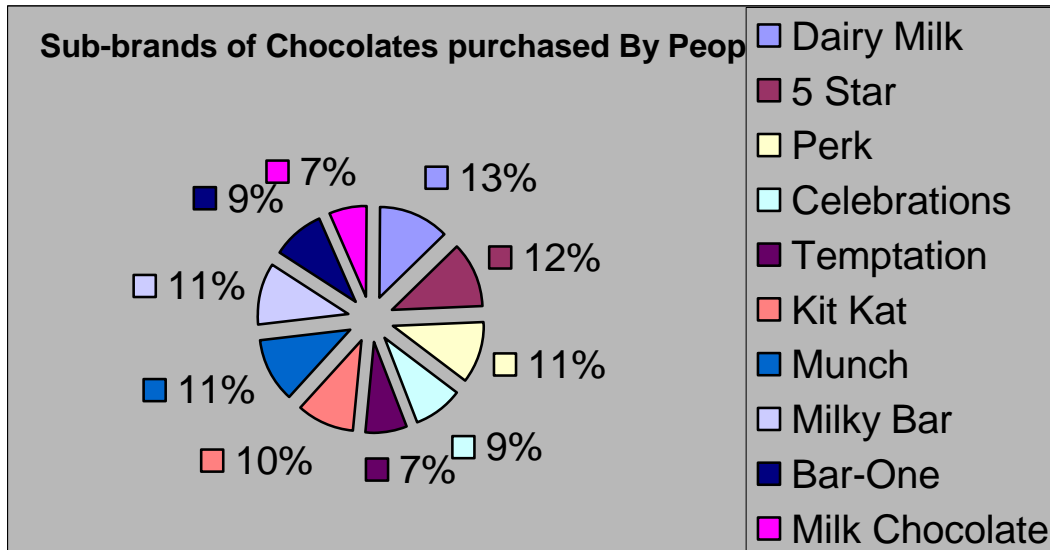


Chart:7

From the above analysis it is concluded that overall Dairy Milk is purchased by people followed by 5 Star while Temptation and Milk Chocolate is least purchased by people.

PREFERENCE OF SUBBRANDS OF CHOCOLATES

PREFERENCE OF SUBBRANDS OF CADBURY CHOCOLATES

Table: 8

CADBURY CHOCOLATES			
SUB- BRANDS	GRAND TOTAL OF PREFERENCE	AVERAGE (GRAND TOTAL / No. OF RESPONDANTS)	RANKS
DAIRY MILK	315	4.3	1
5 STAR	220	3	2
PERK	176	2.4	3
CELEBRATIONS	136	1.86	4
TEMPTATION	91	1.24	5

According to the above analysis it is concluded that in Cadbury Brand, Dairy milk is the most preferred sub-brand as it is ranked first by the respondents. While Temptation is the least preferred sub-brand of Cadbury chocolates.



PREFERENCE OF SUB-BRANDS OF NESTLE CHOCOLATES

Table:9

NESTLE CHOCOLATES			
SUB- BRANDS	GRAND TOTAL OF PREFERENCE	AVERAGE (GRAND TOTAL / No. OF RESPONDANTS)	RANKS
KIT KAT	70	3.18	1
MUNCH	64	2.9	3
MILKY BAR	65	2.95	2
BAR-ONE	45	2.05	4
MILK CHOCOLATE	30	1.36	5

According to the above analysis it is concluded that in Nestle Brand, Munch is the most preferred sub-brand as it is ranked first by the respondents. While Milk Chocolate is the least preferred sub-brand of Cadbury chocolates.

INFLUENCING FACTORS DURING PURCHASE OVERALL INFLUENCE

Table :10

FACTORS	GRAND TOTAL	AVERAGE	RANK
FLAVOR/TASTE	435	4.58	1
PRICE	295	3.1	9
QUALITY	391	4.12	2
PACKAGING	344	3.62	4
FORM	301	3.17	7
BRAND	354	3.73	3
IMAGE	344	3.62	4
COLOR	297	3.13	8
SHAPE	268	2.82	10
QUANTITY	342	3.6	6

According to the above analysis it is concluded that on an average mostly people are influenced by flavor/taste followed by quality, brand and image. It is surprised to know that very few people are influenced by price followed by shape of the chocolate.

INFLUENCING FACTORS DURING PURCHASE OF CADBURY CHOCOLATES

Table:11

FACTORS	GRAND TOTAL	AVERAGE	RANK
FLAVOR/TASTE	335	4.6	1
PRICE	235	3.2	7
QUALITY	307	4.2	2
PACKAGING	277	3.79	3
FORM	231	3.16	8
BRAND	271	3.71	4
IMAGE	262	3.59	5
COLOR	224	3.07	9
SHAPE	213	2.92	10
QUANTITY	262	3.59	5

According to the above analysis it is concluded that on an average mostly people are influenced by flavor/taste followed by quality, packaging and brand. Here color and shape are not all influencing people while purchasing Cadbury chocolates.

INFLUENCING FACTORS DURING PURCHASE OF NESTLE CHOCOLATES

Table:12

FACTORS	GRAND TOTAL	AVERAGE	RANK
FLAVOR/TASTE	100	4.5	1
PRICE	60	2.72	5
QUALITY	84	3.82	2
PACKAGING	67	3.04	9
FORM	70	3.18	8
BRAND	83	3.77	3
IMAGE	82	3.73	4
COLOR	73	3.32	7
SHAPE	55	2.5	10
QUANTITY	80	3.64	6

According to the above analysis it is concluded that on an average mostly people are influenced by flavor/taste followed by quality, brand and image. Here packaging and shape are not all influencing people while purchasing Nestle chocolates.



FACTORS GIVING MOST SATISFACTION TO CONSUMERS

OVERALL

Table:13

FACTORS	GRAND TOTAL	AVERAGE	RANK
FLAVOR/TASTE	427	4.81	1
PRICE	337	3.6	4
QUALITY	367	3.86	2
PACKAGING	338	3.56	5
FORM	332	3.49	7
BRAND	358	3.77	3
IMAGE	328	3.45	9
COLOR	332	3.49	7
SHAPE	335	3.52	6
QUANTITY	328	3.45	9

According to the above analysis it is concluded that on an average people are most satisfied with the flavor/taste of a chocolate followed by quality and brand. It is surprising to know that although people are satisfied with quality but unsatisfied with the quantity.

IN CADBURY CHOCOLATE

Table:14

FACTORS	GRAND TOTAL	AVERAGE	RANK
FLAVOR/TASTE	334	4.6	1
PRICE	269	3.68	5
QUALITY	282	3.86	2
PACKAGING	272	3.73	4
FORM	264	3.62	6
BRAND	282	3.86	2
IMAGE	247	3.38	10
COLOR	259	3.55	7
SHAPE	258	3.53	8
QUANTITY	255	3.49	9

According to the above analysis it is concluded that on an average people are most satisfied with the flavor/taste of a chocolate followed by quality and brand. It is surprising to know that although people are satisfied with quality but unsatisfied with the quantity and image.



IN NESTLE CHOCOLATE

Table:15

FACTORS	GRAND TOTAL	AVERAGE	RANK
FLAVOR/TASTE	93	4.2	1
PRICE	68	3.09	8
QUALITY	85	3.86	2
PACKAGING	66	3	10
FORM	68	3.09	8
BRAND	76	3.45	5
IMAGE	81	3.68	3
COLOR	73	3.32	6
SHAPE	77	3.5	4
QUANTITY	73	3.32	6

According to the above analysis it is concluded that on an average people are most satisfied with the flavor/taste of a chocolate followed by quality and image. It is surprising to know that although people are satisfied with quality but unsatisfied with the form and packaging.

FORM PREFERENCE

Table:16

FORM OF CHOCOLATE	NUMBER OF RESONDENTS
HARD	33
NUTTIES	25
CRUNCHY	29
CHEW	20

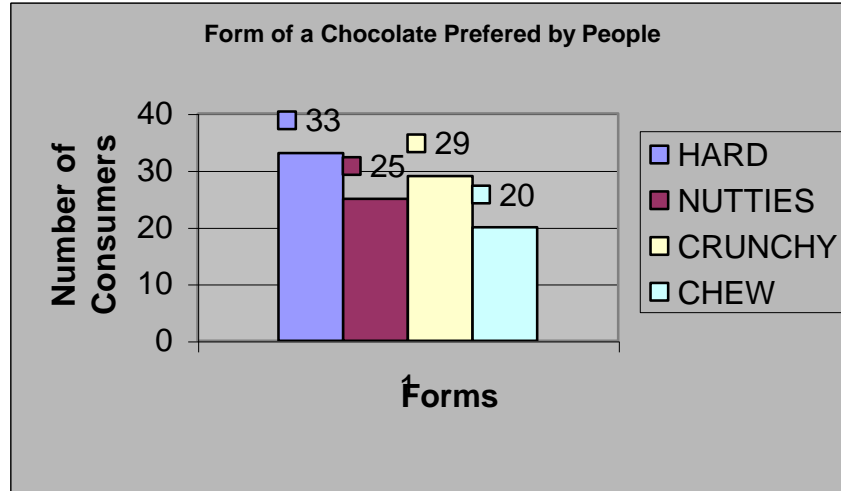


Chart:8

According to the above analysis it is concluded that most of the people likes to eat hard chocolate and chew form of a chocolate is least preferred.

PACK OF CHOCOLATES PREFERRED

Table:17

PACK SIZE	NUMBER OF RESPONDENTS
SMALL	28
BIG	48
FAMILY PACK	19

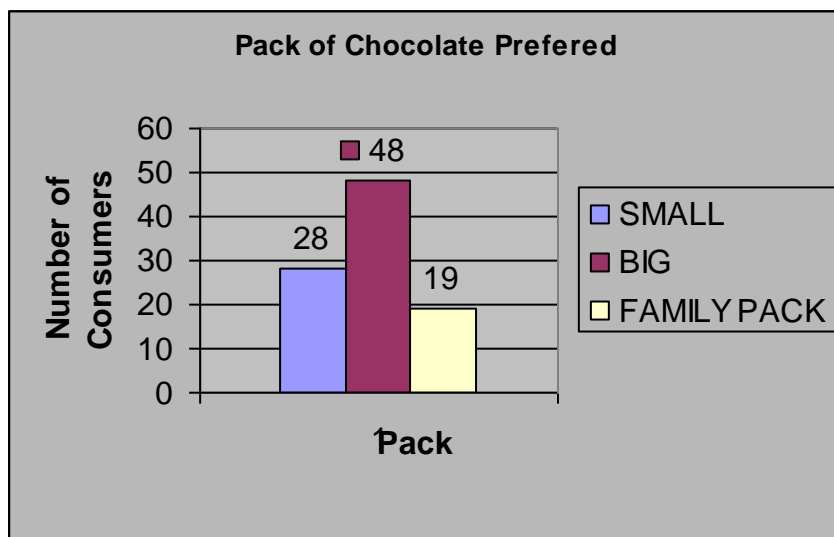


Chart:9

According to the above analysis it is concluded that out of sample of 95 people who eat chocolates likes to buy big pack. Family pack is mostly preferred by aged people only.

PROMOTIONAL OFFERS

Table:18

PROMOTIONAL OFFERS	NUMBER OF RESPONDENTS
FREE GIFTS	52
PRICE OFFER	23
ANY OTHER	20



Chart: 10

According to the above analysis it is concluded that out of sample of 95 people who eat chocolate 52 are attracted by free gifts, 23 by price offers while 20 were attracted by some other reasons.

FACTORS AFFECTING PURCHASE

Table:19

FACTORS	NUMBER OF RESPONDENTS
ADVERTISEMENT	65
SUGGESTION FROM FRIENDS AND RELATIVES	16
ATTRACTIVE DISPLAY	11
DOCTORS ADVICE	15
BRAND AMBASSADORS	9
INGREDIENTS	25

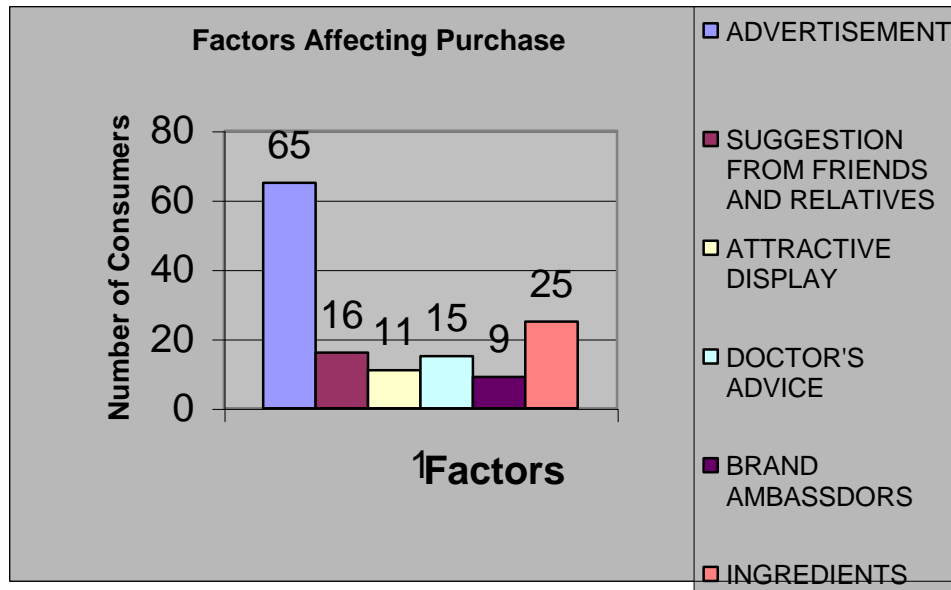


Chart: 11

According to the above analysis it is concluded that Advertisement is the best measure to attract customers to purchase more. Its impact is much more than other factors. While friends and relatives and brand ambassadors also play a significant role in this regard.

MEDIA OF ADVERTISEMENT

Table:20

MEDIA OF ADVERTISEMENT	NUMBER OF RESPONDENTS
TELEVISION	82
NEWSPAPERS	7
BROCHURES	3
HOARDING	4
DISPLAY	15

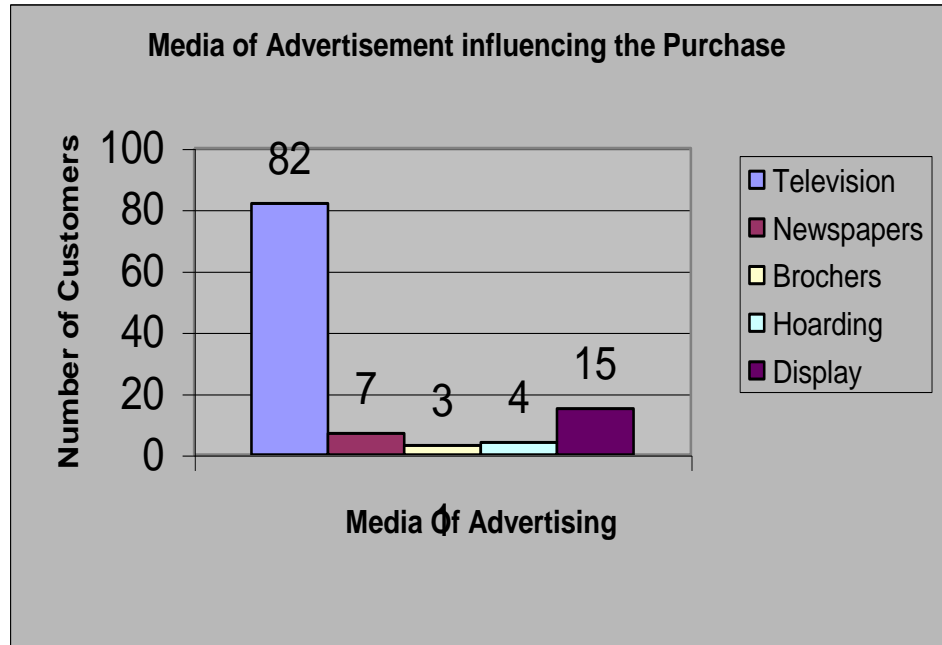


Chart:12

According to the above analysis it is concluded that television emerges as the best media for advertisement of chocolates that compel consumers to buy. It is much more than other ways as out of 95 respondents 82 are attracted to by through television media while brochures are the least attracting media.

FREQUENCY OF CONSUMPTION

Table:21

FREQUENCY OF CONSUMPTION	NUMBER OF RESPONDENTS
ONCE IN A FORTNIGHT	16
DAILY	17
WEEKLY	39
MONTHLY	18
QUARTERLY	5

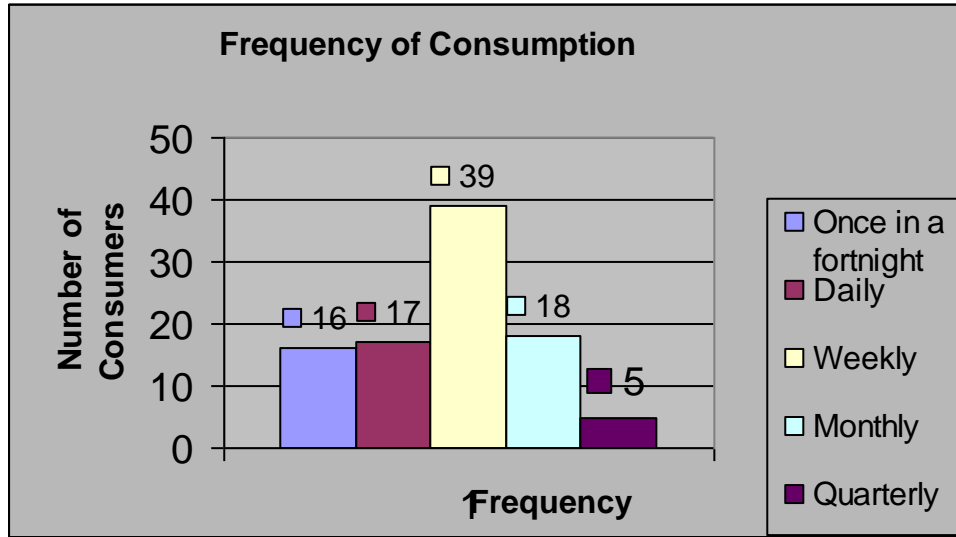


Chart:13

According to the above analysis it is concluded that mostly people purchase chocolates weekly. Only 15 out of 95 purchase chocolates quarterly.

REASONABLE PRICE

Table:22

PRICE OF CHOCOLATE	NUMBER OF RESPONDENTS
BELOW 5	6
5-10	23
10-20	51
20-30	4
ABOVE 30	11



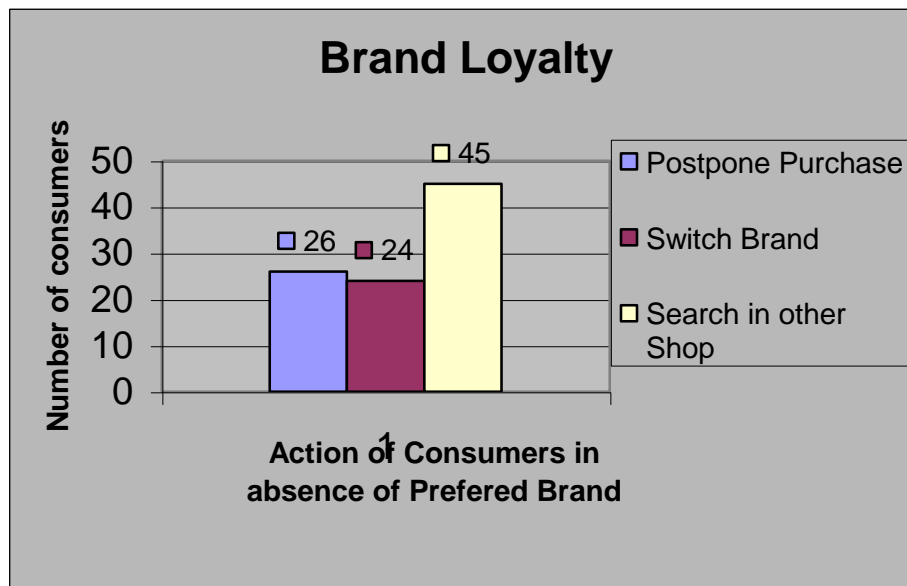
Chart: 14

According to the above analysis it is concluded that the consumer thinks 10-20 Rs is the reasonable price of a chocolate. So it must be worthwhile to know this as it may effect the sale of chocolates.

CONSUMER'S BRAND LOYALTY

Table:23

BRAND LOYALTY ACTIONS	NUMBER OF RESPONDENTS
POSTPONE YOUR PURCHASE	26
SWITCH OVER TO OTHER BRANDS	24
GO TO OTHER SHOP FOR SEARCH OF PREFERED BRAND	45

**Chart:15**

According to the above analysis it is concluded that mostly people are loyal to the brand as in the absence of availability of their preferred brand mostly people like to search for it or they are ready to postpone their purchase.

REACTION OF CONSUMERS IF NEW BRAND IS INTRODUCED

Table:24

SHIFT TO NEW BRAND OF THE PREFERED PRODUCT	NUMBER OF RESPONDENTS
NO, NOT AT ALL	35
MAY CONSIDER	27
NO, SHALL NOT	4
CAN'T SAY	29

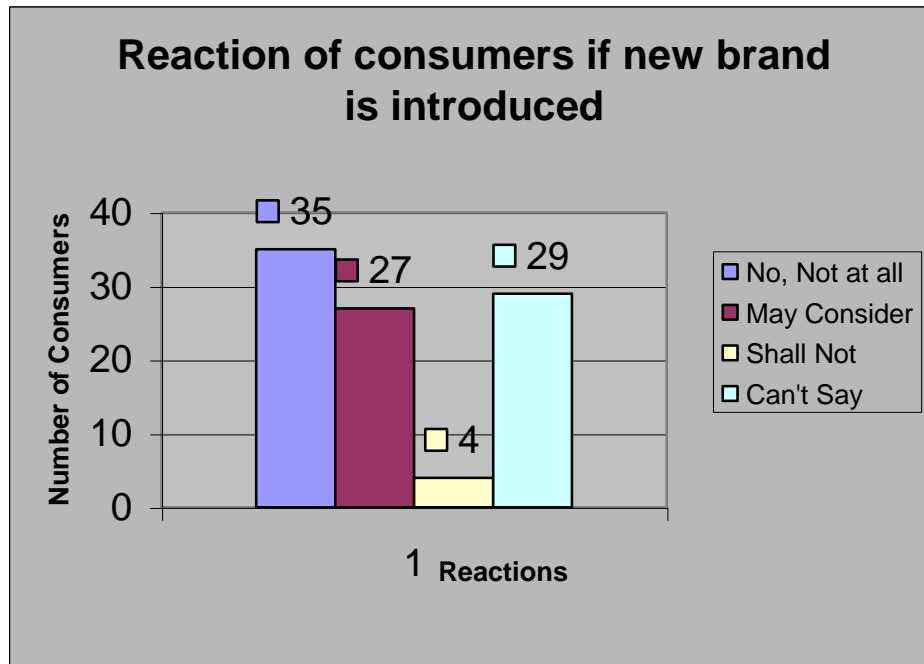


Chart:16

According to the above analysis it is concluded that mostly people are addicted to the same flavor or taste and they don't want to change it as out of 95 respondents 35 are not ready to try new brand at any cost.

REASONS FOR NOT SWITCHING OVER TO OTHER BRANDS

All the consumers why they continue to buy the old brand gave various important reasons. The most important reasons given by the consumers were:

- ❖ Taste/Flavor
- ❖ Brand
- ❖ Image
- ❖ Quality
- ❖ Packaging

FINDINGS

❖ **CONSUMER RESEARCH:**

Consumer research deals with consumer and their problems and solution to the problems. In this I came to know about the consumers need and expectation levels regarding products and ascertainable levels of consumer satisfaction.

❖ **PRODUCT RESEARCH:**

Under product research I came to know about the modification which consumers want as to the quality, packing, shape, color, and quantity etc of their favorite chocolate.



❖ **PRICING RESEARCH:**

This includes ability to consume, to pay for the product, how much a person can spend on his/her favorite chocolate. In this I have tried to find out consumer's price expectations and reactions.

❖ **ADVERTISING RESEARCH:**

Under this I have concluded that whether the advertisement appeals the consumers or not. This also includes evaluating and selecting the proper media-mix and measuring advertising effectiveness.

CONCLUSION

A survey of the people has been conducted to know the liking pattern of the two products Cadbury and Nestle. It is observed that overall people like to eat Cadbury brand rather than Nestle. It is concluded that mostly people preferred Dairy Milk of Cadbury due to its flavor/taste, quality and image and due to its hard form. Some people often like to have a chocolate with good flavor, quality and crunchiness so they are going towards Kit Kat and Munch of Nestle due to its taste and crunchiness.

It is thus concluded from the facts collected that mostly people refer to buy big pack of their favorite chocolate, and sometimes some of them go for small and family pack.

SUGGESTIONS AND RECOMMENDATIONS

❖ Company should concentrate more on television for advertisement, as mostly people get attracted through television only.

❖ For promotional offers, company should go for free gifts rather than going for other ways.

❖ Nestle company should concentrate on its packing as people are least satisfied with it while Cadbury should concentrate on the shape of a chocolate.

❖ People are unsatisfied with the price and quantity of chocolate so companies should concentrate in this regard also.

BIBLIOGRAHY

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- [2] <http://www.nestle.com>
- [3] http://www.aphrodite-chocolates.co.uk/history_chocolate.htm
- [4] <http://www.cadbury.co.nz/carnival/index.htm>
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- [6] <http://www.chocolatereview.co.uk>
- [7] <http://en.wikipedia.org/wiki/preference>



QUESTIONNAIRE

PROJECT REPORT ON CONSUMER PREFERENCE TOWARDS NESTLE AND CADBURY CHOCOLATES

Que1. Do you eat chocolate?

Yes

No

Que2. Which brand of chocolate do you prefer?

Cadbury

Nestle

Que3. Which sub-brand you have purchased?

Cadbury	Nestle
Dairy Milk <input type="checkbox"/>	Kit Kat <input type="checkbox"/>
5Star <input type="checkbox"/>	Munch <input type="checkbox"/>
Perk <input type="checkbox"/>	Milky Bar <input type="checkbox"/>
Celebrations <input type="checkbox"/>	Bar-One <input type="checkbox"/>
Temptation <input type="checkbox"/>	Milk Chocolate <input type="checkbox"/>

Que4. Rank the sub-brands of chocolates according to your preference? (1 for most preferred)

Cadbury	Nestle
Dairy Milk <input type="checkbox"/>	Kit Kat <input type="checkbox"/>
5Star <input type="checkbox"/>	Munch <input type="checkbox"/>
Perk <input type="checkbox"/>	Milky Bar <input type="checkbox"/>
Celebrations <input type="checkbox"/>	Bar-One <input type="checkbox"/>
Temptation <input type="checkbox"/>	Milk Chocolate <input type="checkbox"/>

Que5. How much importance do you give to the following factors when you purchase a chocolate? (Tick in the desired column)

Factors	Very Important	Important	Normal	Least Important	None
Flavor/taste					
Price					
Quality					
Packaging					
Form					
Brand					
Image					
Color					
Shape					
Quantity					

Que6. How much are you satisfied with the following factors in your preferred chocolate? (Tick in the desired column)

Factors	Very Satisfied	Satisfied	Normal	Least Satisfied	Can't Say
Flavor/taste					
Price					
Quality					
Packaging					
Form					
Brand					
Image					
Color					
Shape					
Quantity					

Que7. Which form of a chocolate do you like?

Hard Nutties

Crunchy Chew

Que8. What pack do you purchase?

Small Big Family Pack

Que9. Which promotional offers attract you most?

Free gifts Price Offer Any other



Que10. Which of these factors affect your purchase?

- ❖ Advertisement
- ❖ Suggestion from friends and relatives
- ❖ Attractive Display
- ❖ Doctors Advice
- ❖ Brand Ambassadors
- ❖ Ingredients

Que11. Which media of advertisement influence your purchase?

- Television Newspapers Brochures
 Hoarding Display

Que12. How frequently do you purchase chocolates?

- Once in a fortnight Daily
 Weekly Monthly
 Quarterly

Que13. What according to you is the reasonable price of chocolate?

- Below5 5-10 10-20
 20-30 Above 30

Que14. If your preferred brand is not available for repeat purchase then what will you do?

- ❖ Postpone your purchase
- ❖ Switch over to other brand
- ❖ Go to the other shop to search for your preferred brand

Que15. If another brand of the same product appears in the market, will you prefer to stop buying this brand and buy the new brand?

- No, not at all I may consider



No, I shall not

can't say

Que16. If you don't like to change to the new brand, then what are the reasons for continuing to purchase the old brand?

PERSONAL DETAILS

Name:

Address:

Age:

Between 0-10

Between10-20

Between 20-30

Above 30

Gender:

Phone Number:

Marital status:

Education:

Profession: