A Study of the Effectiveness of Online Marketing Strategies of Packaged Health Food Brands

Amar Nath Gupta and Pradnya Chitrao

Abstract **Purpose**: The research study aims at exploring the effectiveness of online marketing strategies of packaged health food brands w.r.t. income of the customers. The study aims to investigate the relationship between buyer satisfaction and buyer recommendation w.r.t. the income of the customers. For the research, both primary data and secondary data were used. The researchers have conducted the pilot study on 105 respondents to investigate the effectiveness of online marketing strategies on packaged health food brands with respect to the income of the customers. The researchers have used a non-probabilistic convenience sampling method for the study. SPSS 21 version was used for the data analysis. Following hypotheses were proposed for the study:

H_1 There is some association between the awareness of packaged health food brands and the income of the customers.
H_2 There is some association between frequency of being online and income of the customers.
H_3 There is some association between frequency of online buying and income of the customers.

Findings: Results indicates that the higher the income level of the customers, the higher would be the awareness of health food brands among the customers.

Research Implications and Limitations: Practical implications—The marketers can apply the findings of this study in creating more effective online marketing strategies for the packaged health food brands with respect to the Income of the customers.

Keywords Income · Online marketing · Health food brands

A. N. Gupta (✉)
Symbiosis International University, Lavale, Pune, India
e-mail: amarg2460@gmail.com

P. Chitrao
SIMS, Khadki, Pune, India
e-mail: pradnyac@sims.edu

1   Introduction

The dynamic business environment and the technological advancement have redefined the consumption, ways of doing business and means of promotion for the Fast Moving Consumer Goods (FMCG) marketers. The twenty-first-century marketing has touched an entirely new scale with the penetration of the Internet among almost every household in India and it has resulted in the emergence of online marketing. The prominence of digitization and online presence has led the companies getting involved into a very cut throat competition for seeking the customer's attention.

The increasing awareness of consumers regarding health and nutrition issues has greatly helped the packaged health food brands to drive their demand in the market. The marketers are trying new and innovative ways to take an advantage of this growing packaged healthy food market. With the rise in the competition, the FMCG companies have now moved their attention from conventional approaches to modern approaches like E-commerce, due to the increasing mobile internet penetration globally.

Thus, keeping in view of the above all the tools available in the body of knowledge of marketing are highly utilized and innovation is always looked forward to build the brand association which results in repeated buying and boosting the overall profits. The marketers are now focussing more towards improving the quality of the packaged health food brands, which will create more brand loyalty and further help in crafting brand equity among the customers.

2   Literature Review

To identify the research gaps in the previous research studies, the literature review was carried out for drafting the Research objectives. Some of the referred research studies being conducted in past have been highlighted here below:

2.1   *Jones and Reid [1]*

Sandra et al. (2010) have explored how the leading Australian food organizations use the internet-based advertising techniques for their products. It was observed that most of the meals groups have internet web sites or sections of websites that are being targeted to the children and/or teenagers. The web sites also have the content for downloading which was aimed at direct marketing. The study was useful in understanding how the companies use the internet-based marketing tactics for marketing their products to children and teens.

2.2 Kemp and Bui [2]

Have investigated the variables which are vital in the course of brand building for the healthy food Brands. The study has examined the role of brand credibility in increasing the consumer confidence for the 'Healthy Brands'. The study has indicated that 'brand credibility, commitment and connection are very important for crafting the branding strategies'. The study is very helpful in identifying the positioning strategy of the selected 'Healthy Brands'.

2.3 Nour et al. [3]

Have carried out the research work to investigate how the "Ceramic and glass manufacturing companies in Jordan" make use of promotional strategies to influence on the buying decision making process of the consumers in Jordan. The authors state that the main aim of promotional mix is to reach its target customers and making them buy and rebuying the product again and again to be specific inducing them for repeat purchases. It was found that the degree of promotional mix elements used by the companies was reasonably high as the companies aimed at positively influencing their buying decision making process. This research has a constrained scope as it has been carried out only for the Ceramic and glass manufacturing corporations in Jordan. The future research can consider the applicability of findings of this research in different international locations with other Industries like FMCG etc.

3 Research Objectives and Scope

3.1 The Following Research Objectives Have Been Proposed for the Study

1. To explore the effectiveness of Online Marketing Strategies of Packaged Health Food Brands w.r.t. Income of the Customers.
2. To investigate if there exists any relationship between the awareness of packaged health food brands and the Income of the Customers.
3. To determine the association between frequency of Online Buying and the Income of the Customers.

3.2 Scope of the Study

The research is mainly focusing on the effectiveness of online marketing strategies of packaged health food brands. The products considered for this study are packaged health drinks, packaged healthy soups, packaged healthy breakfast cereals and meals, packaged healthy food supplements for adults and children, packaged dry fruits, and packaged sugar substitutes and packaged healthy oils. The study is further limited to study of effectiveness of online marketing strategies of packaged health food brands w.r.t. income of the customers. Other variables are not considered under this study.

4 Research Methodology

4.1 Research Design

The Descriptive Research Design was used for Conducting the Research.

4.2 Population

The Population for this research was the people of Pune City who are above 18 years age group.

4.3 Sources of Data

The researchers have used both primary and secondary data for the research. Primary data was mainly collected from the consumers of packaged health food brands from Pune region using the tools like personal observation, personal interviews and through the questionnaire. The secondary data was collected from the available sources like the print and electronic media along with the company's reports, research papers and internet websites.

4.4 Sample Design

For the Research, the researchers have used the Non-probabilistic Convenience Sampling technique.

4.5 Sampling Unit

The sample respondents were the customers buying food products from various retailers or grocery shops or through ordering online in Pune City.

4.6 Sample Size

Around 150 plus questionnaire were administered but only 105 responses were found to be completely filled for the purpose of research study. Therefore, the researchers have considered a Sample Size of 105 for the research study.

4.7 Sampling Area

The researcher has collected the samples from the Pune City between May and June, 2018.

5 Data Analysis

To check the reliability of the scale used in the questionnaire, the Cronbach's alpha was calculated. The value is shown in the Table 1.

Form the Table 2 it was found that since the Cronbach's alpha value is higher than 0.7; the scale used can be said reliable and can be used for further data collection process.

Table 1 showing the percentage of valid responses

Case processing summary		N	%
Cases	Valid	105	100.0
	Excluded[a]	0	0.0
	Total	105	100.0

[a]List wise deletion based on all variables in the procedure

Table 2 Showing the Cronbach's alpha value

Reliability statistics	
Cronbach's alpha	No of items
0.942	15

5.1 Descriptive Statistics

From above descriptive statistics it can be said that **Online Videos** of packaged health food provokes the customer to buy the packaged health food brands. Furthermore, it was also found that **Official and appealing website** of a packaged health food brand creates a good brand image and thus leads to positioning of the packaged health food brands. It was also observed that the respondents tend to buy Packaged Health food products if it is available on particular online retail stores' (Amazon, Flipkart etc.). It was also observed that, for the kids, the respondents are not so much dependant on online stores like Amazon, Flipkart, etc. for buying the packaged health food brands. Further, One Sample t-test is further done to know statistical difference between sample mean and a hypothesized value of the mean in the population. The t-test here is run to know the difference between satisfaction and recommendation (Tables 3, 4 and 5).

From the table we get the $p < 0.001$, which says that the satisfied consumers will further recommend the product to the other buyers. Further, a correlation test is run between the variable, which again shows that the variables are positively and significantly correlated. It means that if, satisfaction level of the consumer increases, the recommendation for the packaged foods will also increase as the satisfied consumers are likely do a positive word of mouth publicity for the product (Table 6).

6 Testing of Hypothesis

H_0 There is no association between the awareness of packaged health food brands and the Income.

H_1 There is some association between the awareness of packaged health food brands and the Income.

In the Chi-Square Table 7, we see that the Pearson chi-Square score is 90.362. Therefore, it proves that the two variables under the study are not related with each other.

Again, If the p value is less than or equal to the significance level, we reject the null hypothesis and conclude that there is a statistical significant relationship between the variables. Hence, we fail to reject the H_0 as the p value is less than 0.05. Therefore, the H_1 is accepted which states that there is a direct significant relationship between the awareness of packaged health food brands and the Income of the customers. It proves that higher the income level customers, the higher would be the awareness of health food brands.

H_0 There is no association between frequency of being Online and Income.

H_1 There is some association between Frequency of being Online and Income.

In line with the first hypothesis tested, the researchers have further tested the frequency of being online and Income. The results here show that, since the p value

Table 3 Showing the descriptive statistics of the variables

	N	Min.	Max.	Mean	Std. deviation
I am more likely to buy a particular packaged health food brand if I come across by an promotion **email** of that brand	105	1	5	3.25	0.8955
I am more likely to recommend a particular packaged health food brand if I come across by its testimonial through **social media**	105	2	5	3.46	0.6660
I am more likely to buy a particular packaged health food brand if I come across by its testimonial through **social media**	105	1	5	3.26	0.8994
I am more likely to recommend a particular packaged health food brand if I come across by an promotion **email** of that brand	105	1	5	3.42	0.9374
Online videos of packaged health food provoke me to buy that brand	105	1	5	**4.32**	0.9639
I buy (would buy) only those packaged health food brands for my kids which there are **good reviews are available online**	105	1	5	3.12	1.0277
Official and appealing website of a packaged health food brand creates a good brand image in my mind and thus I find that brand worth buying	105	2	5	**4.35**	0.9028
I am more likely to buy a particular packaged health food brand if it comes as one of the **online search results**	105	1	5	3.00	0.9094
Pop-up advertisement of packaged health food while browsing internet make me buy that particular brand	105	1	5	2.92	1.1966
I would recommend packaged health food brand if it is listed online retailer's (amazon, Flipkart etc.) website or mobile application	105	1	5	2.92	1.2046
I would more likely to recommend a particular packaged health food brand if it comes as one of the online search results	105	1	5	2.91	1.0295
I am more likely to buy particular packaged health food brand if it is available on particular online retail stores' (Amazon, Flipkart etc.) product portfolio	105	1	5	**4.21**	1.1131
I buy (would buy) only those packaged health food brands for my kids which are available on online stores	105	1	5	**2.63**	1.1804
I buy (would buy) only those packaged health food brands for my kids for which an official website is available	105	1	5	**4.41**	0.8933
Valid *N* (listwise)	105				

Table 4 Showing the Mean, Std. deviation and Std. error mean values of variables as calculated from One Sample t-test

One sample statistics

	N	Mean	Std. deviation	Std. error mean
I am satisfied with the packaged health food brand which I am using currently	105	4.6857	0.95388	0.09309
I will recommend the brand of packaged health food to others	105	4.6190	1.00366	0.09795
I am ready to pay little higher price for good quality packaged health food brands as compared to local heath food (non-branded)	105	4.8095	1.02933	0.10045

Table 5 Showing the values from running One Sample t-test

One sample test

	Test value = 4					
	t	df	Sig. (2-tailed)	Mean difference	95% confidence interval of the difference	
					Lower	Upper
I am satisfied with the packaged health food brand which I am using currently	7.366	104	0.000	0.68571	0.5011	0.8703
I will recommend the brand of packaged health food to others	6.320	104	0.000	0.61905	0.4248	0.8133
I am ready to pay little higher price for good quality packaged health food brands as compared to local heath food (non-branded)	8.059	104	0.000	0.80952	0.6103	1.0087

is less than 0.05, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. Here, the Pearson Chi-Square is 82.803 with a *df* of 16 so we can say that there is a direct significant relationship between frequency of being online and income. It proves that high income level customers are having high frequency of being online as compared to low income level customers (Table 8).

Table 6 Showing the correlation between outcome variables (satisfaction and recommendation)

Correlations		I am satisfied with the packaged health food brand which I am using currently	I will recommend the brand of packaged health food to others	I am ready to pay little higher price for good quality packaged health food brands as compared to local heath food (non-branded)
I am satisfied with the packaged health food brand which I am using currently	Pearson correlation	1	0.868[a]	0.810[a]
	Sig. (2-tailed)		0.000	0.000
	N	105	105	105
I will recommend the brand of packaged health food to others	Pearson correlation	0.868[a]	1	0.878[a]
	Sig. (2-tailed)	0.000		0.000
	N	105	105	105
I am ready to pay little higher price for good quality packaged health food brands as compared to local heath food (non-branded)	Pearson correlation	0.810[a]	0.878[a]	1
	Sig. (2-tailed)	0.000	0.000	
	N	105	105	105

[a]Correlation is significant at the 0.01 level (2-tailed)

Table 7 Showing the Pearson Chi-Square values

Chi-Square tests	Value	df	Asymp. sig. (2-sided)
Pearson Chi-Square	90.362[a]	16	0.000
Likelihood ratio	106.289	16	0.000
Linear-by-linear association	11.926	1	0.001
No of valid cases	105		

[a]16 cells (64.0%) have expected count less than 5. The minimum expected count is 0.23

Table 8 showing the Pearson Chi-Square values

Chi-Square tests			
	Value	df	Asymp. sig. (2-sided)
Pearson Chi-Square	82.803[a]	16	0.000
Likelihood Ratio	87.674	16	0.000
Linear-by-linear association	12.242	1	0.000
No of valid cases	105		

[a]17 cells (68.0%) have expected count less than 5. The minimum expected count is 0.23

Table 9 showing the Pearson Chi-Square values

Chi-Square tests			
	Value	df	Asymp. sig. (2-sided)
Pearson Chi-Square	72.399[a]	20	0.000
Likelihood ratio	71.278	20	0.000
Linear-by-linear association	6.081	1	0.014
No of valid cases	105		

[a]23 cells (76.7%) have expected count less than 5. The minimum expected count is 0.17

H_0 There is no association between Frequency of Online Buying and Income.
H_1 There is some association between Frequency of Online Buying and Income.

In continuation with the research study, the researchers have further investigated the frequency of online buying and the Income. The results here show that, since the p value is less than 0.05, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. Here, the Pearson Chi-Square is 72.399 with a *df* of 20 so we can say that there is a direct significant relationship between frequency of online buying and Income. It proves that high income group customers do more frequently online buying as compared to low income group customers (Table 9).

7   Findings

With the growing penetration of internet, more and more number of the customers are buying the products mostly online. Therefore, the marketers are now giving more importance to the online marketing strategies to have been more effective in terms of customer satisfaction for the packaged health food brands.

It was found that the consumers with high income level are more cautious about their health as compared to the consumers with low income level. It was also observed that the consumers with high income level generally buy branded packaged health food products as they do not want to compromise with the quality of the product. Furthermore, it was also observed that consumers with high income level tend to try new packaged health food brands due to their expectations of getting a better product. It was found that the customers generally pay higher price for good quality packaged health food brands as compared to local heath food as they don't want to take any risk of their health while buying such brands for which they are totally unaware.

It was also found that **Online Videos** of packaged health food provokes the customer to buy the packaged health food brands. Furthermore, it was also found that **Official and appealing website** of a packaged health food brand creates a positive brand image and thus leads to positioning of the packaged health food brands because the customers are more attracted towards such brands which have an official website and have a positive brand image. It was also observed that the respondents tend to buy packaged health food products if it is available on particular online retail stores' (Amazon, Flipkart etc.).

8 Conclusion

In conclusion, the research reveals that a significant positive relationship exists between frequency of being online and the income of the consumers. It has been concluded that the customers are more likely to buy a particular packaged health food brand if they come across by its testimonial through social media. The customers are more likely to recommend a particular packaged health food brand if they come across by a promotion email of that brand. It was further observed that satisfied customers will further recommend the packaged health food brand to the other buyers. It has been also found that the variables are positively and significantly correlated. It means that if, satisfaction level increases, the recommendation for the packaged foods will also increase. It has been observed that a significant positive relationship exists between the awareness of packaged health food brands and the income. it has been concluded that the online videos of packaged health food brands provoke the customers to buy that brand. Furthermore, it has been also concluded that a significant relationship exists between frequency of online buying and Income of the consumers.

9 Research Implications and Limitations

Practical implications—This research study would be useful to the marketers for crafting more effective online marketing strategies to promote the packaged health food brands online which will further add value to the overall offerings made to

the customers. The research study highlights the growing importance of packaged health food brands among the customers and how packaged health food brands should amplify their online marketing efforts in crafting more consumer-centric online marketing mix strategies that could deliver more value to customers' with respect to their income levels. The limitation of this study is that it has been conducted on packaged health food brands. Therefore, future studies could be extended to other FMCG Products to generalize the findings of this study.

10 Discussion

The emergence and advancement of technology has directed the marketers to explore new possibilities to attract the customers of packaged health food brands. As more and more number of customers are now spending time on the Internet, packaged health food brands have amplified their online marketing efforts in crafting more consumer-centric content that could deliver more value to customers'. Most of the firms have embraced online marketing as means of communicating a desired message to their target market [4]. This research study attempts to study the different types of online marketing strategies which the marketers are implementing to attract the particular income group customers who are buying packaged health food brands online and to determine the gaps that exist in the previous research being done so as to help the marketers to subsequently design the online marketing mix strategies that can deliver the value to the customers at a profit. The study has helped in identifying the factors that contribute towards the effectiveness of online marketing strategies of packaged health food brands w.r.t. income.

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