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Parle-G Internship

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Consumer Behaviour of Parle-G

Parle-G, a popular Indian biscuit brand, holds a significant position in the Indian consumer market. Manufactured by Parle Products, Parle-G has become a household name and a favourite among consumers of all age groups. The brand's success can be attributed to its strong brand identity, consistent quality, affordability, and emotional connection with the Indian masses.

Parle-G was first introduced in 1939 as a nutritionally fortified biscuit during a time when India was under British colonial rule. The biscuit was designed to provide essential nourishment to the masses at an affordable price. Over the years, Parle-G has evolved into an iconic brand, deeply ingrained in the cultural fabric of the country.

INTRODUCTION

One of the key reasons for Parle-G's popularity is its wide availability across India. It is found in almost every grocery store, making it easily accessible to consumers in rural as well as urban areas. The affordable pricing of Parle-G has made it a preferred choice for consumers belonging to diverse socio-economic backgrounds.

Parle-G's packaging design has remained relatively unchanged for decades, which has contributed to its strong brand recognition. The yellow and blue wrapper with the iconic girl's image has become synonymous with the brand. This consistency in packaging has created a sense of familiarity and trust among consumers.

Another factor that has influenced Parle-G's success is its taste and texture. The biscuit has a unique combination of sweetness and a slightly rough texture that appeals to the Indian palate. Its versatility allows it to be consumed as a standalone snack or paired with tea, milk, or other beverages.

Parle-G has also tapped into the emotions of its consumers, positioning itself as a brand that evokes nostalgia and memories of childhood. The brand's advertisements often showcase the emotional bond between family members and the joy of sharing moments over a pack of Parle-G biscuits. This emotional connection has further strengthened its brand loyalty among consumers.

In recent years, Parle-G has embraced digital marketing to reach a wider audience and engage with younger consumers. The brand has leveraged social media platforms, influencer collaborations, and creative campaigns to stay relevant and connect with evolving consumer preferences.

Studying consumer behaviour related to Parle-G can provide valuable insights into factors such as brand loyalty, purchasing decisions, emotional associations, and the impact of nostalgia on consumer choices. Parle-G's success story exemplifies the interplay between cultural factors, affordability, taste preferences, and emotional branding in shaping consumer behaviour.

ECONOMIC ASPECT

Parle-G can be considered an inferior good based on its income elasticity of demand. As mentioned earlier, when consumers' incomes rise, they tend to shift towards higher-quality biscuits or snacks. Parle-G, being a more affordable option, experiences a decrease in demand as income increases. Conversely, during periods of economic downturn or when incomes decrease, the demand for Parle-G may increase as consumers opt for more cost-effective food options. Hence, as this was the case, Parle-G has introduced different biscuits and goods which would cater to a higher income class. Although, the good Parle-G is an inferior good, different goods introduced by the company such as Hide and Seek are not considered as an inferior good. In the case of Parle-G, as people's incomes increase, they often switch to higher-quality biscuits or snack alternatives, resulting in a decline in demand. However, during times of economic hardship, when individuals have lower purchasing power, the demand for Parle-G may rise as it provides a more affordable option.

Changes in demand directly affect the sales volume of Parle-G biscuits. An increase in demand results in higher sales and revenue for the company, while a decrease in demand leads to lower sales and revenue. These fluctuations can impact the financial health and profitability of Parle-G. Changes in demand require adjustments in production levels to meet consumer needs. During periods of high demand, Parle-G may need to increase its production capacity to ensure an adequate supply of biscuits to the market. On the other hand, when demand decreases, the company may need to scale down production to avoid excess inventory or wastage.

Changes in demand can affect Parle-G's market share. If demand for Parle-G increases, the company can gain a larger market share, potentially outperforming competitors. Conversely, a decrease in demand may result in a loss of market share as consumers shift to alternative brands or products. Changes in demand can impact pricing strategies and profitability for Parle-G. During periods of high demand, the company might have the opportunity to increase prices, boosting profitability. Conversely, when demand decreases, Parle-G may face pressure to reduce prices to stimulate demand, potentially impacting its profit margins.

Changes in demand may necessitate adjustments in marketing and branding strategies for Parle-G. In response to changing consumer preferences or competition, the company might need to invest in marketing campaigns to maintain or enhance its brand image and attract consumers. Effective marketing initiatives can help stimulate demand and drive sales. Changes in demand can also influence Parle-G's focus on innovation and product development. By closely monitoring consumer demand and preferences, the company can identify opportunities to introduce new product variants, packaging, or healthier options to cater to evolving consumer needs.

EVOLUTION OF PARLE-G

Parle-G was the world's largest-selling biscuit brand by 2003. Founded in 1929, the brand has been operating for 94 years. Parle-G has evolved over the 94 years, ranging from selling biscuits, confectionery, snacks and cereals, hence, this is because of consumer behaviour.

Parle-G has successfully tapped into consumer behaviour by offering both premium snacks and snacks for low-income consumers, catering to their diverse preferences and purchasing power, this is due to the evolution of Parle-G. Over the last 94 years, the world has become more modernized, and the taste and preferences of people have changed, and as a consumer-good business, Parle-G had to adapt to that.

In response to consumer behaviour trends, Parle-G recognized the growing demand for premium snacks among consumers who seek indulgent and luxurious taste experiences. By introducing products like Hide & Seek and Krackjack, Parle-G addressed the needs of these consumers and positioned itself as a brand that offers high-quality, premium snacking options. This strategy aligns with the evolving consumer behaviour that emphasizes the desire for variety, quality, and the willingness to pay a higher price for unique and indulgent snacking experiences.

On the other hand, Parle-G also acknowledged the importance of affordability and accessibility in catering to a wider consumer base. By continuing to produce the original Parle-G biscuit at an affordable price point, and offering smaller pack sizes, Parle-G ensures that its products are accessible to low-income consumers. This approach takes into account the consumer behaviour of price-conscious individuals and households who prioritize budget-friendly snack options.

Parle-G's ability to understand and adapt to different consumer behaviours and preferences has been instrumental in its success. By diversifying its product portfolio to include premium snacks while still providing affordable options, Parle-G has effectively captured and retained the loyalty of consumers across various income groups. This consumer-centric approach

has allowed the brand to maintain its market presence and resonate with a wide range of consumers, contributing to its continued growth and popularity in the biscuit industry.

By diversifying its product portfolio, Parle-G has been able to capture a broader consumer base and cater to different taste preferences. The introduction of various biscuit variants has allowed Parle-G to maintain its position as a leading biscuit brand in India while adapting to changing consumer behaviour and market demands.

With taste and preferences and modernization, there has been a growing emphasis on health and wellness, and consumers began to prioritize healthier snack options. Parle-G responded to this trend by introducing products like Parle-G Gold, which contains less sugar and incorporates wheat and milk ingredients for added nutritional value. This adaptation enabled Parle-G to cater to health-conscious consumers while maintaining its brand identity.

India is a diverse country with distinct regional tastes and preferences, to cater to India as a whole, Parle-G adapted its product offerings to suit regional demands. For example, the brand introduced biscuits like Parle-G Elaichi, Parle-G Coconut, and Parle-G Sour Cream & Onion to cater to specific regional flavour profiles. This localized approach helped Parle-G expand its consumer base across different regions of India.

Parle-G also evolved its packaging and branding strategies to resonate with consumers. The company introduced attractive and convenient packaging options like small pouches, family packs, and travel-friendly packs to meet the diverse needs of consumers. Additionally, Parle-G revamped its brand communication to connect with younger audiences through digital marketing, social media campaigns, and brand associations.

To leverage its strong brand equity, Parle-G ventured into non-biscuit segments. The company expanded its product range to include confectioneries, snacks, and beverages. This strategic move allowed Parle-G to diversify its offerings and tap into the growing demand for convenient, on-the-go snacking options.

COVID-19 IMPACT

The COVID-19 pandemic had a significant impact on consumer behaviour across various industries, including the food and consumer goods sector. During the pandemic, many consumers faced lockdowns, social distancing measures, and other restrictions, which led to changes in their purchasing patterns and preferences. Unlike other brands around the world, as Parle-G is a consumer good business, it benefited from the pandemic. Due in part to the popularity of Parle-G biscuits among those stocking up their pantries during the epidemic, the company has increased its market share in the fiercely competitive biscuit market to roughly 5% (*PTI*).

Other biscuits were not far behind Parle-G in terms of sales, which were also record-breaking. According to Parle-G specialists who spoke to the daily, sales of biscuits at all price points, including Parle's Monaco, Hide & Seek, and Krackjack as well as Britannia's Monaco, Tiger, Bourbon, Marie, and Milk Bikis, increased during the lockdown.

The necessity to increase the production of biscuits with the highest demand was anticipated by biscuit makers. Parle Products concentrated on creating Parle-G, its best-selling low-value product because it anticipated strong demand from all consumer segments. According

to the Daily, the corporation quickly modified its distribution systems to make sure that the product is accessible at all retail locations.

Parle-G became people's go-to option and, for some, their only available meal choice. When individuals can't afford bread, they should buy Parle-G. Numerous state governments also ordered biscuits, and numerous NGOs also made sizable purchases.

In the early stages of the pandemic, consumers engaged in stockpiling and panic buying, leading to a surge in demand for essential goods, including food products like biscuits. Parle-G, being an affordable and long-shelf-life product, may have experienced increased demand during this period. With physical retail stores temporarily closed or operating with limitations, consumers turned to online shopping to fulfil their needs. This shift to e-commerce platforms affected the purchasing behaviour of consumers, who now had access to a wide range of products, including biscuits, from the comfort of their homes. The pandemic brought a heightened awareness of health and hygiene among consumers. This led to an increased demand for products that were perceived as healthier or offered immune-boosting properties. Some consumers may have shifted their preferences to biscuits with healthier ingredients or those marketed as healthier alternatives.

With more people staying at home due to lockdowns and remote work setups, there was a rise in home cooking and snacking. Consumers looked for convenient and versatile options, such as biscuits, to fulfil their snacking needs while working or spending time at home. The economic

impact of the pandemic, including job losses and financial uncertainties, affected consumer spending habits. Some consumers became more price-conscious and opted for value-for-money products like Parle-G biscuits, known for their affordability.

CONSUMER BEHAVIOUR

Income status has a significant impact on the consumption of Parle-G biscuits. Parle-G is known for its affordability, making it a popular choice among consumers with lower income status.

Here's how income status affects Parle-G:

Parle-G is priced at a relatively lower cost compared to many other biscuit brands, making it an affordable option for consumers with limited financial resources. Lower-income individuals and households often seek cost-effective food options, and Parle-G fits within their budget constraints. Parle-G offers a good value proposition for its price. The biscuits come in large packs at an affordable price point, providing a higher quantity for the money spent. This value-for-money aspect is particularly appealing to consumers with lower income status, as it allows them to get more for their limited budget. Parle-G has a wide distribution network and is available in various retail outlets, from small neighbourhood stores to larger supermarkets. This accessibility ensures that consumers with lower income status, who may have limited access to more expensive or specialized products, can easily find and purchase Parle-G biscuits. Parle-G has a long shelf life, which is advantageous for consumers with lower income status who may need products that can be stored for longer periods. This feature allows them to buy in bulk and stock up on Parle-G, ensuring a ready supply of affordable snacks for a longer duration. Parle-G

has established a strong brand presence and a loyal consumer base over the years. Consumers with lower income status, who have been consuming Parle-G for a long time, often develop a sense of familiarity and loyalty towards the brand. This loyalty drives repeat purchases and ensures a consistent demand for Parle-G.

Consumers play a crucial role in shaping the success and impact of Parle-G biscuits. Their choices, preferences, and behaviours directly influence the demand, sales, and overall perception of the product. Consumer impact on Parle-G can be observed in various aspects: Firstly, consumer demand significantly affects the sales of Parle-G. When consumers perceive Parle-G as a desirable and value-for-money snack option, they are more likely to purchase it. Positive consumer sentiment and demand drive increased sales and revenue for Parle Products. Conversely, if consumers have negative perceptions or find alternative options more appealing, the demand for Parle-G may decline, impacting its sales and market share.

Secondly, consumers have the power to shape the brand reputation of Parle-G. Through their feedback, reviews, and word-of-mouth recommendations, consumers influence how Parle-G is perceived in the market. Positive experiences and favourable consumer reviews enhance the brand's reputation, attracting new consumers and driving repeat purchases. On the other hand, negative reviews or poor consumer experiences can tarnish the brand's image and lead to a decline in consumer trust and loyalty.

Consumer preferences also play a role in product innovation and adaptation. Parle Products considers consumer feedback when introducing new variants or modifying existing products. Insights regarding taste preferences, packaging, ingredients, or health concerns can prompt the company to make adjustments to the product to better align with consumer preferences. This consumer-centric approach ensures that Parle-G stays relevant and appealing to its target market. Marketing and promotion efforts are another area where consumers exert influence. Consumer response to advertising campaigns, brand positioning, and targeted marketing strategies can determine the success of Parle-G. Effective marketing initiatives that resonate with consumers, such as highlighting affordability, taste, or nostalgia associated with Parle-G, can drive consumer interest and engagement. Consumer receptiveness to these marketing efforts ultimately translates into increased sales and market penetration for Parle-G.

Consumer behaviour and consumption patterns also shape the impact of Parle-G. Understanding consumer snacking habits, consumption frequency, and usage occasions enables Parle Products to tailor its product offerings and marketing strategies accordingly. For instance, if consumers are increasingly inclined toward healthier snack options, Parle-G may explore introducing healthier variants or promoting its nutritional benefits to cater to changing consumer preferences.

Parle-G biscuits have a notable impact on the economy due to their production, consumption, and contribution to various economic factors.

Firstly, the production of Parle-G biscuits generates economic activity. The manufacturing process of Parle-G involves the use of resources such as labour, raw materials, and machinery,

which creates employment opportunities. The production facilities require a workforce, ranging from factory workers to administrative staff, contributing to job creation and income generation. Secondly, the sale and consumption of Parle-G biscuits contribute to economic growth. The revenue generated from the sales of Parle-G adds to the gross domestic product (GDP) of a country. Increased consumption of Parle-G leads to higher demand, which, in turn, drives production and business activities. This increased economic activity positively impacts overall economic growth and development.

Thirdly, the production and distribution of Parle-G biscuits generate tax revenue for the government. Governments typically levy taxes on the production, sale, and consumption of goods, including biscuits. The taxes collected from Parle-G sales contribute to government revenue, which can be used for public services, infrastructure development, and welfare programs. This revenue stream plays a role in funding essential government initiatives that benefit society.

Furthermore, Parle-G's popularity and market presence contribute to trade and export activities. Parle Products, being an established brand, often engages in domestic and international trade. Parle-G biscuits are exported to various countries, contributing to foreign exchange earnings. These export activities promote economic integration, increase export revenues, and foster trade relationships between countries, thereby benefiting the overall economy.

Parle-G also plays a role in meeting consumer demand and addressing food security. As an affordable and widely available product, Parle-G serves as a staple food item for many households, particularly those with lower income status. The availability of an affordable and nutritious snack option like Parle-G helps in ensuring food accessibility and affordability for a significant portion of the population.

CONCLUSION

In conclusion, the study of consumer behaviour for Parle-G biscuits provides valuable insights into the factors that influence consumer choices and preferences. Throughout the report, we have examined the impact of income status on Parle-G, the influence of consumers on the product, and the implications of Parle-G on the economy.

The affordability of Parle-G makes it an attractive option for consumers with lower income status, positioning it as a household staple in many families. Its accessibility, value for money, and long shelf life further contribute to its popularity and widespread consumption among diverse consumer segments.

Consumers have a direct impact on Parle-G through their purchasing decisions, brand perception, and feedback. Positive consumer sentiment and demand drive sales and revenue, while consumer loyalty and word-of-mouth recommendations contribute to the brand's reputation and sustained success. Parle Products' responsiveness to consumer preferences ensures that the product remains relevant and aligned with evolving consumer needs.

Furthermore, Parle-G's impact extends beyond individual consumers. Its production and consumption contribute to economic growth, employment generation, tax revenue, and trade activities. The popularity of Parle-G as a household staple emphasizes its role in addressing food accessibility and affordability for a significant portion of the population.

Understanding consumer behaviour for Parle-G provides valuable insights for marketers and strategists. By catering to consumer preferences, adapting to changing trends, and effectively communicating the value proposition, Parle Products can continue to thrive in a competitive market and maintain its position as a leading biscuit brand.

Overall, the study of consumer behaviour for Parle-G highlights the significance of consumer preferences, perceptions, and purchasing decisions in shaping the success, market presence, and economic impact of the product. It emphasizes the importance of consumer-centric strategies in driving sales, fostering brand loyalty, and sustaining growth in the dynamic consumer goods industry.

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