

G.S COLLEGE OF COMMERCE AND ECONOMICS, NAGPUR

**A
PROJECT REPORT
ON**

**“A STUDY OF CONSUMER BEHAVIOUR TOWARDS NESTLE AND IT’S
PRODUCTS”**

**SUBMITTED TO
G.S. COLLEGE OF COMMERCE AND ECONOMICS, NAGPUR**

Affiliated by
Rashtrasant Tukadoji Maharaj University, Nagpur

In Partial fulfilment for the award of the degree of
Bachelor of Business Administration

Submitted by
HARSHIKA SHARMA

Under the guidance of
DR. AFSAR SHEIKH

G.S. College Of Commerce & Economics, Nagpur

NAAC Reaccredited 'A'- Grade Autonomous Institute

Academic Year 2021-22



G.S. College Of Commerce & Economics, Nagpur

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CERTIFICATE

This is to certify that “**HARSHIKA SHARMA**” has submitted the project report titled “**A STUDY OF CONSUMER BEHAVIOUR TOWARDS NESTLE AND IT’S PRODUCTS**”, towards partial fulfilment of BACHELOR OF BUSINESS ADMINISTRATION degree examination.

This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by G.S College of Commerce and Economics, Nagpur.

Dr. AFSAR SHEIKH

(Project Guide)

Dr. AFSAR SHEIKH

(Co-ordinator)

Place: Nagpur

Date:

G.S. College Of Commerce & Economics, Nagpur

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DECLARATION

I hereby declare that the project with the title, “**A STUDY OF CONSUMER BEHAVIOR TOWARDS NESTLE AND IT’S PRODUCTS IN NAGPUR CITY**” have been done by me in partial fulfilment of Bachelor of Business Administration Degree Examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

Date:

Place: **Nagpur**

Harshika Sharma

SEM VI, BBA

G.S. College Of Commerce & Economics, Nagpur

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The pleasure of achievement, the glory, the satisfaction, the rewards, the appreciation and Construction of my project report cannot be through without a few who apart from their regular schedule spared their valuable time for me. The acknowledgement is not just apposition of words but also an account of the indictment. They have been guiding lights and a source of inspiration towards the completion of this report.

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I am highly obliged to express my deep sense of gratitude and grateful thanks to my faculty guide, **Dr. Afsar Sheikh** for the valuable guidance and support which led to the successful and timely completion of my project. I am grateful to **Dr. Afsar Sheikh, Co-ordinator**, for her moral support, encouragement and generous assistance. Last but not the least, I am very much thankful to all who helped directly or indirectly in the successful completion of this project.

Harshika Sharma

SEM VI, BBA

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Executive Summary

Food processing is a competitive market in India. The Food processing sector contributes 12.8% to the Indian. Nestle India Ltd. One of the biggest players in FMCG Segment, chocolates and confectionery segments. At present Nestle is serving in 187 countries with 2000 brands and employs 308,000 around the world.

Nestle is more people, product and brand oriented than system oriented. Nestle favors long-term successful business development and even to greater extent, customer life-time value. At the same time Nestle does not lose sight of the necessity to improve in terms of quality, price and distribution. However, nestle remain conscious of satisfying the wants needs and demands of its consumers. Nestle seeks to earn consumer's confidence, loyalty and preference and anticipate their demands through innovation and renovations. Therefore, nestle is driven by an acute sense of performance adhering to quality and customer satisfaction.

INTRODUCTION

1. Introduction of the topic study of consumer behavior towards Nestle and its products

Factors for success, the culture of innovation and renovation, continuous improvement and the thrust on value-for-money and affordability have helped the company to focus on adding value for the consumer. The company has continuously focused on operational efficiency; improving product availability and visibility and initiated efforts to make its products more relevant to the consumers. This has been supported by the distribution of smaller stock-keeping units (SKUs).



There has been continuous focus on the seven value drivers, namely:

- Sales growth
- Profit margin
- Working capital intensity
- Fixed capital intensity
- Income tax rate
- Cost of capital
- Value growth duration

How the consumer behavior towards Nestle affected in Covid

The COVID-19 pandemic has brought a major shift in consumption patterns among consumers as necessary purchases are taking precedence over luxury spending, Nestle India chairman Suresh Narayanan has said.

Stating that the coronavirus crisis has witnessed “re-calibration of the consumer wallets” amid economic disruptions, he said certain terms like quality, safety, nutrition and trust have gathered more prominence as consumers are preferring “tried and tested” brands in these uncertain times. Like others, Nestle has also witnessed a rise in its ‘in-home indulgence’ segment of products and introduced new products under ‘MAGGI- Cooking Made Simple’ service.

“The words quality, safety, nutrition and trust have undergone sharper re-definition and consumers tend to favor ‘tried and tested’ brands and relationships formed herein,” the CMD said. There is a new word that has been added to the lexicon of consumer needs in the pandemic, which is ‘immunity’ for self and the family, he added.

While talking about sales, Narayanan said that Nestle India is witnessing a better growth in the rural and semi-urban areas, where the market has recovered quickly after lockdown-related disruptions.

Besides, the company is also witnessing a surge in sales from e-commerce channels, he said.

“We have witnessed better growth in tier 2, 3, 4 cities, semi-urban areas than urban areas during the lockdown. Rural consumption continues to be stronger than urban demand. We delivered a strong performance in the e-commerce channel,” said Narayanan.

How Nestle promote their Brand through social media Marketing

- **Facebook and Instagram**

Nestle India has designed its Facebook and Instagram profiles moreover the same. It shares posts related to what Nestle India is currently up to. It also announces its new launches, talks about its corporate social responsibility (CSR) measures, etc. It maintains separate pages for its brands such as Maggi, Kit Kat, Nescafe, Koko Krunch, etc. which also have an insane number of followers on both Instagram and Facebook.



Nestle's Facebook Pages

To put it in a gist, Maggi has around 16 million followers. Nescafe has 36 million followers and Kit Kat has about 11 million followers on Facebook. On Instagram, Maggi has around 53K followers. Nescafe has 30K followers and KitKat has about 1 million followers. Having separate social media profiles for its various brands, helps them organize marketing campaigns effectively and thus resulting in a strong brand connection with its customers.



Nestle's Instagram Pages

- **Nestle on Twitter**

Nestle India has been maintaining its Twitter profile as a medium of communication between the company and its audience. It also solves queries related to its products by replying to every comment and mentions done by the general public on the platform. Just like Facebook and Instagram, Nestle on Twitter too has maintained separate profiles for its various brands. This helps them promote their products effectively.






Nestle's Twitter handles

- **Nestle on YouTube**

Nestle India's YouTube channel has about 95K subscribers. On this platform, they post all the advertisements of their brands. However, Nestle maintains the same strategy of maintaining a separate profile for its various brands.



Nestle Social Media Overview		
Facebook	Twitter	Instagram
		
<p>About 11 Million people like Nestlé's Facebook Page</p>	<p>It enjoys about 23.3K followers on Instagram</p>	<p>Nestlé has about 21K followers on Instagram</p>

COMPANY PROFILE

Company profile

Nestle SA (Nestle) is a manufacturer and marketer of food products and beverages. The company's product portfolio comprises baby foods, bottled water, cereals, chocolates and confectionery, coffee, culinary products, chilled and frozen foods, dairy products, nutritional products, ice cream, and pet products. Nestle also offers sausages, nutritional products, and direct-to-consumer meal delivery services. Its major brands include Aero, Alpo, Milkybar, Nestle Ice Cream, Cerelac, Nescafe, Nespresso, Nestea, Milo, Maggi, Buitoni, Cailler, Movenpick, Freshly, Purina, Boost, Gerber, and Kit Kat. The company has business presence in Asia, Oceania and sub-Saharan Africa, the Americas, Europe, the Middle East, and North Africa. Nestle is headquartered in Vevey, Waadt, Switzerland. NESTLE India (NSE: NESTLEIND) is a subsidiary of NESTLE S.A. of Switzerland. With eight factories and a large number of co-packers, Nestle India is a vibrant Company that provides consumers in India with products of global standards and is committed to long-term sustainable growth and shareholder satisfaction. The Company insists on honesty, integrity and fairness in all aspects of its business and expects the same in its relationships. This has earned it the trust and respect of every strata of society that it comes in contact with and is acknowledged amongst India's 'Most Respected Companies' and amongst the 'Top Wealth Creators of India'. NESTLE India manufactures products of truly international quality under internationally famous brand names such as NESCAFÉ, MAGGI, MILKYBAR, KIT KAT, BAR-ONE, MILKMAID and NESTEA and in recent years the Company has also introduced products of daily consumption and use such as NESTLE Milk, NESTLE SLIM Milk, NESTLE Dahi and NESTLE Jeera Raita.

HISTORY OF NESTLE

History of Nestle

Founded in 1866, Nestle is the largest food and beverage company in the world. Initially, the company sold only infant's cereal but they quickly diversified to include a variety of products including chocolate, coffee, soup, yogurt, water and frozen foods in their portfolio. In 1866, the first condensed milk factory in Europe opened in Cham, Switzerland. The company was called the Anglo-Swiss Condensed Milk Company. The factory was owned by two American men, brothers Charles and George Page. They had seen the growth of condensed milk in the United States and wanted to manufacture milk near to a large, quality source. Switzerland produced a large amount of high-quality fresh milk and had been the center of production for many milk-based products since the early 19th century. The business owners created their milk products in Switzerland, but it was always intended for the English market. They opened a British factory in England in 1873. Henri Nestle, the company's founder, worked as an assistant to a local pharmacist early in his career. He was trained in science and chemistry. Henri was an innovator by nature, and he experimented with everything from food to cement. In 1867, Henri Nestle produced a nutritious combination of milk, wheat, and sugar. This cereal was so nutritious that it saved the life of a child. He called it Farine lactee. The product took off, and he began producing his baby food on a large scale. He started out buying the milk he needed to make the Farine lactee fresh each morning. By 1869, this method was no longer practical, and he began to purchase his milk supply from a collection center to have it delivered to his factory. Nestle's business acumen combined with his quality products resulted in an impressive growth of his business. By 1875, only 8 years after his initial launch, Nestle products could be found across the globe in countries like Indonesia, Argentina, Egypt and even the United States. The first Nestle logo was created in 1868 and Henri Nestle based it upon his family's coat of arms. Henri had immigrated to Switzerland from Germany. The first

logo was a play on his family name, Nestle, which means 'nest' in the German language. The first logo included his familial origins by incorporating a nest and adding young birds being fed to link the logo to his baby food products. The logo has been reimagined and simplified over the years, but it has retained the same basic structure that Henri Nestle developed in 1868.

History of Nestle in India

Nestle India Limited is the Indian subsidiary of Nestle which is a Swiss multinational company. The company is headquartered in Gurgaon, Haryana. The company's products include food, beverages, chocolate, and confectioneries. Nestle India is one of the largest players in India's Fast-moving consumer goods segment and has a long history in the country. Nestle India Limited was incorporated at New Delhi on 28 March 1959 and was promoted by Nestle Alimentana S.A. via a wholly owned subsidiary, Nestle Holdings Ltd., Nassau, Bahama Islands. The company built their first production facility in 1961 at Moga, in the Indian state of Punjab. Nestle's second plant was set up at Choladi in Tamil Nadu, the plant was built primarily to process the tea grown in the area.

In 1989, the company established a factory at Nanjangud in Karnataka. The company entered the confectionery business in 1990 by introducing Nestle premium chocolate. In 1991, they started the production of soya-based products through a joint venture with the BM Khaitan group. In the year 1995 and 1997 Nestle established two facilities in Goa at Ponda and Bicholim respectively. In April 2000 they entered the liquid milk and iced tea markets. 2006 marked the year when the company set up its 7th factory at Pantnagar in Uttarakhand. The company opened another plant in Karnataka in 2011 bringing up its total plants in India to eight. In October 2020, Nestle India announced investment of Rs. 2,600 crores for a new plant at Sanand in Gujarat. Initial phase of production commenced from 1 October 2021. Nestle has been a partner

in India's growth for over a century now and has built a very special relationship of trust and commitment with the people of India.

The Company's activities in India have facilitated direct and indirect employment and provides livelihood to about one million people including farmers, suppliers of packaging materials, services and other goods. NESTLE India is a responsible organization and facilitates initiatives that help to improve the quality of life in the communities where it operates.

Vision and Values of Nestle

To be a leading, competitive, Nutrition, Health and Wellness Company delivering improved shareholder value by being a preferred corporate citizen, preferred employer, preferred supplier selling preferred products.



Mission of Nestle

Nestle mission statement is "the world's leading nutrition, health, and wellness company. Our mission of "Good Food, Good Life" is to provide consumers with the best tasting, most nutritious choices in a wide range of food and beverage categories and eating occasions, from

morning to night". This statement indicates that Nestle ranks the experiences of its customers at the top of its priorities.

Nestle Production

Nutrition has been the cornerstone of Nestle Company since its inception in the year 1867. Therefore, most products and services provided by the company revolve around nutritional needs. The company strives at providing quality products and services which will help in promoting a better and healthy wellbeing of its consumers. Nestle has gained a world reputation for its consistency in providing quality and safety products. Many of the products generated by Nestle Company are beneficial based on the nutritional aspects. They include breakfast cereals, milk and other dairy products as well as bottled water which has diverse accrued advantages. Many of these products dominate in both local and global markets. The company has ventured in chocolate and confectionery industry. Some of these products have been in existence for over a century.

1. Maggi

Quick and easy solutions like bouillons soups and seasoning to help professional kitchens bring out the flavour and nutrition of fresh ingredients.



2. Milkybar

Milky bar is one of the U.K best loved brands and the No.1 white chocolatebrand worldwide.



3. Milo Nestle

The world's leading chocolate malt beverage with essential vitamins and minerals. Includes calcium, iron, vitamin A, Vitamins B1 and B2 and vitamin C. Pure flavour, premium quality, superior aroma, bold functionality providing the perfect solution for chef sauces and gravies.



4. Movenpick

The art of Swiss ice cream - crafted with the best ingredients that nature can provide natural flavour no artificial colours.



5. NaturNes

Baby food with better nutrition and taste. Steam cooking preserves nutrients and flavour. 100% natural no added salt sugar or modified starches



6. Nescafe

One of the world's most popular coffee brands. Many varieties to suit all tastes and occasions. Rich in natural goodness former flavour and convenience. Helping food service operators in his bare drink menu with the range of products, beverage delivery system and Nestle professional service.



7. Nespresso

For coffee connoisseurs. Stylish machines and Grand cru coffees available in exclusive *Nespresso* boutiques and via the company websites.



8. Nesquik (Breakfast and cereal)

Chocolate powder syrup and ready to drink products. A quick and easy way to complement the natural nutrition of milk and make delicious drinks. The only breakfast cereal with the irresistible taste of chocolate in every bite. Made with whole grain minerals plus iron and calcium.



9. Kit Kat

One of the world's favourite chocolate brands. Light layers of praline filled wafer and small milk chofreete.



10. Cerelac

As a range of nutritious, easily - digested instant cereals - as a complementary food for infants from six months onwards.

11. Nestea

Refreshing flavored sweetened and unsweetened iced tea and green tea products in a range of formats. Great for any food service menu.



12. Nestle Ice cream

Ice cream range pleasurable tastes and wholesome natural ingredients like milk, fruits and nuts. All-natural low no sugar or lactose free option.



Reasons why consumer prefer Nestle

- 1) The company has all-round performance in operational efficiency; improving product availability and visibility and initiated efforts to make its products more relevant to the consumers. The seven successful core values which helped Nestle to become a leading company in FMCG space.
- 2) Nestle products bring consumers the vital ingredients of taste and pleasure.
- 3) Nestle strive to bring consumers foods that are safe, of high quality and provide optimal nutrition to meet physiological needs.
- 4) Over the years, Nestle has become synonymous with quality. They have a dedicated team to monitor the quality of the products. That team ensures that the customers get same products irrespective of the location. Moreover, Nestle food products have emerged as a tasty alternative to the majority of the similar products. Nestle create value by provide quality, price, product differentiation, packaging, healthiness product and branding product.
- 5) Global brands are expensive but the price is reasonable when you think of the quality of Nestle.
- 6) Nestle has key products and sub brands in each sector which are beverages, water, milk products, ice-cream, nutrition, prepared food and cooking aids, confectionery, pet care and pharmaceuticals.
- 7) Nestle has a very international presence and produces products that resonate with customers from across the globe under a unified brand.
- 8) Nestle whether the Covid-19 pandemic better than some peers as its focus on high-growth categories helped offset a slump in food sales to restaurants and cafes.

Sales and Distribution

One of the main factors contributing to efficient operations of Nestle India is how well it maintains its supply chain for input and output. Supply Chain directly contributes to the cost of a product. Nestle has a strong and intensive distribution network in India with deep penetration in rural markets also which gives cost advantage to it.

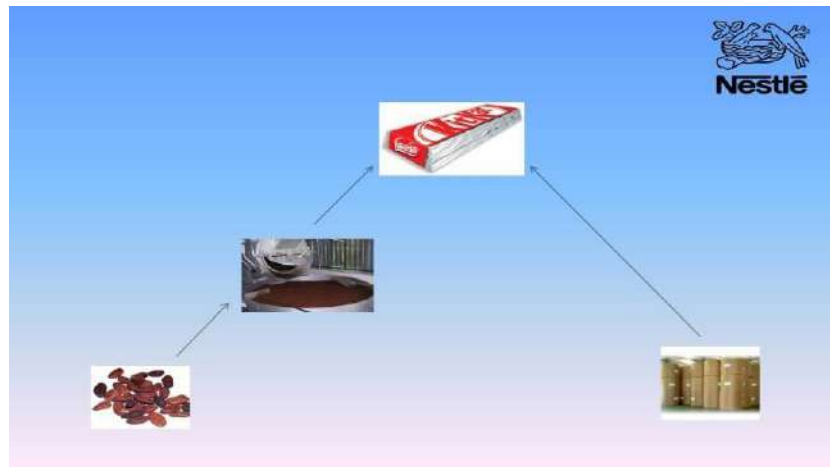
Some of the key factors which help in efficiently maintaining this network are as follows:

1. Nestle works alongside NGO and buys some input material directly from farmers. It also provides a training program for farmers to improve productivity and maintain quality.
2. Nestle India maps supply chain at every point, do regular audits.
3. Nestle uses various software like ERP, SAP-SCM for seamless information flow.
4. GWP (Good warehouse practice) & GMP (Good warehouse practice) to ensure food quality and safety.
5. Nestle India builds a strong relationship with its channel partners (Distributors, stockiest etc.) which can be seen from the fact that almost no one left the brand during Maggi crisis (Minimal attrition).
6. Nestle India motivates its channel partner through various awards and incentives which results in long term association with them.

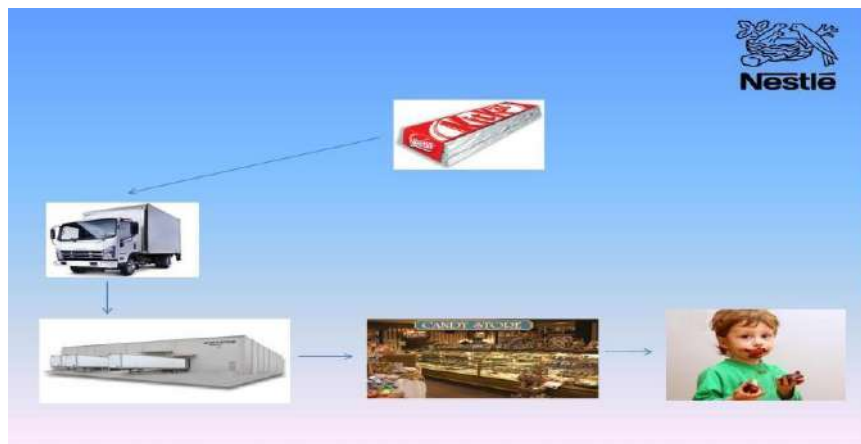
Competitive edge over its existing rivals

- Nestle has its own distribution networks equipped with all necessary transportation facilities.
- They transport their products at major regional sales offices, which are situated in different cities of India.
- These sales invoices (distribution centre) have their own vans with sales people who sell and transport goods to the small retailers.

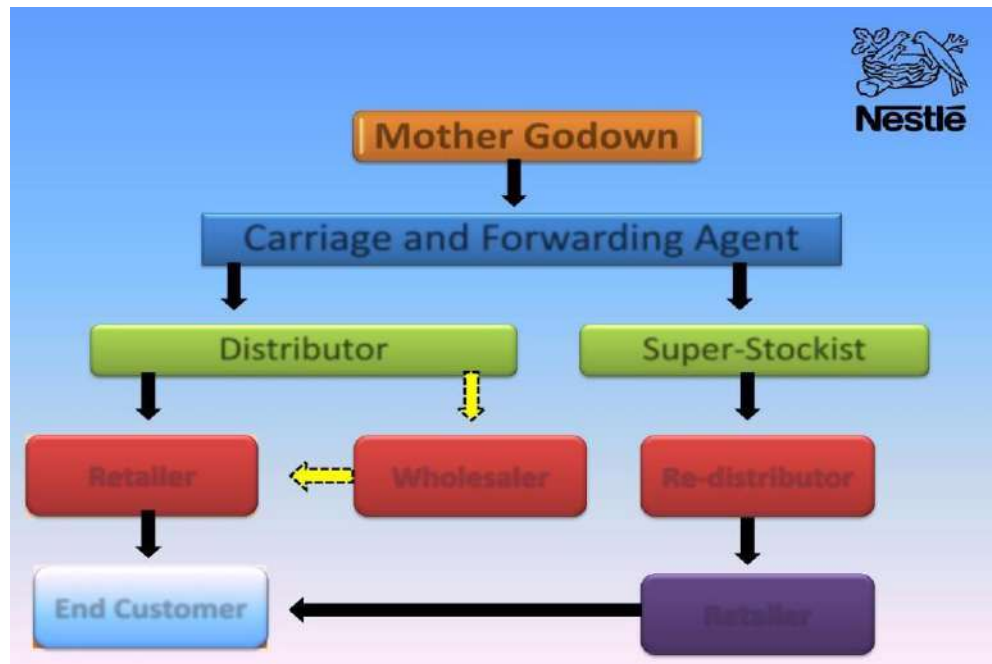
A) Inbound Logistics



B) Outbound Logistics



C) Nestle Distribution Channel



- Products are sent to the C&F Agents of the company from its Manufacturing Unit.
- Later it flows from the Manufacturing Unit to Distributor and Super Stockist.
- The Distributor is responsible to manage the availability of products in his area.
- Super Stockiest supplies the goods to the Re-Distributor who is in charge of managingthe availability outside the region of the Distributor.
- The Distributor and Re-Distributor, then supplies the products to Wholesaler and Retail in their respective region or area.

D) Revenue of Nestle

For the year 2021, Nestle India's net profit was up 3 per cent to Rs 2,144.86 crore, as against Rs 2,082.43 crore a year ago. Its revenue from operations increased to Rs 14,709.41 crore in 2021, from Rs 13,350.03 crore in 2020. Organic growth reached 7.5%, with real internal growth (RIG) of 5.5% and pricing of 2.0%. Growth was supported by continued momentum in retail sales, steady recovery of out-of-home channels, increased pricing and market share gains. Total reported sales increased by 3.3% to CHF 87.1 billion (2020: CHF 84.3 billion). Foreign exchange reduced sales by 1.3%. Net divestitures had a negative impact of 2.9%. The underlying trading operating profit (UTOP) margin was 17.4%, decreasing by 30 basis points. The trading operating profit (TOP) margin decreased by 290 basis points to 14.0% on a reported basis, largely reflecting impairments related to the Wyeth business. Underlying earnings per share increased by 5.8% in constant currency and by 5.1% on a reported basis to CHF 4.42. Earnings per share increased by 41.1% to CHF 6.06 on a reported basis, mainly reflecting the gain on the disposal of L'Oréal shares. Free cash flow decreased by 14.9% to CHF 8.7 billion, reflecting temporarily higher capital expenditure and inventory levels. Board proposes a dividend of CHF 2.80 per share, an increase of 5 centimes, marking 27 consecutive years of dividend growth. In total, CHF 13.9 billion were returned to shareholders in 2021 through a combination of dividend and share buybacks. Continued progress in portfolio management. Portfolio rotation since 2017 now amounts to around 20% of total 2017 sales.

Table 1. Financial Statements

	2020	2019*	2018	2017	2016	2015*	2014	2013	2012	2011
Results										
Sales	132,902	122,953	112,162	101,351	94,096	81,233	98,063	90,619	83,023	74,908
Profit from Operations	28,775	25,940	23,509	18,305	16,542	13,338	17,926	16,941	15,400	13,840
as % of Sales	21.7	21.1	21.0	18.1	17.6	16.4	18.3	18.7	18.5	18.5
Profit after Tax	20,824	19,684	16,069	12,252	10,014	5,633	11,847	11,171	10,679	9,615
as % of Sales	15.7	16.0	14.3	12.1	10.6	6.9	12.1	12.3	12.9	12.8
Balance Sheet and Cash flow statement										
Shareholders Fund	20,193	19,189	36,737	34,206	32,823	28,178	28,372	23,687	17,984	12,740
Return on Average Equity (%)	105.8	70.4	45.3	36.6	32.8	19.9	45.5	53.6	69.5	90.3
Operating Cash Flow	24,545	22,953	20,525	18,178	14,659	10,981	16,440	17,964	16,934	11,582
as % of Sales	18.5	18.7	18.3	17.9	15.6	13.5	16.8	19.8	20.4	15.5
Capital Expenditure	4,741	1,522	1,628	1,959	1,133	1,493	4,044	3,282	9,744	15,552
as % of Sales	3.6	1.2	1.5	1.9	1.2	1.8	4.1	3.6	11.7	20.8
Data per Share										
Earnings per share (₹)	216.0	204.2	166.7	127.1	103.9	58.4	122.9	115.9	110.8	99.7
Dividend per share (₹)	200.0	342.0	115.0	86.0	63.0	48.5	63.0	48.5	48.5	48.5
Market capitalisation, end December	1,773,312	1,425,983	1,070,913	756,381	581,367	561,535	615,113	510,738	481,153	402,314
Number of employees	7,747	7,649	7,604	7,527	7,588	7,495	7,228	7,159	7,008	6,639

SWOT Analysis of Nestle

➤ Strengths

- Nestle is a highly-diversified company operating in many different markets and sectors of those markets.
- The variety of brands gives Nestle a strong ability to weather economics because it serves many different segments of the market.
- It has well-established relationships with other powerful brands, including Coca-Cola, Colgate Palmolive and General Mills.
- Nestle owns some of the world's most recognized and trusted brands. Some families have used its products for generations. Gerber has historically been one of the most trusted brands of baby food in the United States.
- It has strong research and development capabilities that are growing. Nestle has strong relationships with retailers.
- It includes well-established brands with a large amount of market share in some of the largest national economies, including Europe and the United States.

➤ Weaknesses

- Much of its sales depend upon a few well-recognized brands. This makes the company vulnerable to any sudden changes in consumer behavior.
- Grocery sales in some major markets are increasingly concentrated in the hands of a few giant retailers such as Walmart and Kroger in the United States and Tesco in the United Kingdom. These companies have the ability to force sharp reductions in price. Some of these retailers are intent on supplementing name brand products with more-profitable house brands.

- Some of its brands, such as Carnation milk, are not tailored to modern lifestyles and are seen as old-fashioned by some customers.
- The company is heavily dependent upon advertising to shape consumer opinion and drive traditional sales. This can lead to high marketing costs with a questionable return on investment. There is a high cost for launching new brands to supplement older, less-fashionable food products.

➤ **Opportunities**

- Growth in online retail could open up new distribution channels such as Amazon Prime that can bypass traditional retailers.
- Growing middle classes in nations such as China and India create larger and broader markets for Nestle's products.
- Increased disposable income in countries like China could increase the demand for luxury items like bottled water, ice cream and pet food.
- Changes in lifestyle, such as longer work hours, more women in the workforce, and more single-person households, increase the demand for prepackaged foods.
- Increased mobility and car ownership increase the demand for candy, bottled water and snack foods in nations like China.
- Increased interest in health and nutrition could increase demand for some Nestle products, such as energy drinks.

➤ **Threats**

- Retailers such as Walmart, Kroger and Aldi are increasingly promoting house brands, which are more profitable for them.
- House brands are often sold at a lower price and given greater visibility on shelves. Some retailers such as Aldi and Trader Joe's emphasize house brands at the expense of traditional products.
- There is pressure from large retailers such as Walmart to cut prices. The growing use of new retail channels such as Amazon Prime and dollar stores may not favor traditional retail products.
- They have experienced disruption of the traditional grocery industry in countries like the United States by new players such as Whole Foods Market and online retailers.
- There is a growing ineffectiveness of traditional advertising as new technologies such as streaming video supplant traditional broadcast and print media.
- Consumers in some countries are eating fewer meals at home, which means less demand for some Nestle products. Bloomberg reported that Americans' spending on restaurant meals overtook spending on groceries for the first in April 2015.
- A growing suspicion of prepackaged foods as unnatural and unhealthy in Europe and North America is becoming common. This increases the demand for fresh and natural foods in some markets. It also increases the demand for organic and other alternatives.
- There is a possibility of increased government oversight and regulations in some markets, such as India. India's government ordered billions of dollars of Maggi instant noodles be pulled from the shelves in the summer of 2015 because of allegations of excessive levels of lead in the product.

RESEARCH METHODOLOGY

Research Methodology

Research as a scientific and systematic search for pertinent information on a specific topic. In fact, research is an art of scientific investigation. It is an academic activity and as such the term should be used in a technical sense. Research is, thus an original contribution to the existing stock of knowledge making for its advancement. It is a per suit of truth with the help of study, observation, comparison and experiment. In short, the search for knowledge through objective & systematic method of finding solution to a problem is “research”.

Research methodology is a way to systematically solve the research problem. The research methodology using for find out the solution of the research problem is analytical research methodology and some extend descriptive research methodology.

Research Study

A research design may broadly be classified into two main categories: -

- ❖ **DESCRIPTIVE RESEARCH:** Descriptive studies are undertaken in many circumstances. When the research is interested in knowing the characteristics of certain group such as age, sex, educational level, occupation or income etc.
- ❖ **METHOD OF DATA COLLECTION:** - Collection of data refers to a purposive gathering of information relevant to the subject matter under study and the methods used depend mainly upon the nature, purpose and scope of the enquiry to be undertaken, as well as on the availability of resources and time.
- ❖ **PRIMARY DATA COLLECTION:** Primary data are those which are collected for the first time. They are original in character. They are collected by the researcher for the first time of his own use. The main tools for collection of data will be collection through internal as well as external source. The sources of primary data include questionnaire, tables and pie chart.

❖ **SECONDARY DATA COLLECTION:** Secondary data was collected and analyzed by the organization to convene the requirements of various research objectives. A researcher doing this study by the help of secondary data and the data is basically adopted by the internet and the various journals, magazines and newspaper. The sources of secondary data include books, magazines, internet, newspaper, annual report

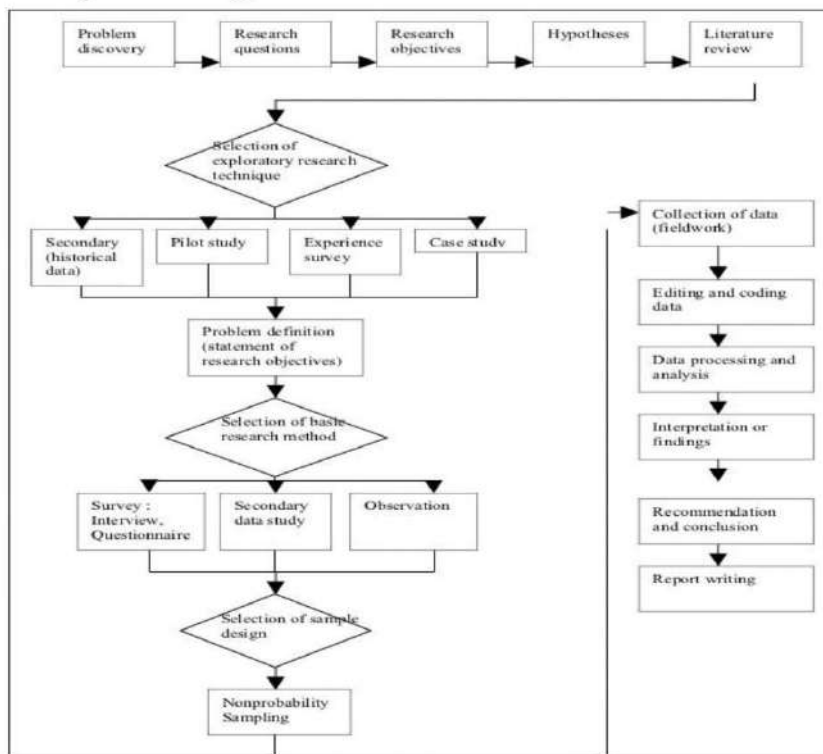
Research Design

The Research study used Secondary Data Analysis. The following techniques are used for the analysis.

TECHNIQUES

The technique used in the analysis of the company is excel sheets, graphs and tables of financial statement for example balance sheet, profit loss a/c, etc.

RESEARCH DESIGN



OBJECTIVES OF THE STUDY

Objectives of the study

- To find out the customers inclination towards Nestle products.

- To revise the customer needs on Nestle Products.
 - i. Analysis of the creation, pricing, accessibility, Worth, flavor, publicity and covering of Nestle product.
 - ii. To observe the relationship between a variety of Product reliability and other constructs.
 - iii. Covid -19 impact on sales and growth of Nestle.

- To know the current requirements of consumer with respect to Nestle products.

SCOPE OF THE STUDY & LIMITATIONS

Scope of the Study

This was done to find out the customers inclination towards Nestle goods and multiplicity of products obtainable. It highlights the consumer's satisfaction in Nagpur city and how consumer's influences on buying decisions of selected respondents. The research study is evocative in nature.

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 where 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.
- People were hesitant to disclose the true fact.
- The chance of biased response can't be eliminated though all necessary steps were taken to avoid the same.
- Study is limited for the year 2019 – 2020
- Study is limited to the sample size of 39 customer from Nestle. Study is limited on company restriction.

HYPOTHESIS OF THE STUDY

5.1 Hypothesis of the Study

Covid-19 had a profound impact on the pace, channel, texture and frequency of consumption, across a variety of segments in FMCG.

A study is always based on certain hypothesis. Researcher when start the project, confronts with many situations. He/she may not be able to touch all the aspects of research and may not be covering the whole area. So the researcher has to assume certain things which are called hypothesis. deciding about hypothesis is not only facilities the study but also safeguard the researcher. So being researcher I had taken a hypothesis that out of the renowned FMCG company Nestle.

H0: There is no impact of covid 19 on consumer satisfaction / sales of Nestle goods

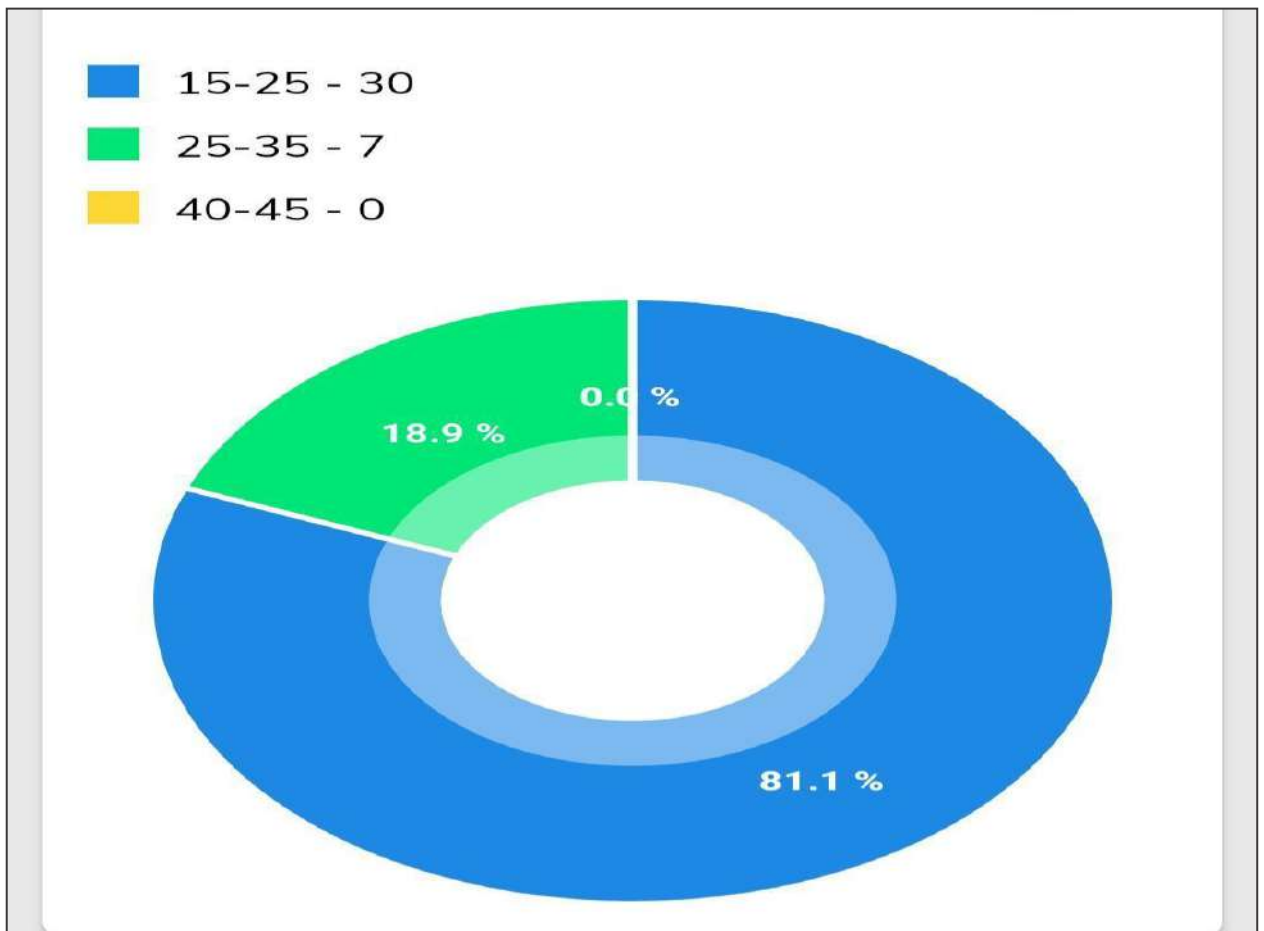
H1: There is a huge impact of covid 19 on consumer satisfaction / sales of Nestle goods

DATA ANALYSIS AND INTERPRETATION

6.1 Data Analysis and Data Interpretation

Age group is effective for Nestle Products

Sr.no	Age group	Count
1	15-25	32
2	25-35	7
3	35-45	0

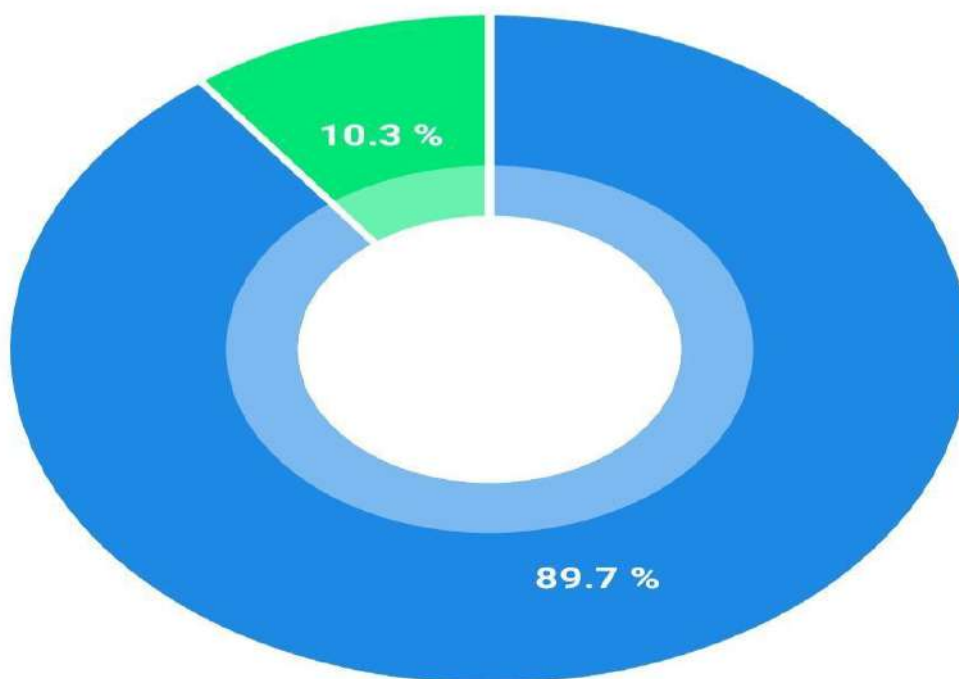


According to the above data majority of the responses were from the age group 15-25 followed by the age group of 25 and above.

Preference towards Maggie Noodles

Sr.no	Options	Count
1	Yes	35
2	No	4

■ Yes - 35
■ No - 4

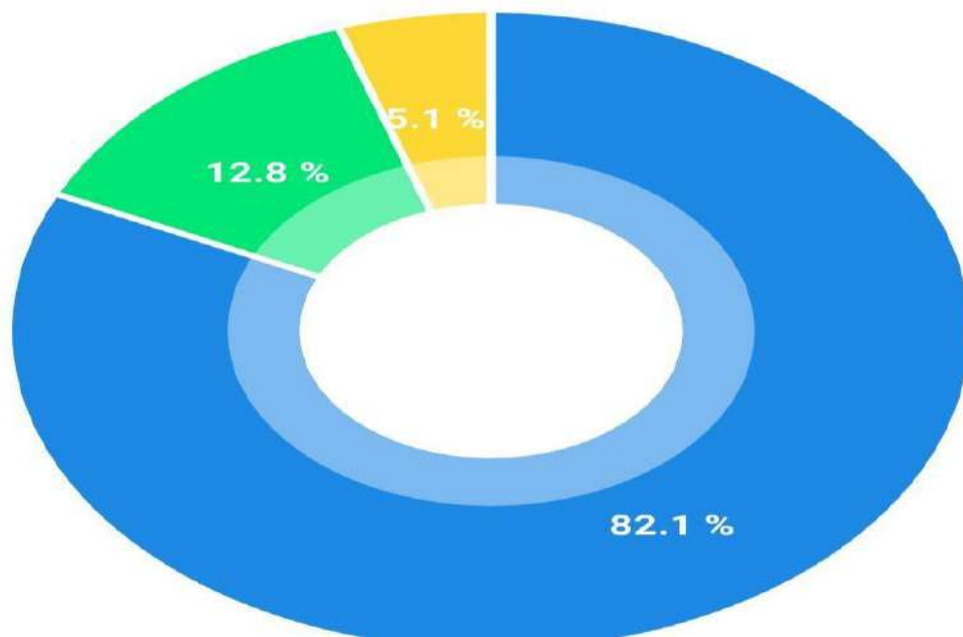


According to the above data majority of people Maggie noodle as compared to other instant noodles available in the market.

Chocolate preference of consumers

Sr.no	Chocolates	Count
1	Kit kat	32
2	Munch	5
3	Milkybar	2

- Kit - Kat - 32
- Munch - 5
- Milkybar - 2

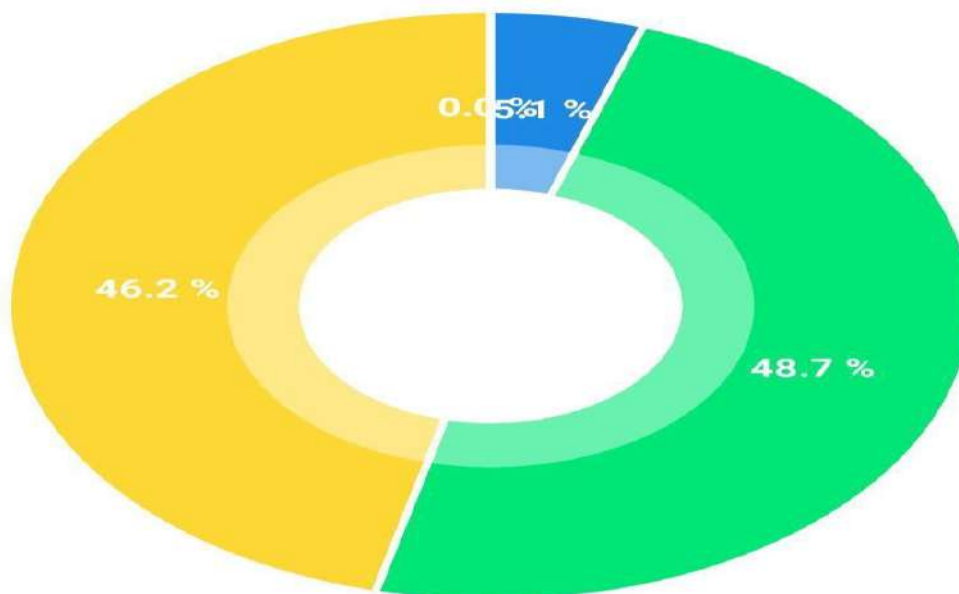


According to above data 82.1% consumer prefers KitKat chocolate over any other chocolates, 12.8% consumers are attracted towards Munch and 5.1% towards milkybar .

Consumer looks Nestle company as

Sr.no	Company	Count
1	Baby food Company	2
2	Coffee Company	19
3	Chocolate Company	18
4	Cerelac company	0

- Baby food Company - 2
- Chocolate Company - 19
- Coffee Company - 18
- Cereals Company - 0

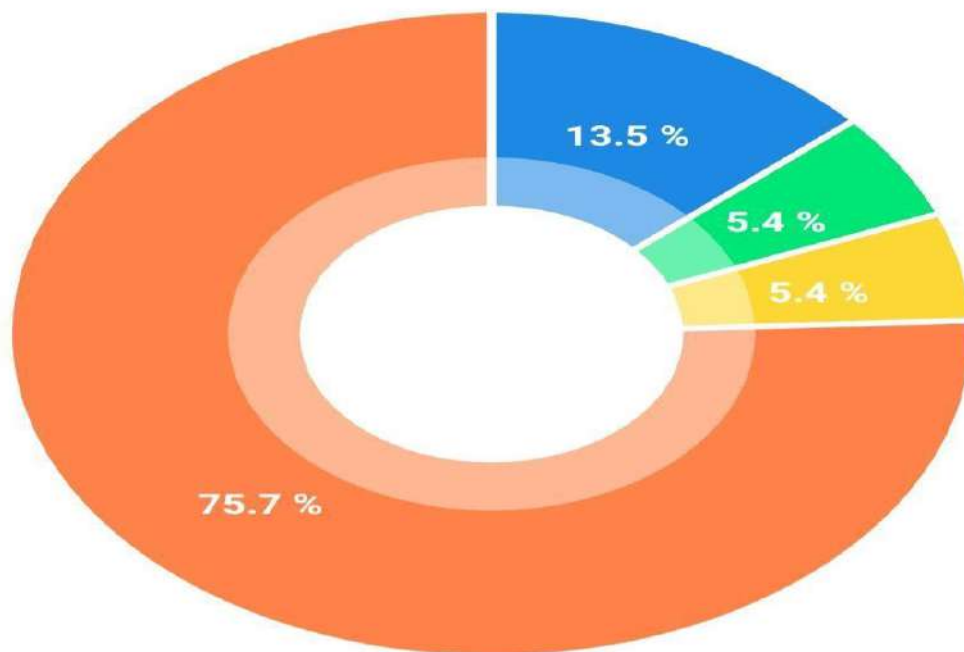


According to the above data 48.7% consumer consider Nestle as chocolate Company whereas 46.2% see Nestle company as coffee Company and 5.1% as baby food Company.

From how long consumers are consuming Nestle products

Sr.no	Time period	Count
1	Less than a month	5
2	1-3	2
3	1-6	2
4	Over 3 years	30

- Less than a month - 5
- 1-3 months - 2
- 1-6 months - 2
- Over 3 years - 28

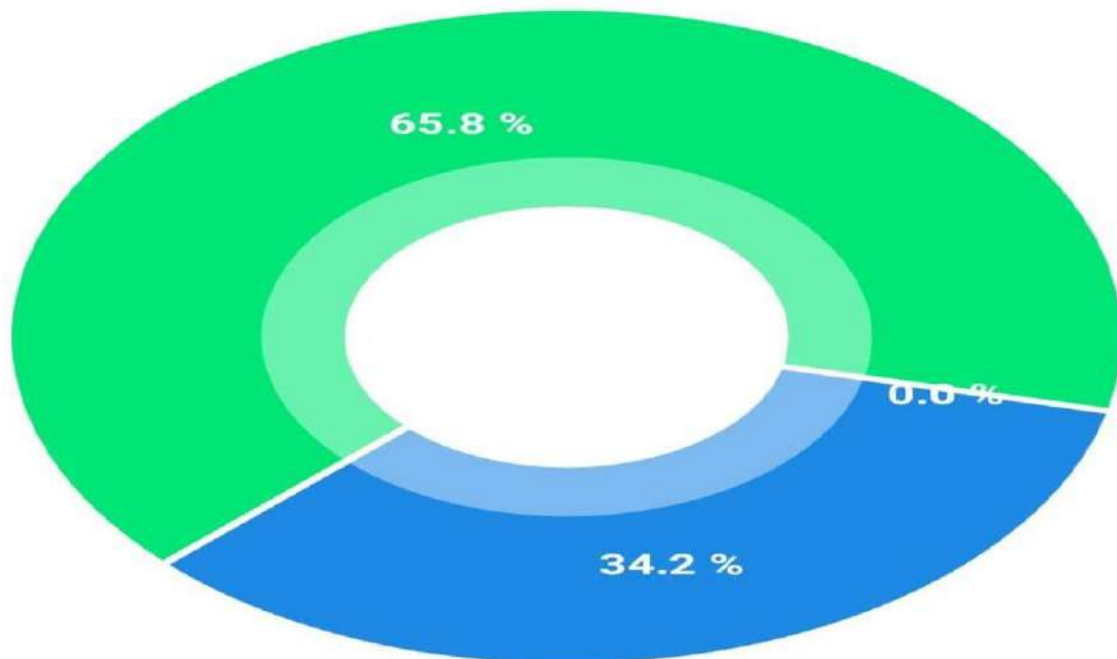


According to the above data consumers consumption towards Nestle is 75.7% over 3 years and 5.4% for 1-6 or 1-3 months and 13.5% for less than a month.

Consumer perception of price towards Nestle

Sr.no	Options	Count
1	Very reasonable	13
2	Average	25
3	Unreasonable	0

- Very Reasonable - 13
- Average - 25
- Unreasonable - 0

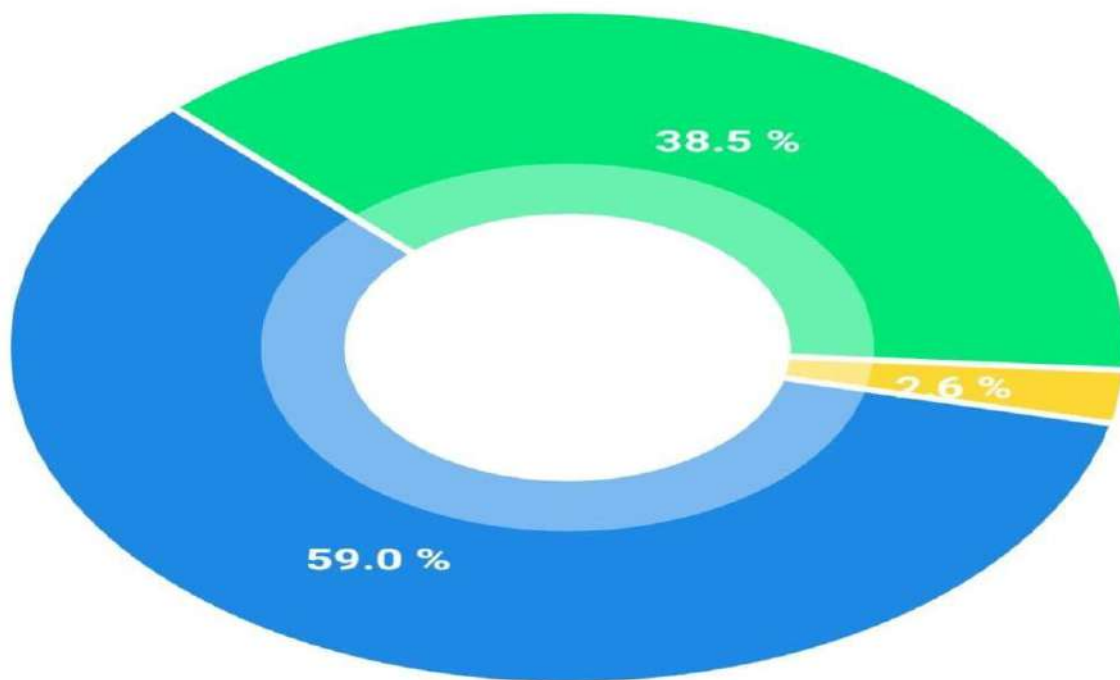


According to the above data 34.2% consumers consider the price rates of the Nestle products reasonable where as 65.8% consider the prices of products average and 0.0% people consider it unreasonable.

Satisfaction towards Nestle

Sr.no	Options	Count
1	Neutral	15
2	Very satisfied	23
3	Unsatisfied	1

- Very Satisfied - 23
- Neutral - 15
- Unsatisfied - 1

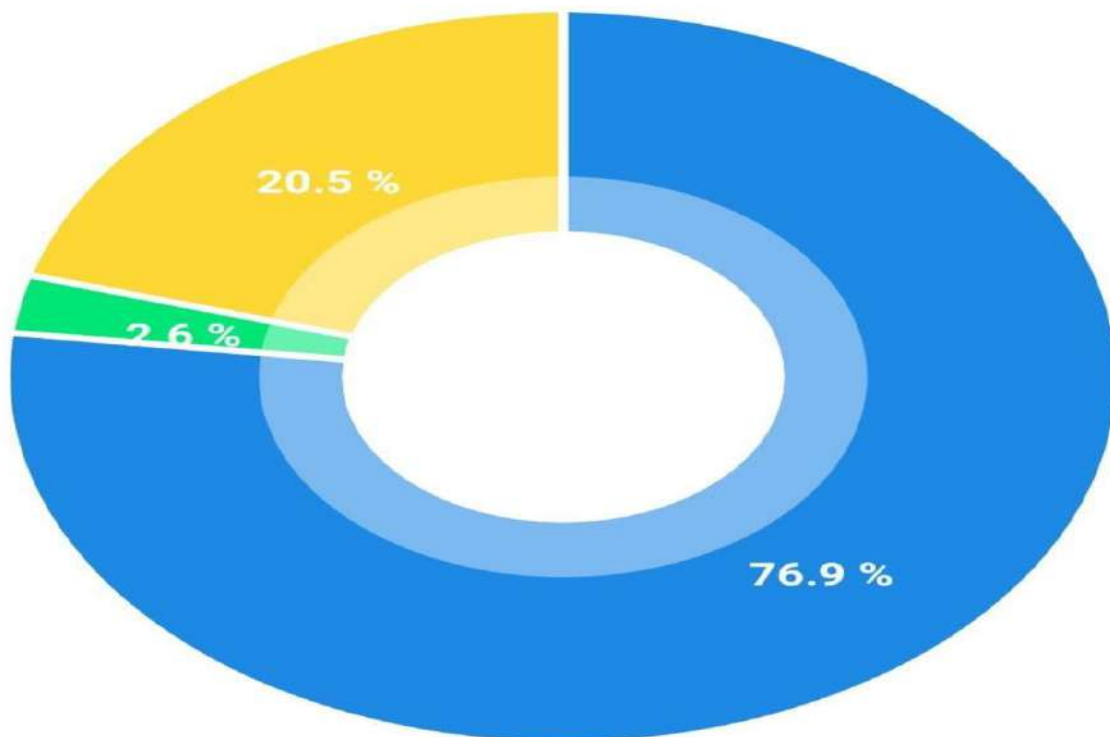


According to the above data 59.0% are satisfied with Nestle and 38.5% has a neutral approach towards this brand where as only 2.6% consumers are unsatisfied with Nestle.

Through which media people knew about Nestle

Sr.no	Options	Count
1	Television	30
2	Magazine	1
3	Others	8

- Television - 30
- Magazine - 1
- others - 8

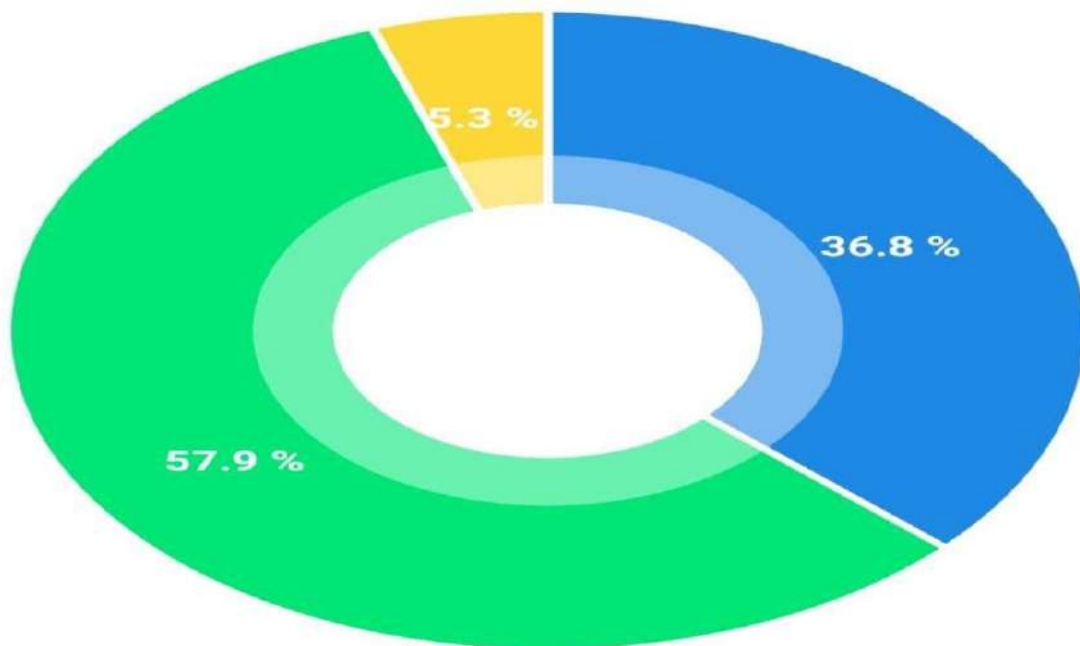


According to the above data 76.9% people came to know about Nestle through television. 20.5% came to know about this brand through other sources and 2.6% through magazine.

How healthy Nestle products are

Sr.no	Options	Count
1	Healthy	14
2	Neutral	22
3	Unhealthy	2

- Healthy - 14
- Neutral - 22
- unhealthy - 2

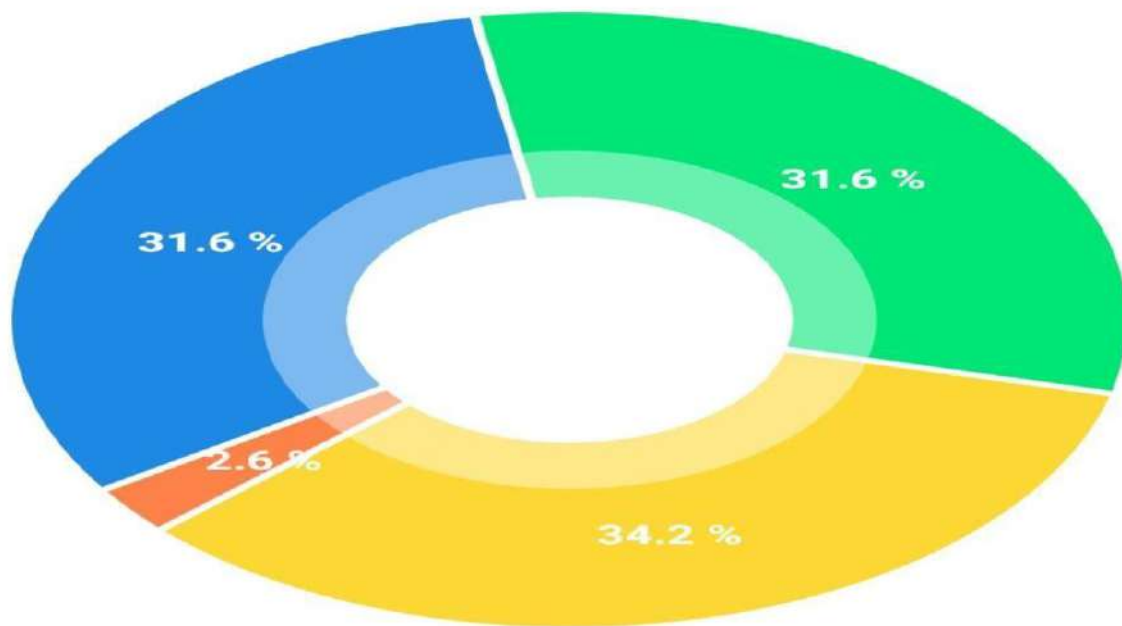


According to the above data 57.9% has a neutral response towards Nestle whereas 36.8% considers Nestle as a healthy product and 5.3% consumers consider it to be a unhealthy product.

Overall response of Nestle

Sr.no	Options	Count
1	Good	12
2	Better	12
3	Excellent	13
4	Bad	1

- Good - 12
- Better - 12
- Excellent - 13
- Bad - 1

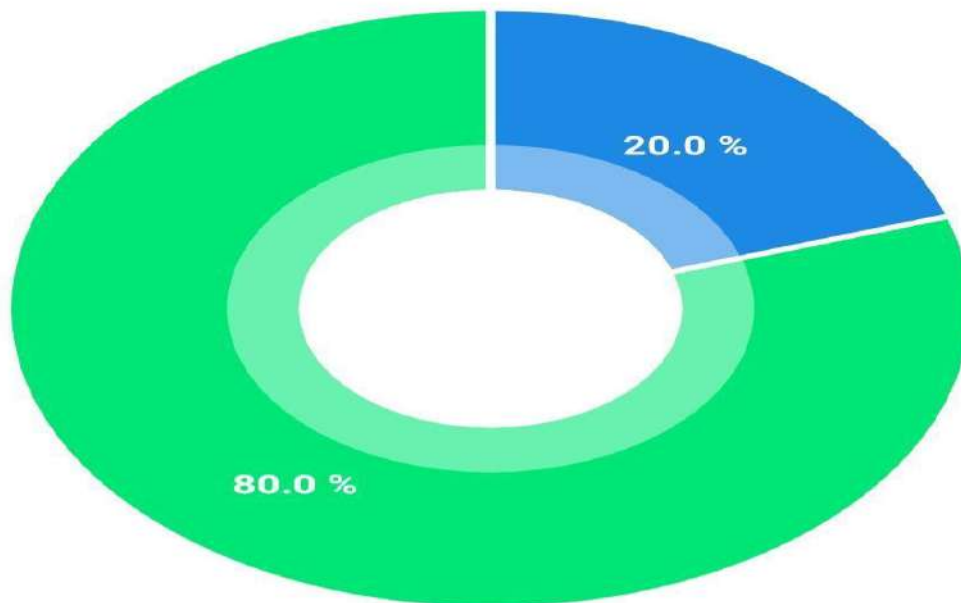


According to the above data 31.6% people consider Nestle as Good. 31.6% consider it to be better and 34.2% says Nestle is an excellent Brand and 2.6% rates Nestle as a bad company.

Pandemic effect on Nestle

Sr.no	Options	Count
1	Yes	8
2	No	32

■ Yes - 8
■ No - 32



According to the above data 80% consumer were not affected by pandemic and only 20% consumer were affected by pandemic.

CONCLUSION

Conclusion

- Consumers all across the globe have a favorable perception towards Nestle as a Brand.
- Majority of the customers are satisfied with its product & Majority of the people are aware of Nestle Products
- There were no changes adopted by the consumers towards Nestle during pandemic.
- Most of the people find Nestle product as expensive, therefore few of them not prefer Nestle.
- Most of the people came to know about Nestle through television.
- Consumers are satisfied with Nestle product lines.
- Majority of the people of age group 15-25 consumes Nestle.

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