

Marketing Research - Problem Statement

Gourmax Foods | Makhana (Group 11)

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Gourmax is a premium snacking company with the goal of providing healthy and nutritious snacks without having to sacrifice on taste. The brand is positioned based on its service, packaging, and pricing to provide a high-quality product that can compete in the market.

The brand is new to the premium snacking industry. They first entered the market with a limited lineup and have since grown to more than just an online-only brand. The gap between what they offer both in-store and on their website is something that needs attention from innovators.



The brand is featured in major retail stores as well as high-end/luxury food outlets. It has an active social media presence. The company spends a total of 25,000 INR on paid ads and social media marketing per month. This helps educate potential customers about the existence of the brand and tempts them to make a purchase.

Facebook, Instagram and Amazon ads have been the most effective strategies for this company. Despite that, 90% of their online sales are organic and only a mere 10% are as a result of paid traffic, Gourmax sells around 30 packets & 25 jars each month through the online channel and around 20 packets & 5 jars each week through the offline channel.

Company details:

Website: <https://gourmax.in/>

Instagram: <http://lnkiy.in/gourmaxAmazon1>

Amazon: <http://lnkiy.in/gourmaxAmazon1>

Research Design

1. The methodology & Rationale:

Exploratory research

Reviewing pertinent literature and analysing secondary data acquired from published sources will be a part of the research's initial step. Additionally, the team will use a qualitative research methodology to gather primary data from target consumers, including both users and non-users of the product. The data gathered from product test users will include their assessments of the qualities, their degree of happiness or discontent with the product, as well as their real experiences and problems encountered while using the product. The non-users perceptions and responses to the product concept will be the main topics of the insights they provide.

Literature Review

The following are the main goals of the literature review:

1. To examine the research that has already been done on bettering public food consumption, eating habits, and public perception of the hazards associated with unhealthy snacking.
2. To examine the available evidence on the likely hazards of illnesses or shorter life spans linked to the consumption of unhealthy snacks.

We can categorise business research methods in two ways:

A. Quantitative and Qualitative

B. Primary and Secondary



Keeping the market and the product in mind, we suggest performing Qualitative Research. The next move will be to use qualitative approaches to gather data on how well the new product was received by consumers. A thorough grasp of context and product usage behaviour will be developed through qualitative research in a way that was not achievable using quantitative research methods like surveys or tests.

We would recommend the following research methods to carry out business research in the **Healthy Snack Makhana domain**.

Focus

Briefly said, qualitative research will provide us with critical understanding of why consumers feel or act the way they do toward healthy eating. This will make it easier to recognise and understand the underlying beliefs, societal norms, and driving forces. The development of hypotheses for further investigation or quantification will be aided by qualitative research.

Usage

For eg - Qualitative studies assist in the following business situations:

- Examining consumer interest in Gourmax's novel suggestion that drinkers and cocktail enthusiasts should go for Makhana rather than Chakna as their go-to snack.
- Understanding the actual needs of the end customer will help determine whether any product diversity is necessary when developing new products.

Techniques

- Focus Group Discussion
 - Participants in focus group (FG) talks will be asked to share their thoughts and real experiences on the issue.
 - The FGs will assist the team in comprehending the target segment's perspective on a certain product feature, the value they would gain from it, and the significance of it to them.
- In-Depth Interviews
 - Face-to-face interviews will be performed by the team to analyse their behaviour and gather information, researchers will observe working professionals and tier-1 metro households.
- Participant Observation
 - This strategy's main objective is to research various contexts in which consumers could utilise the new product. In order to design the sample strategy and interview rules for later stages of the study, it is also important to evaluate the attitudes and usage patterns of customers.

The study mentioned above would assist us in identifying potential opportunities and risks. It would assist us in identifying concerns and utilising the data so that deliberative decisions could be made to address the problems effectively and concentrate on boosting income while maintaining margins.

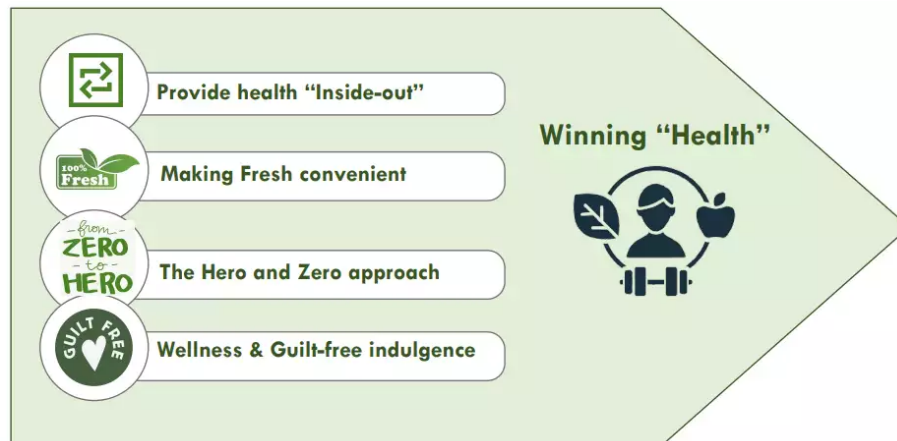
By employing this strategy, it will be possible to better understand consumers, which will improve the ability to plan financial results and necessary investments.

2. Classification Variables:

Objective: Increasing the sales of healthy Makhanas

Variables:

- Purchase attitude of customers (Nominal)
- Number of direct competitive products in the market (Metric)
- Product availability in the market (Nominal)
- Calorific value of the product (Metric)
- Packaging quality & design (Nominal)
- Product placement (Nominal)



3. The centres where you will conduct your research study

The healthy snack market is growing and is accessible everywhere for the consumer to consume. There are multiple locations where the qualitative research study for Makhanas would be conducted.

1. Tier 1 Metro cities will be the primary target market thus the focus would be on the clientele who are aware and concerned about healthy snack consumption
2. The shopping mall - The food court will be the go-to place where target customers can be contacted.
3. Metro stations where automated vending machines are placed where this brand can keep the product for sale, thus reaching out to those places will give answers to the research questions
4. Office spaces also have demand for such products
5. College campus targeting students

4. Sample Size & Analysis Unit

Focus Group Discussion:

- Non Users (1 focus group of 30 individuals)
- Sample Pilot test (2 focus groups of 15 individuals each)

In-Depth Interviews:

- Net: 25 Interviews (15 - Offline Face-to-face; 10 - Online/Telephonic interviews)

Participant Observation:

- The duration of this analysis unit will be for around 8-10 days including Active and Passive participation observation.

5. Procedure for Data Collection

Focus Group Discussion:

- Non-users:
 - These FGs will be carried out while taking into account the possible users' opinions on healthy snacking and the applicability of the idea of a healthy snack as a substitute and component of diet.
 - The team will make sure that the FGs' socioeconomic features are uniform. Thirty individuals participated in one FG conversation. A preliminary check will be done by the team to ensure that none of the FG participants are aware of the product.
- Sample Pilot test:
 - To two groups of fifteen young professionals, product samples will be distributed. The team will do a FG a week later to find out about users' opinions and experiences with the product. The 30-minute talk will cover a range of topics related to the product.

In-Depth Interviews:

- Interview Candidate Selection: The team will pick interview candidates who could provide their comments on the new product based on their background research. Within the following categories, interviews with a demographically varied group of persons will be conducted: working professionals, health freaks, frequent gym users, and diet-conscious people.
 - Following are the two interview formats:
 - Traditional: All interviews will use a series of predetermined questions
 - Laddering: Asking open-ended or follow-up questions to elicit more detailed replies from interviewees

Participant Observation:

- For about 10 days in real-world settings, the research team will examine the sites — divided into three primary categories — and will generate qualitative observations to further inform the interview and focused group discussion. The categories are:
 - The shopping mall - The food court will be the go-to place where target customers can be contacted.
 - Metro stations where automated vending machines are placed where this brand can keep the product for sale, thus reaching out to those places will give answers to the research questions.
 - Office spaces also have demand for such products.
 - College campus targeting students.

The primary objective is to capture information from different locations in tier-1 cities. Malls, Office spaces and public spots like metro stations etc. are perfect locations for finding such relevant people to seek information from.

Part 3 - Designing the Instrument for Data Collection

A. Key Discussion Areas (Qualitative Component)

- By first examining and identifying people's unhealthy snacking hotspots
- When snacking occurred "on the go", the local city train station area was a major hotspot for unhealthy snacking and one that offered no substantial alternative options for healthy snacking
- Developing a new attractive snack that both met people's criteria for tastiness and was also made from healthy ingredients
- Promote the Gourmax Makhana snack as healthy in the form of a health campaign, maybe even in collaboration with other parties such as the local government or popular snack outlets.

B. Quantitative Component

1. Research goals

- Examining consumer interest in the consumption of makhanas as an alternative to existing (Oily/unhealthy) snacking options
- Gaining insights into the premium snacking industry of India and narrowing down on the personas that the brand should focus on
- Understanding how people perceive the tradeoff between healthy but less tasty snacks and unhealthy but slightly tastier snacks

Question (Research Questions for Goals)	Objective (Information Needs)
Do you snack between meals?	Identifying whether or not an individual is a potential customer
Do you find it hard to find/identify healthy snacks?	To gauge the market penetration & awareness of competitors in the same space
<p>If yes, what are the barriers to healthy snacking that you face?</p> <p><input type="checkbox"/> Cost</p> <p><input type="checkbox"/> Lack of availability</p> <p><input type="checkbox"/> I don't find it hard to find healthy snacks</p>	To understand if consumers face any existing barriers before thinking of having a healthy snack whilst the unhealthy options
<p>When do you usually eat quick snacks?</p> <p><input type="checkbox"/> At your workplace</p> <p><input type="checkbox"/> On the go - while travelling</p> <p><input type="checkbox"/> At home - during free time</p> <p><input type="checkbox"/> Whenever you feel like</p>	To estimate the time and situation when people generally consume snacks. And to draw relations between customer personas and snacking habits
<p>Which of the following are important to you in a snack?</p> <p><input type="checkbox"/> Taste</p> <p><input type="checkbox"/> Nutrition</p> <p><input type="checkbox"/> Quality of ingredients used</p> <p><input type="checkbox"/> Gluten free</p> <p><input type="checkbox"/> High Protein</p>	Understanding what is the major focal point for customers generally. Can be used to target them accordingly through campaigns.
<p>If you consume alcohol, what kind of food snacks do you like to combine your drinks with?</p> <p><input type="checkbox"/> Chakna</p> <p><input type="checkbox"/> Peanuts</p> <p><input type="checkbox"/> Makhanas</p>	To find ways in which the brand can use points of parity to create a sales campaign in order to convert the relevant audience effectively.
<p>If you could eliminate something from your diet, what would it be?</p> <p><input type="checkbox"/> High Fat</p> <p><input type="checkbox"/> Junk</p> <p><input type="checkbox"/> Oily & Fried</p>	To get people thinking about their dietary problems & also simultaneously learn about their consciousness with regards to food their habits

Conclusion:

Obesity and associated public health issues are a global problem and snacking contributes to a major portion of the issue. **Changing people's choice of snacks by offering healthy alternatives that are easy to consume** is thus a promising strategy to improving people's health.

Business research for Gourmax Makhana is a pioneering effort to apply this approach and looks at demonstrating the complexity of such interventions in real life. By exploring potential explanations for our findings, we hope to provide a new direction for future research on **how a healthy and attractive snack can best be brought to the attention of consumers**. This would give them the opportunity to buy healthy snacks in accordance with their stated intention to snack more healthily **"on the go"**.

Thank you!