

# A STUDY ON CONSUMER PERCEPTION AND MARKET POTENTIAL WITH RESPECT TO LONDON DAIRY ICE CREAM



## Original Research Article

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## 1.1 INTRODUCTION

The study of consumer behavior makes marketers to understand and predict consumer behavior in the market place; it also promotes understanding of the role that consumption plays in the lives of individual

## DEFINITION

Consumer behavior refers to the behavior of that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs

## STUDY OF CONSUMER BEHAVIOR

It is a study of how individual make decision to spend their available resources (time, money, effort) on consumption related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy is and how they use it

## THE CONSUMER RESEARCH PROCESS-

- 1) Defining the objectives
- 2) Collecting and evaluating secondary data
- 3) Designing a primary research study
- 4) Collecting primary data
- 5) Analyzing the data
- 6) Preparing a report on the findings

## FACTORS INFLUENCING THE CONSUMER BEHAVIOR

Culture

Sub culture

Social class

Market potential –

The company can choose attractive markets develop winning strategies in those markets. Companies face many market opportunities and must carefully evaluate them before choosing their target market .

The potential market is the set of consumers who profess a sufficient level of interest in a defined market offer. Consumer interest is not enough to define a market potential consumer must have enough income to afford the product; the size of the market is a function of both interest and income.

## 1.2 COMPANY PROFILE

### A PROFILE OF IFFCO

Established in 1975, IFFCO is a United Arab Emirates based business house, which manufactures and markets a well-integrated range of consumer products. IFFCO operates under the following business verticals; Fast Moving Consumer Goods (FMCG), Commodities, Oils and Fats, Frozen Foods, and Institutional Services. IFFCO also manufactures related derivatives and intermediates associated with these business segments.

Over the last three decades, IFFCO has developed brands that have built a strong market share in the United Arab Emirates UAE by offering their customers good value of money.

Since its inception, IFFCO has grown consistently by building complimentary businesses supported by acquisitions in the UAE and internationally as well. This model of sustainable growth has seen IFFCO's transformation from a local company to a dynamic group of international companies with operation and manufacturing facilities in UAE, Pakistan, Malaysia, Tunisia, South Africa, Turkey, Indonesia, China and Australia.

IFFCO continues invest in brands that build value for the consumer. Their brands like Allana, IFFCO, London Dairy, Tiffany, Noor, Rahma, Igloo and Al Baker enjoy the confidence of consumers all over the world. The ice cream distribution chain typically consists of a distributor/stockiest and the retailer.

#### Major players

The UAE ice cream is dominated by larger national and international and regional players.

Major national players	Brands
Baskin robins	Baskin robins
Hagen -dazes	Haagen –dazs
iffco	London dairy
Ben & Jerry's	Ben & Jerry's Homemade oldings, Inc
Cold stone	Cold stone

On the basis of flavours the market today has number of flavors like vanilla, strawberry, chocolate, mango, butter scotch a also number of fruit flavors like pista, raspberry almond etc.

The market is totally dominated by vanilla, Strawberry, chocolate which combined account for more than 70% OF THE MARKET followed other fruit flavors. On the basis of stock keeping units/ packaging the market can be divided into 4 segments

- Cones
- Cups
- Sticks and candies
- Take always

#### 4 segments

1. Impulse segment(pull cart)
2. Retail (home take-always)
3. Institutional/catering
4. Parlors

While institutional or catering accounts for around 15% retail and impulse combined take-away the major chunk with 70% of the market.

### Brand awareness

London Dairy and Igloo, two of biggest ice cream brands in the GCC, IFFCO is the undisputed leader of the ice cream segment. London Dairy is the established market leader in the premium ice cream segment. With its rich unique taste and smooth creamy texture, London Dairy offers a truly delicious and unforgettable ice cream experience – which you can lose yourself in! Made from the finest ingredients sourced from all over the world, London Dairy comes to you in a variety of exciting flavors and sizes. Tubs and cups make the perfect dessert – a must at every household and party menu – while the range of sticks, bars and cones are enjoyable treats for any time of the day.

While London Dairy is positioned as a leader in the premium ice cream segment, Igloo enjoys strong position in the value for money segment. With its affordable treats, Igloo adds pure, unadulterated fun to daily life. To further strengthen its leadership, Igloo has come out with a vibrant new look featuring the exciting Winter Wonderland and “Uncle Iggy”, the penguin mascot – both of which bring the brand to life and serve as a consumer touch point. Igloo enjoys the position of being the only ice cream in the GCC that is trans fat-free and has no artificial colors. Igloo Duet was declared the “Most Innovative New Product” by the International Ice Cream Consortium (IICC) in 2008. With the widest range of ice creams, Igloo is for every occasion, and absolutely everyone!!

### 1.3 INDUSTRIAL PROFILE OF ICE CREAM

Ice cream is a frozen dessert made from dairy products (milk, cream, or custard) combined with flavoring and sweeteners. The mixture is super cooled by stirring while reducing its temperature to prevent large ice crystal from forming. Traditionally, the temperature has been reduced by placing the ice cream the ice cream mixture into a container that is immersed in a mixture of crushed ice and salt. The salt causes a change of heat from the ice cream process.

#### COMPONENTS

Ice cream comes in a wide variety of flavors, often with additives such as chocolate flakes or ships, nuts, fruits and small candies/sweets. Some of the most popular ice cream flavors in higher market are vanilla, chocolate, strawberry, and Neapolitan (a combination of three)

components	Ice cream	
	Plain	Bulk
Milk fat %min	10	08
Milk solid	20	16
Food solids(1b/gm)	16	16
Weight (min)	45	45
stabilizers	45	45

Ice cream is highly rich milk proteins also provide minerals and vitamins. It is easily digestible and for growing child, it is healthier than even milk. Because it contains two to three times fat and large quantity of proteins is an average 100gm gives 170 calories and its composition.

Milk fat	13% min
Proteins	3.5%
Milk and solid no fats	11%
sugar	13.15%
Stabilizers& emulsifiers	0.5%
Total solids	36%

**PRODUCTION:**

Before the development of modern refrigeration by German Engineer Carl Von Linde during the 1870's ice cream was a luxury item reserved for very special occasion. Today, ice cream is enjoyed around the world on daily basis thanks to commercial mass production and the home freezer. Ice creams is often bought in large tubs from hyper markets and super markets in smaller quantity from ice cream shops, convenient stores.

Modern commercial ice cream is made from a mixture of:

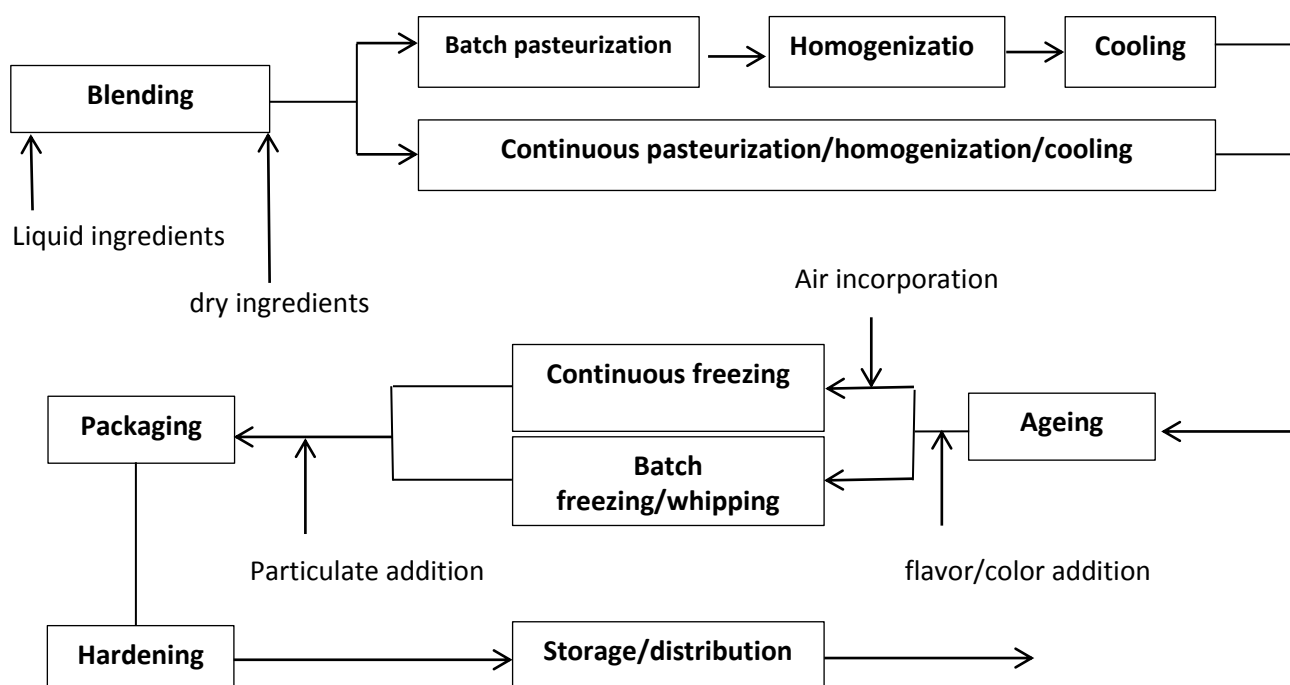
- ❖ 10-16% milk fat
- ❖ 9-12% milk solids not fats this component is also known as the serum solids contains the proteins and carbohydrates found in milk.
- ❖ 12-16% sweeteners usually a combination of sucrose or glucose based corn.
- ❖ Syrup sweeteners.
- ❖ 0.2-0.5% stabilizers and emulsifiers.
- ❖ 55%-64% water which comes from the milk or other ingredients.

These ingredients make up the solid part of ice cream, but only 50% of the final volume, the reminder being air incorporated during the whipping process. Generally the cheaper the ice cream, the cheaper the ingredients and the more air is incorporated.

**MANUFACTURING PROCESS**

The basic steps in the manufacturing of ice cream are generally as follows:

- ❖ Blending of the mix ingredients
- ❖ Pasteurization
- ❖ Homogenization
- ❖ Aging the mix
- ❖ Freezing
- ❖ Packaging
- ❖ Hardening

**PROCESS FLOW DIAGRAM FOR ICE CREAM MANUFACTURE****1.4 OBJECTIVE OF THE STUDY**

1. To know the consumers attitude towards London dairy ice creams
2. To interpret the consumption frequency of an individual
3. Identify the sources of consumption (parlors, outlets etc)
4. To interpret the consumption behavior of an individual with respect to various attributes such as taste, freshness, flavors , etc
5. To find the brand awareness among consumers and their encouragement of various brands of ice creams
6. To know the daily sales of the ice cream in various outlets

### 1.5 RESEARCH METHODOLOGY

- Marketing research
- Research process
- Data collection
- Designing a questionnaire
- Sampling design
- Sample survey

### 1.6 ANALYSIS AND INTERPRETATION

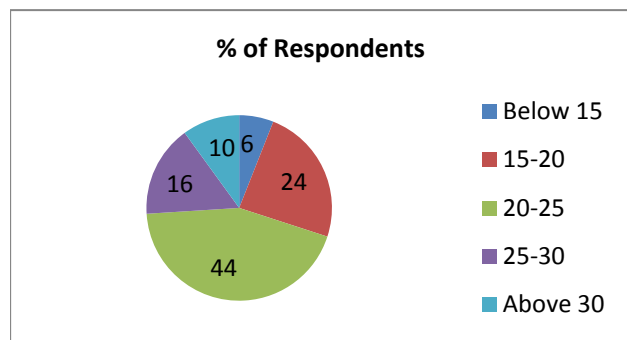
**Table- 1 AGE WISE CONSUMPTION OF ICE CREAM**

S.No	Response	Respondents	% of Respondents
1	Below 15	9	6
2	15-20	36	24
3	20-25	66	44
4	25-30	24	16
5	Above 30	15	10
		150	100

#### INTERPRETATION:

The survey shows that majority of respondents falling in the age group pf twenty to twenty five consume ice cream a lot covering 44%.

The other respondents falling in the age group of five to ten cover 6%, ten to twenty cover 24%, twenty to twenty five cover 44%, twenty five to thirty cover 16% and above thirty cover 10% among remaining respondents.



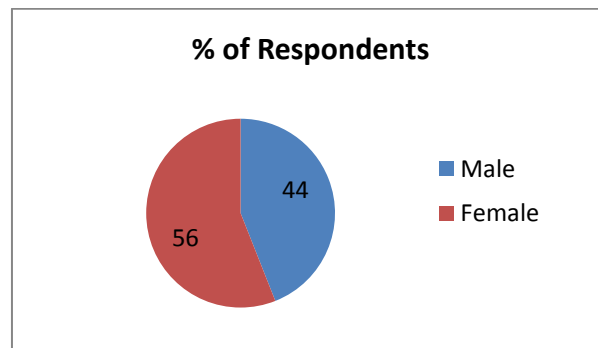
**Table 2 : THE NUMBER OF CONSUMERS WHO BELONGS TO DIFFERENT SEXES**

S.No	Response	Respondents	% of Respondents
1	Male	66	44
2	Female	84	56
		150	100

#### INTERPRETARTION:

The majority of the respondents during the survey belong to female category and respondents who belong to female category are less in number.

The frequency of male respondents is 44% and female respondents is 56% as it is obvious from the table



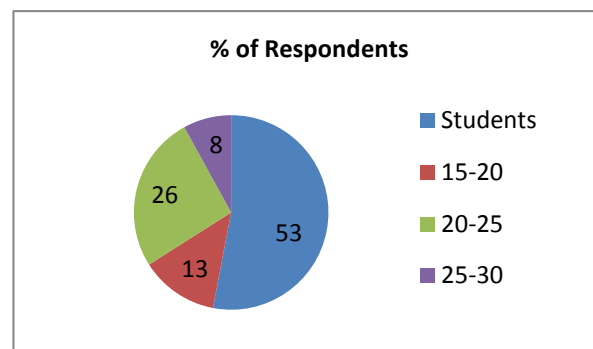
**TABLE-3: THE OCCUPATION OF VARIOUS RESPONDENTS**

S.No	Response	Respondents	% of Respondents
1	Students	79	53
2	15-20	19	13
3	20-25	39	26
4	25-30	13	8
		150	100

#### INTERPRETATION;

From the data it is observed that majority of respondents are from the students community with frequency of 53%.

The other occupation are employees with frequency of 26%, businessman with frequency of 13% and category others with frequency of 8%.



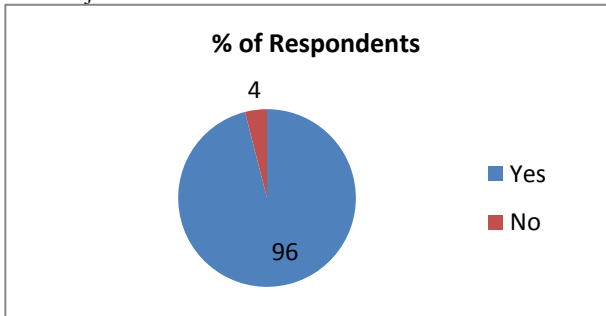
**Table- 4 : AWARENESS OF LONDON DAIRY ICE CREAM**

S.No	Response	Respondents	% of Respondents
1	Yes	144	96
2	No	6	4
		150	100

#### INTERPRETATION:

The table above clearly suggests that most of the people are aware of the brand London Dairy ice cream.

The awareness of the brand is 96% and non awareness of the brand is just 4%.



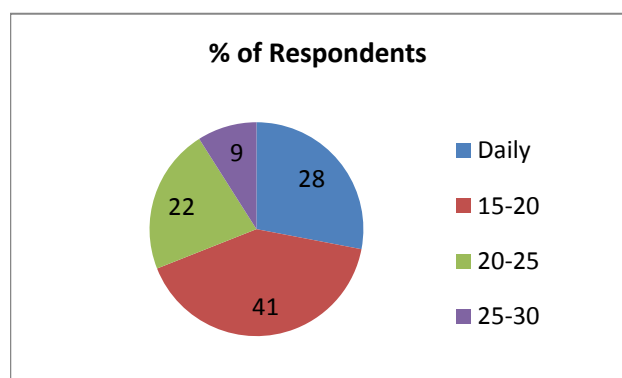
**Table- 5 : FREQUENCY OF CONSUMPTION OF ICE CREAM BY INDIVIDUALS**

S.No	Response	Respondents	% of Respondents
1	Daily	13	9
2	15-20	42	28
3	20-25	62	41
4	25-30	33	22
		150	100

**INTERPRETATION:**

From the survey it is found that maximum number of respondents consumes ice creams weekly with frequency of 41%.

The consumers who would like to have ice creams daily are with frequency of 9%, alternative days with frequency of 28% and others with frequency of 22% respectively.

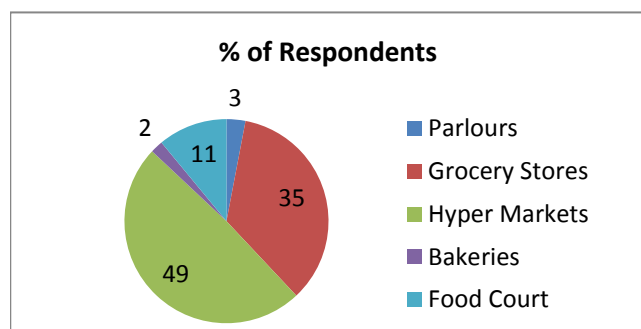
**Table- 6 : PREFERRED PLACES FOR ICE CREAM CONSUMPTION**

S.No	Response	Respondents	% of Respondents
1	Parlors	4	3
2	Grocery Stores	53	35
3	Hyper Markets	74	49
4	Bakeries	3	2
5	Food Court	16	11
		150	100

**INTERPRETATION:**

It is seen from the observation that the majority of the consumers prefer Hyper markets as the place for buying and consumption with 49%.

From the remaining outlets grocery stores 35%, food courts 11%, parlors 3% and 2% from the bakeries

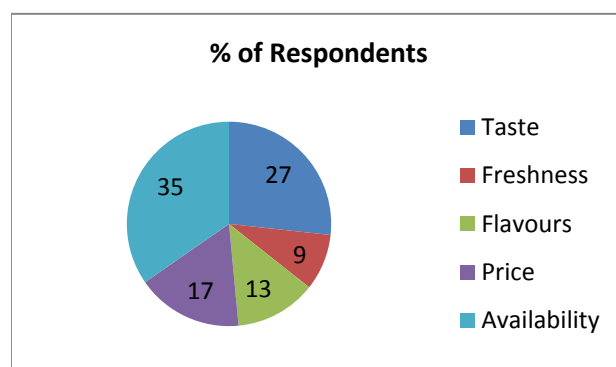
**Table- 7 : FACTORS FAVOURING CONSUMPTION OF ICE CREAMS**

S.No	Response	Respondents	% of Respondents
1	Taste	41	27
2	Freshness	13	9
3	Flavors	19	13
4	Price	26	17
5	Availability	51	35
		150	100

**INTERPRETATION:**

The majority of the respondents who consume ice cream favor for the availability covering 35%

The rest of the respondents who prefer taste have a frequency of 27%, who prefer freshness have a frequency of 9%, who prefer flavors have 13% and finally those prefer price have a frequency of 17% respectively.

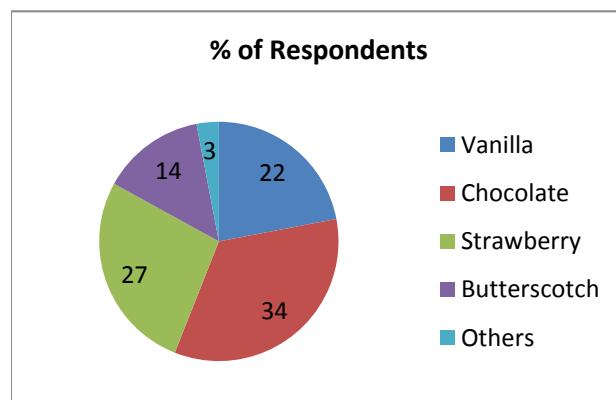
**Table- 8: CONSUMERS PREFERING DIFFERENT FLAVOURS**

S.No	Response	Respondents	% of Respondents
1	Vanilla	33	22
2	Chocolate	51	34
3	Strawberry	41	27
4	Butterscotch	21	14
5	Others	4	3
		150	100

**INTERPRETATION:**

The data above clearly suggests the most of the respondents are going for the flavor chocolate covering 34%.

The consumer who prefer the other flavors are vanilla 22%, strawberry 27%, butterscotch 14% and other 3% respectively.



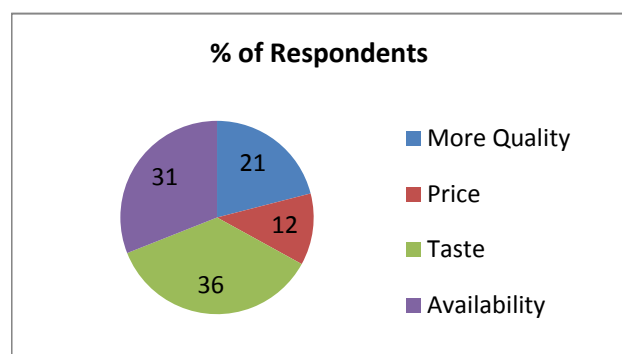
**Table- 9 : FACTORS CONSIDERED FOR PREFERENCE OF LONDON DAIRY ICE CREAM**

S.No	Response	Respondents	% of Respondents
1	More Quality	31	21
2	Price	18	12
3	Taste	54	36
4	Availability	47	31
		150	100

**INTERPRETATION:**

The majority of the consumers are considering the factors taste for the preference with 36%.

From the remaining consumers who prefer more quality have 21%, price 12% and those who prefer availability have 31% respectively .

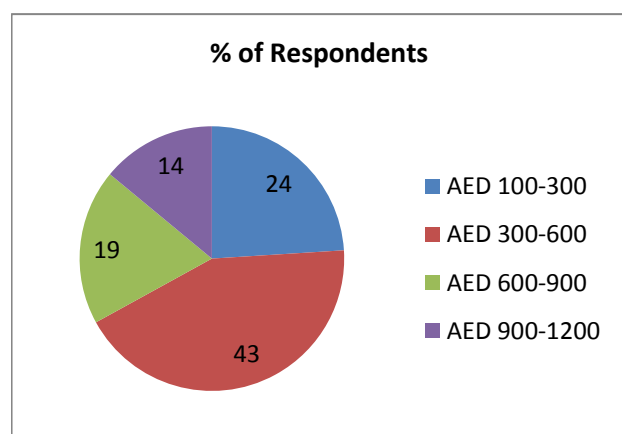
**Table -10 : QUANTITY OF ICE CREAM SOLD AT DIFFERENT OUTLETS**

S.No	Response	Respondents	% of Respondents
1	AED 100-300	36	24
2	AED 300-600	64	43
3	AED 600-900	29	19
4	AED 900-1200	21	14
		150	100

**INTERPRETATION:**

From the table it is observed that the retailers who sell the stock in the range of three hundred to six hundred cover a maximum of 43%.

The retailers who sell the stock in the range of hundred to three hundred sell 24%, and those between the range six hundred to nine hundred sell 19%, and finally above nine hundred 14% respectively.

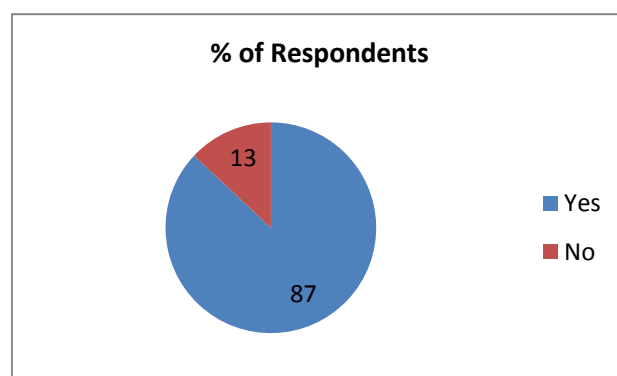
**Table 11: TIMELY AVAILABILITY OF STOCKS TO RETAILERS**

S.No	Response	Respondents	% of Respondents
1	Yes	131	87
2	No	19	13
		150	100

**INTERPRETATION:**

From the data above we can see that for the majority of the retailers the stock is supplied on time with a maximum of 87%.

For the remaining outlets the stock is not supplied on time due to the factor that they are located at far places from the distribution point.

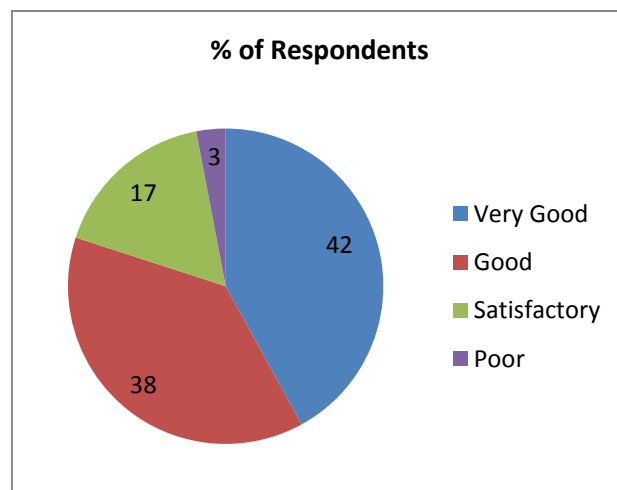
**Table -12 : RETAILER PERCEPTION TOWARDS LONDON DAIRY ICE CREAMS**

S.No	Response	Respondents	% of Respondents
1	Very Good	63	42
2	Good	57	38
3	Satisfactory	26	17
4	Poor	4	3
		150	100

**INTERPRETATION:**

The majority of the retailer's perception towards London dairy ice creams is very good with maximum of 42%

The Remaining retailer perception toward the ice creams good with 38%, satisfactory 26% and poor 4% respectively.





**Table- 13 : SUPPLY DONE TO THE RETAILER**

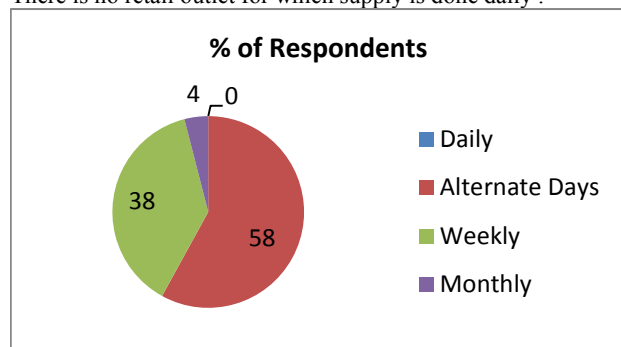
S.No	Response	Respondents	% of Respondents
1	Daily	0	0
2	Alternate Days	87	58
3	Weekly	57	38
4	Monthly	6	4
		150	100

**INTERPRETATION:**

From the survey it is seen that for most of the retailers the supply is done in the alternative days covering a maximum of 58%.

To other retailers the supply is done weekly with 38% and for some retailers the supply is done monthly.

There is no retail outlet for which supply is done daily .

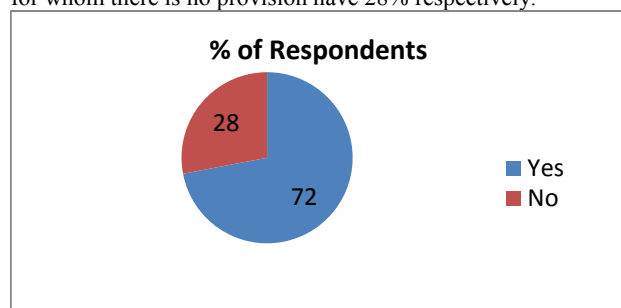
**Table 14 : PROVISION OF THE SAFETY STOCKS TO THE RETAILERS**

S.No	Response	Respondents	% of Respondents
1	Yes	108	72
2	No	42	28
		150	100

**INTERPRETATION:**

The survey shows that for the maximum numbers of retailers there is provision for the safety of the stocks.

The retailers who have the provision cover 72% and to those for whom there is no provision have 28% respectively.

**LIMITATION OF THE STUDY**

- The survey was restricted to sample size of only 150 respondents of Dubai. The options cannot be taken for granted.
- The sample size of 150 respondents is itself a limitation.
- The survey was conducted in a very short span of time.
- Questionnaire preparation, data collection, analysis and interpretation of the results demand expertise and professionalism. An attempt has been made, the result may not be accurate but certainly beneficial for the organization.

**FINDINGS**

Out of survey of 150 consumers the summary of findings are as follows:

1. The majority of the respondents are within the age group of 15 to 25 years with the frequency of 81% among them 53% of respondents belongs to student's community.
2. The frequency of consumption of ice creams by the individuals in alternative days is 42% and weekly it is 38%.
3. The ranking of likable attributes for the consumption of ice cream is very good with respect to taste and flavors.
4. From the above findings it is clear that most of the consumers go for the taste and freshness.
5. According to the survey it is found that majority of the respondents would like to have chocolate flavor with frequency of 34% and 22 % of the consumers would like to have more than one flavor.
6. Most of the respondents are very much happy with the taste of the London dairy ice cream.
7. The options of the consumers regarding the availability of ice cream is positive is 47%
8. According to the survey it is found that majority of the respondents consuming go for the economical packs
9. From the survey it is observed that most of the respondents willing to consume ice creams at any time are very limited.
10. The brand awareness about ice cream is very good comparing to many others in the market

**SUGGESTIONS**

- It is observed that the maximum number of respondents is from the age group of 15-35 years. That's the reason most of the companies target their products to youth in general. Hence the youth should be targeted in the advertising.
- Advertising should be done more aggressively through different media such as print, press, radio and television for more effective sales
- Since there is tremendous growth in the retailing industry, there is need to have exclusive ice cream parlors. The exterior and the interior décor have to be so designed that can really create a unique ambience which portrays the company's image. Such parlors can be opened in every downtown area.
- Addition of new ingredients ( more dry fruits and flavors) can be improved
- It can also concentrate on older people with low sugar contents
- More promotional offers should be given on the special occasions.
- To increase the sales promotional activities such as attractive schemes can be launched such as 20% extra on family packs .

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**QUESTIONNAIRE****A PROJECT ON CONSUMER PERCEPTION AND MARKET POTENTIAL WITH  
RESPECT TO LONDON DAIRY ICE CREAM****PART –A****CUSTOMER DATA**

1	Name of the respondent								
2	Age								
3	Sex	Male				Female			
4	Occupation	Students		Employee		Business		Others	

**CUSTOMER SURVEY**

5	Are you aware of London dairy ice cream?					Yes		No	
6	Have you ever consumed London dairy ice cream before?					Yes		No	
7	How frequently do you consume?								
	Daily		Alternative Day		Weekkly		Others		
8	Where do you like to have London dairy ice creams?								
	Parlors		Grocery Stores		Hyper Market		Bakery		Food Courts
9	What is that you particularly like about London dairy ice creams?								
	Taste		Freshness		Flavor		Price		Avaibility
10	What are your most preferred flavors of London dairy ice creams?								
	Vanilla		Chocolate		Strawbery		Butter Scotch		Others
11	Are you satisfied with pricing strategy of London dairy ice creams?					Yes		No	
	If any other brand of ice cream is available in market which would you prefer?					(a)		(b)	
12	(a)	More quality (1, 2, 3, 4, 5 )							
	(b)	Price (1, 2, 3, 4, 5 )							
	(c)	Taste (1, 2, 3, 4, 5 )							
	(d)	Avaibility(1, 2, 3, 4, 5 )							
13	On what occasion do you like to have an ice cream?								

**PART - B****RETAIL SURVEY**

1	Name of the Parlor/Retail outlet:								
2	How many ice creams are you selling per day?								
3	Other then London ice cream what are the other brand mostly preferred by the customers?								
4	What is the preference of the customer on London dairy ice cream?								
	Price		Taste		Ambiance		Avaibility		Others
5	Is their timely availability of stocks?						Yes		No
6	Any motivating factors provided by the company to the dealers?								
7	Retailer's perception towards London Dairy Ice Cream?								
8	How is the supply done?								
	Daily		Alternative Day		Weekly		Monthly		
9	Is there any provision for the Retailers provided by the company for the safety of the products supplied (during supply failure)?								
10	What are the steps taken by you for the feedback from the customers?								

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