

## A Comprehensive Analysis on Customer Satisfaction and Preference with Special Emphasis on Lovely Foods, Doddaballapur, Bangalore Rural

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### Keywords

*Customer Satisfaction, Brand Loyalty, Consumer Preferences, FMCG (Fast-Moving Consumer Goods) Industry, Customer Retention, Perceived Value, Quality Assurance, Customer Loyalty*

### Abstract

Customers' choices and satisfaction levels with Lovely Foods, a niche FMCG brand that specializes in traditional South Indian snacks, are critically examined in this study. Lovely Foods has a devoted following thanks to its genuine recipes and focus on quality, but it competes in a sector where changing consumer demands provide both opportunities and problems. The study used a mixed-methods approach, combining qualitative interviews and structured surveys to investigate how well customers' expectations and experiences with the brand match up. The study aims to evaluate customer satisfaction levels, pinpoint important factors that influence customer loyalty, and suggest focused tactics for raising general satisfaction and retention. The results show that consumers place a high value on Lovely Foods' products' flavour and calibre, which stand out as the main factors influencing customer happiness. The report does, however, also point out important areas that require improvement, such as the need for more aesthetically pleasing and environmentally friendly packaging, improved pricing schemes to cater to a range of consumer demographics, and more product availability to guarantee uniformity across markets. The report ends with practical suggestions for filling in these gaps. Lovely Foods may strengthen its position in the market and cultivate long-term client loyalty by expanding its product line, modernizing its packaging to suit contemporary consumer tastes, and optimizing its supply chain. This study offers the brand a road map for navigating the cutthroat FMCG market while adhering to its key principles of authenticity and quality.

## INTRODUCTION

Businesses in today's cutthroat FMCG (fast-moving consumer goods) sector must comprehend customer preferences and satisfaction if they are to succeed and expand over the long run. The ongoing need for innovation and adaption to quickly shifting consumer needs is what propels the FMCG industry. Businesses must work to meet or beyond customer expectations in this setting, which are influenced by marketing tactics, referrals from peers, and prior experiences. As a result, consumer decision-making revolves around customer pleasure, which affects both brand loyalty and repeat business.

It is crucial for Lovely Foods, a company that specialized in traditional South Indian snacks, to match its products with the tastes of its target market. In addition to ensuring customer retention, the company's capacity to comprehend and satisfy customer expectations will draw in new business. Businesses like Lovely Foods must remain ahead of the competition by providing premium goods that satisfy changing consumer tastes as the market gets more competitive and consumer choices increase. Meeting fundamental expectations is only one aspect of customer satisfaction; another is cultivating enduring connections with customers and encouraging repeat business. Satisfied consumers are more inclined to refer items to others in the FMCG industry, fostering a positive word-of-mouth and loyalty loop. To be relevant, Lovely Foods must continue to produce high-quality, consistent, and original products and sustaining growth in this competitive market.

## RESEARCH METHODOLOGY

### Statement of the Problem

The research examines the disparity between customer expectations and their actual satisfaction with Lovely Foods' products and services. The study addresses how these gaps influence brand loyalty and overall customer retention.

### Objectives of the Study

The primary objectives of the study are:

1. To assess the satisfaction levels of customers with Lovely Foods' products and services.
2. To identify the key factors influencing customer preferences and brand loyalty.
3. To provide actionable recommendations for improving customer satisfaction and fostering loyalty.
- 4.

### Data Collection

To accomplish its goals, the study combines primary and secondary data sources. 200 respondents who are Lovely Foods consumers participated in structured surveys to gather primary data. These questionnaires gather comprehensive information about the preferences, experiences, and satisfaction levels of customers. Company reports, industry assessments, and scholarly works on customer satisfaction, loyalty, and trends in the FMCG industry are the main sources of secondary data. This two-pronged strategy offers a thorough comprehension of the elements impacting client retention and satisfaction.

### Sampling Design

Convenience sampling is used in the study to choose participants, with an emphasis on clients who are available and eager to offer input. 200 respondents make up the sample size, which is thought to be adequate to reflect the clientele and provide insightful statistical and qualitative data. Customers of Lovely Foods who live in Kerala and the

neighbouring areas, where the brand is well-known, are included in the sample frame. A thorough examination of customer satisfaction in the brand's primary operational domains is made possible by this geographic focus.

## REVIEW OF LITERATURE

It has long been known that customer loyalty and happiness are important factors in corporate success, especially in the FMCG industry. Numerous studies have pinpointed important determinants of these variables, emphasizing the fundamental role that ethical considerations, trust, value perception, and product quality play in influencing consumer behaviour. According to the research, companies need to go above and beyond to satisfy consumers in order to build enduring relationships that result in recurring revenue and brand loyalty.

**Younis, M., Khan, M. S., and Ali, R. (2023):** Highlighted the importance of exceeding customer expectations and providing personalized services for fostering long-term loyalty. They emphasized that loyalty is not just transactional but relational, built on sustained positive experiences.

**Tanjung, F., and Hanif, M. (2021):** Argued that while digital tools enhance satisfaction in customer interactions, human touch remains crucial for emotional connection and loyalty. They suggested a balanced approach to technology and personalization.

**Lassfolk, T. (2020):** Found that consistent service quality and well-trained employees are pivotal in retaining customers, especially in service-based industries like cleaning and hospitality. **Chen, Y., and Wang, Z. (2022):** Stated that in e-commerce, timely delivery and product quality significantly impact customer satisfaction and repeat purchases.

**Hussain, S., and Ali, M. (2023):** Stressed that, especially in the cutthroat e-commerce industry, interacting with customers through tailored post-purchase communications and tactics increases loyalty.

**Zhang, L., and Wang, J. (2022):** Promoted value-driven initiatives after identifying perceived value as a crucial component impacting both happiness and loyalty in the online retail environment.

**Kumar, R., and Jones, A. (2021):** It was discovered that brand trust and ethical business methods had a big influence on customer loyalty in the fast-fashion sector, particularly among younger audiences.

**Peterson, D., and Singh, S. (2022):** This study emphasized the growing significance of social media engagement in fostering deeper connections between brands and their customers, suggesting that brands actively engage with customers to foster deeper connections.

**Patel, S., and Shah, P. (2021):** Discussed how trust, which is built through transparent communication and dependable services, drives satisfaction and loyalty In the banking sector.

**Lee, Y., and Choi, J. (2023):** Found that competitive pricing and high service quality are the main drivers of loyalty in the mobile telecommunications industry.

**Lee, S., and Kim, H. (2020):** This study stated that loyalty for airlines depends on whether the customer values premium experiences in full-service airlines or cost savings in low-cost carriers.

## DISCUSSION AND SYNTHESIS

The body of research indicates that a variety of characteristics, such as value perception, trust, and ethical behaviour, affect consumer happiness and loyalty rather than just product quality or pricing. FMCG companies need to understand that consumers nowadays are seeking brands that reflect their values and offer a sense of security and confidence, rather

than just utilitarian items. Companies that succeed in these areas are more likely to develop a devoted clientele, which may lead to long-term success.

These observations are quite pertinent to Lovely Foods. Lovely Foods must keep providing high-quality items and concentrate on establishing trust with its clients via openness and reliable delivery in order to increase customer happiness and encourage loyalty. Furthermore, meeting the rising need for ethical and sustainable business practices could improve the brand's standing in the marketplace. These studies underline that product quality, trust, and innovation are pivotal in shaping customer preferences and satisfaction, which are also core themes of this research.

## DATA ANALYSIS AND INTERPRETATION

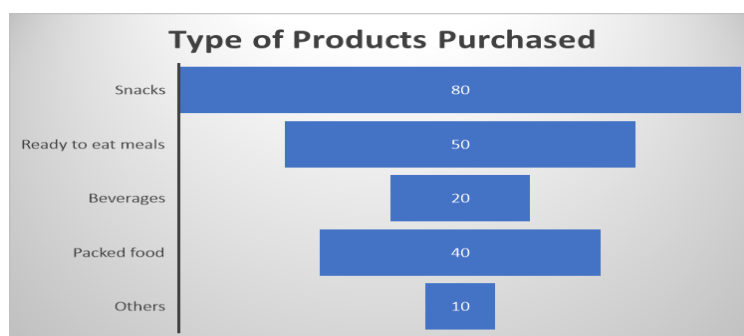
### Demographic Analysis

Lovely Foods' clientele is diverse, according to the respondents' demographic profile. Young individuals between the ages of 18 and 25 make up the biggest percentage of responders (30%), followed by middle-aged groups (26–50 years). Men make up 45% of the responses, while women make up 50%, indicating a fair gender distribution. Just 5% of respondents did not specify their gender. The brand's appeal to middle-class consumers is reflected in the fact that a sizable fraction of respondents (30%) makes between ₹30,000 and ₹50,000 per month. With a minor preponderance in the middle-aged and middle-income demographics, Lovely Foods appears to serve a wide range of age and economic groups, as seen by its diverse clientele.

### 4.1 CUSTOMER PREFERENCES

Category	Option	Response Count
Type of Products Purchased	Snacks	80
	Ready-to-eat meals	50
	Beverages	20
	Packaged food	40
	Others	10

Table no 4.1



Graph no 4.1

## ANALYSIS

According to survey data, 40% of respondents favour snacks, making them the most popular product category. Next in line are packaged goods at 20% and ready-to-eat meals at 25%. Snack preference suggests that Lovely Foods' primary customer base leans toward convenience food items. According to 35% of respondents, Lovely Foods' superior products were the primary factor in their decision. According to 20% of respondents, price was a secondary consideration when making purchases.

These results emphasize how crucial it is to keep product quality excellent while keeping prices competitive in order to draw in budget-conscious customers.

### 4.2 CUSTOMER SATISFACTION

Category	Option	Response Count
Satisfaction with Product Quality	Very satisfied	80
	Satisfied	70
	Neutral	30
	Dissatisfied	15
	Very dissatisfied	5

Table no 4.2



Graph no 4.2

## TESTING

### One Sample t-test

#### Satisfaction of Customer Service at Lovely Foods

##### Response Data from Table 4.2

Satisfaction with Customer Service	Responses	Numerical Value	Total Score
Very satisfied	60	5	300
Satisfied	70	4	280
Neutral	40	3	120
Dissatisfied	20	2	40
Very dissatisfied	10	1	10
<b>Total</b>	<b>200</b>		<b>750</b>

Table 4.2.1

## HYPOTHESIS

**H0:** The mean satisfaction score is equal to 3

**H1:** The mean satisfaction score is not equal to 3

## T-test Results

Statistic	Value
Sample Size(n)	200
Sample mean(xbar)	3.75
Hypothesized Mean	3
Standard Deviation(S)	1.14
T-statistic(t)	9.304
Degrees of Freedom	199
alpha	0.05
T-critical value(for two tailed)	1.972
p-value	0

**Table 4.2.2**

## INFERENCE

$T_{cal}(9.304) > T_{crit}(1.972)$ . Hence, the null hypothesis H0 is rejected and alternate hypothesis H1 that the mean satisfaction score for customer service at Lovely Foods is not equal to 3(neutral) is accepted.

## INTERPRETATION

- **T-statistic:** The computed t-value (9.304) shows a highly significant departure from the neutral mean, indicating that those surveyed are considerably happier with the customer service.
- **p-value:** A p-value below 0.001 indicates that the mean satisfaction score is much greater than the neutral level, providing strong evidence against the null hypothesis.
- **Conclusion:** The majority of clients gave good reviews, and the overall score of 750 shows great satisfaction overall. Still, a minority expresses dissatisfaction, suggesting that their problems may be better addressed.

## ANALYSIS

According to 40% of respondents, they were "very satisfied," and 35% said they were "satisfied." 70% of respondents were satisfied with the packaging, however 15% pointed out problems with its appearance and durability. 15% expressed dissatisfaction, suggesting opportunity for improvement, even though 70% thought the pricing was fair or great

## STATISTICAL ANALYSIS

Additional information regarding brand loyalty and customer satisfaction is provided by the survey's quantitative analysis. 75% of respondents said they were pleased or extremely satisfied with the product quality, demonstrating that it is a crucial component of the brand's value proposition and a major driver of consumer loyalty. According to 75% of participants, they were likely or very likely to suggest the brand to others, indicating the possibility of significant organic customer acquisition and word-of-mouth growth.

### 4.3 BRAND LOYALTY

<b>Brand Loyalty</b>	Yes, I always buy Lovely Foods' products	70
	Yes, but I sometimes try other brands	60
	No, I buy from multiple brands equally	40
	No, I rarely buy Lovely Foods' products	30

Table no 4.3



Graph no 4.3

### ANALYSIS

A significant 75% of respondents said they would suggest Lovely Foods to others, demonstrating the high level of brand loyalty. 15% of respondents, however, stated that they had experienced problems with items, pointing to areas that needed operational development, especially in relation to consistency in service or product quality. According to 75% of respondents, there is a high probability that they would suggest the brand, suggesting that there is room for substantial organic development and word-of-mouth advertising. The strong degree of customer advocacy indicated by the high likelihood of recommending Lovely Foods is essential for preserving a devoted clientele.

### FINDINGS

According to the study's findings, Lovely Foods has been successful in building a loyal following, as seen by

1. The high percentage of respondents who said they were happy with the products the company offered. With 75% of respondents expressing good or moderate pleasure, product quality was found to be the main factor influencing customer happiness.
2. The brand's primary strength is its main product line of premium snacks. Furthermore, the vast majority of respondents (75%) said they were very likely to refer Lovely Foods to others, indicating that word-of-mouth marketing is essential to the brand's ongoing success.
3. Several areas that needed work, especially with regard to pricing and packaging. Although 70% of consumers expressed satisfaction with the packaging, 15% raised concerns about its appearance and longevity. Similar to this, 15% of respondents were clearly unhappy with the cost, despite the fact that most people thought it was fair. This suggests that a more sophisticated pricing approach is required in order to serve a wider range of customers.

## SUGGESTIONS

1. Several tactics to improve client happiness and encourage loyalty can be suggested in light of the findings. First, the 15% of customers who expressed dissatisfaction might have their issues addressed by enhancing the packaging with an emphasis on sustainability, durability, and beauty.
2. A more aesthetically pleasing and environmentally responsible packaging design would probably appeal to a wider range of consumers, especially those who place a high value on sustainability.
3. The brand may become more appealing to consumers who are price conscious if the pricing strategy is improved to suit a larger spectrum of consumers, particularly those who voiced discontent.
4. More flexibility might be possible by implementing value-based pricing alternatives or tiered pricing. Finally, the company will stay competitive if it keeps up its emphasis on improving customer service and keeping high-quality items.
5. To prevent consumer annoyance, operational enhancements like improved inventory control and steady product availability should also be given top priority. Lovely Foods may improve client retention, boost overall satisfaction, and solidify its market position by putting these suggestions into practice.

## CONCLUSION

In summary, Lovely Foods has successfully positioned itself in the cutthroat FMCG industry by emphasizing product quality, which continues to be the foundation of client loyalty and happiness. The high probability of customers suggesting the brand to others demonstrates effective brand advocacy and the company's significant growth potential. Notwithstanding these advantages, there are still certain crucial elements that need focus, such as pricing and packaging design. In addition to increasing customer satisfaction, closing these gaps will improve the company's standing in the marketplace. Lovely Foods has a solid basis overall, and it may grow its clientele and market share even more with smart upgrades.

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