THE IMPACT OF CONTROVERSY OF “NESTLE’S MAGGI” ON CONSUMERS AND THE COMPANY

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Abstract

As consumers, we play a vital role in the health of the economy local, national or international. The decisions we make concerning our consumption affect the demand. Maggi is an international brand of seasonings, instant soups and noodles owned by NESTLE since 1947. The Maggi controversy has shattered many hearts, as found MSG and Lead more than standard limit. This paper shows the impact of controversy on the consumer mind set and the company itself. Reeling under the Maggi ban, Nestle India had reported 60.1 per cent decline in standalone net profit at Rs 124.20 crores for the third quarter ended September, 2015. Fall in share prices and panic in the market etc. But after coming back, it was concluded from the study that Maggi is the most preferred noodle brand among noodle consumers. 82% people still trust Maggi beside all the adulteration and controversy. The study showed that beside the entire quarrel faced by Maggi, consumer’s opinion about their loved product didn’t change much. They kept supporting and were eager for its comeback. Infect only 28% people witnessed variation in their consumption while all this controversy had no impact over the consumption pattern on rest of the population.

Keywords: Maggi, Controversy, consumers

1.1 INTRODUCTION

As consumers, we play a vital role in the health of the economy local, national or international. The decisions we make concerning our consumption affect the demand. All marketing starts with the consumer. So consumer is a very important person to a marketer. Consumer decides what to purchase, for whom to purchase, why to purchase, from where to purchase and how much to purchase.

1.1.1 Nestle

Nestle originated in a 1905 merger of the Anglo-Swiss Milk company, which was established in 1866 by brothers George Page and Charles Page, and the Farine Lactee Henri Nestle Company, which was founded in 1866 by Henri Nestle, whose name meant “little nest”. The company grew significantly during the First World War and following the Second World War, eventually expanding its offerings beyond its early condensed milk and infant formula products. Today, the company operates in 86 countries around the world and employs nearly 283,000 people.

Nestles’ products

Nestle has 64 brands, with a wide range of products across a number of markets, including coffee, bottled water, milkshakes and other beverages, breakfast cereals, infant foods,
performance and health care nutrition, seasonings, soups and sauces, frozen and refrigerated foods and pet food.

**Sales per category in CHF**

- 20.3 billion powdered and liquid beverages
- 16.7 billion milk products and ice cream
- 13.5 billion prepared dishes and cooking aids
- 13.1 billion nutrition and health science
- 11.3 billion pet care
- 9.6 billion confectionery
- 6.9 billion water

**Percentage of sales by geographic area breakdown**

- 43% from Americas
- 28% from Europe
- 29% from Asia, Oceania and Africa

According to a 2015 global survey of online consumers by the Reputation Institute, nestle has a reputation score of 74.5 on a scale of 1 – 100.

1.1.2 Maggi

Maggi is an international brand of seasonings, instant soups and noodles owned by NESTLE since 1947. The original company was founded in Switzerland in 1872 by Julius Maggi. Maggi is a leading culinary brand, which is today known worldwide for quality and innovation. Nestle offers a whole range of products, such as packaged soups, frozen meals, prepared sauces and flavorings.

Maggi noodles were launched in India in the early 1980’s. Carlo M. Donati, chairman and managing director of Nestle India Ltd, brought the instant noodle brand to India during his short stint here in the early eighties. At that time, there was no direct competition.

**Market Share**

![Maggi's market share in noodles category](image)

Fig 1
Products of Maggi

- NOODLES
  - Maggi 2 minute noodles
  - Maggi vegetable atta noodles
  - Maggi cuppa mania
- SOUPS
- SAUCES
- PASTA
- COOKING AIDS

In INDIA and Malaysia, Maggi instant noodles were very popular; Nestle has 39% of the market in Malaysia, where “MAGGI” is synonymous with instant noodles; and had a 90% share in India. In Malaysia, fried noodles made from Maggi noodles are called Maggi goreng.

1.1.3 Maggi controversy

The maggi controversy has shattered many hearts, maggi was not merely a product or a brand in India, Indian consumer who is not unused to suspect food standards, feels a deep sense of betrayal by one of the most trusted food brand in India. In India, Maggi noodle are specifically formulated to serve vegetarians, and carry the green dot. The product in other countries is non-vegetarian, unless imported from India.

FSSAI has noted three major violations
1. Presence of lead detected in the product in excess of the maximum permissible levels of 2.5 ppm.
3. Misleading labeling information on the package reading “No added MSG”.

Testing controversies:
- **MSG** (Monosodium Glutamate): Testing found some MSG in Maggi noodles. The packet stated “No added MSG”. However MSG naturally occurs in hydrolyzed groundnut protein, onion powder and wheat flour. Maggi offered to remove the words “No added MSG” from the package to overcome the objection.
- **LEAD**: Out of the 13 samples tested by Delhi authorities, 10 of them had lead content exceeding this limit. Testing outside of India (Singapore USA) resulted in reports that Maggi noodles are safe. The court mandated testing to be done at three specific laboratories (Punjab, Hyderabad and Jaipur) where Maggi was found safe. Some lead occurs naturally in plants and soil. Some lead is found in Indian spices, although within acceptable limits.

1.1.4 Impact of the Maggi Controversy

Maggi controls nearly 70% of the instant noodles market in India, worth Rs 5000 crore, according to a report by Times of India. It is followed by ITC Sunfeast Yipee, which has a
market share of 18-20%. Hindustan Unilever's Knorr Soupy noodles makes up for the balance share, But after controversy following are the impact of controversy on maggi.

- **Fall in the sales:** As states across the country banned the product, Maggi sales fell 60% across India since the controversy began in the last week of May, according to a Kotak Securities report.

- **Net Profit:** Maggi contributed 30% of Nestle India's Rs 1,185 crore-worth profits in 2014-15, as per the media reports. Reeling under the Maggi ban, Nestle India had reported 60.1 per cent decline in standalone net profit at Rs 124.20 crores for the third quarter ended September, 2015.

- **Fall in Share Price:** Its share price fell nearly 13.5% or by Rs. 941 in the fifteen days to June 10, 2015. Most consumer goods companies have seen single-digit growth in the recent past. Keeping this in mind, the current controversy is only expected to add to Nestle's woes. Revenue growth may weaken in this financial year in the aftermath of the controversy, Kotak said. The Nestle India stock currently trades at 33 times the company's future Earnings per Share (EPS), according to Kotak Institutional Equities report. This means, investors pay 33 times more than the company's expected profit in FY16 to purchase the stock.

- **Panic in the market:** As states across the country banned the product, many retailers took Maggi off the shelves. Some states such as Punjab, Karnataka and Uttarakhand also ordered Nestle to stop production until further orders.

- **Consumer confidence slumps:** Trust plays a major factor when a consumer buys a particular product. With harmful chemicals like lead and MSG found in samples across the country, consumers may feel their health is at stake. This has shaken consumers' confidence.

**In a tangle**

<table>
<thead>
<tr>
<th>Nestle’s net sales</th>
<th>Net profit</th>
<th>Jan 2016</th>
<th>Jan 2015</th>
</tr>
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<tbody>
<tr>
<td>17% 4</td>
<td>52.45% 4</td>
<td>42%</td>
<td>77%</td>
</tr>
<tr>
<td>Rs 8,123 cr</td>
<td>Rs 563.27 cr</td>
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<table>
<thead>
<tr>
<th>Market Share of Maggi</th>
<th>Jan 2016</th>
<th>Jan 2015</th>
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<tr>
<th>Size of instant Noodles Market</th>
<th>Jan 2016</th>
<th>Jan 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. 2000 Cr</td>
<td>Rs. 3,400 Cr</td>
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</table>

*(Jan-Dec 2015)*

Its net sales declined 17 percent to Rs. 8,123 crores and its profit declined 52.45% to Rs. 563.27 crore. Nestle said sales in Asia, Oceania and sub-Saharan Africa (AOA) markets were “overshadowed” by the issue in India.

Market research agency Nielsen's data for January 2016 put Maggi's market share at 42 per cent, 35 percentage points lower than the share of the brand a year ago. The company, however, has gained significant market share since its relaunch on November 9, to beat ITC’s Yippee noodles within two months to regain the top slot in January. Implying there remains significant potential for the brand to regain its lost ground. Yippee had 33 percent market share under review.
At its peak, Maggi’s market share was 77-80 percent. A year ago, Yippee had 14 per cent, according to industry estimates. The jump in a year, therefore, works out to 19 percentage points for Yippee noodles, industry sources said. Nestlé India executives say the gap with its closest rival will widen after the launch of new variants in the coming months. “The response to the masala variant was relaunched in November has been good. We followed this with the popular chicken variant that was unveiled online recently and is now being placed in stores,” said a company executive.

Nestlé has successfully increased the reach of Maggi noodles since last November, when it was totally absent from retail shelves. By the end of November, Maggi could be reached to some half a million outlets, by January, its reach touched 1.4 million retail shops across 27 states and seven Union Territories. Prior to the ban, Maggi noodles used to be supplied to some 3.8 million outlets.

The north, for the record, remains the strongest market for Maggi noodles, followed by the east and west. In a recent interaction, Suresh Narayanan, chairman and managing director of Nestle India, said the company was working on introducing earlier variants as well as new variants of Maggi over the next few months. “We are taking a call on whether all nine variants should be out or whether a few of them should be re-introduced and whether new variants should be rolled out. Our plan is to get the full Maggi portfolio out as quickly as possible. You will see this unfold in the coming months.”

While Nestle has been cutting its losses sequentially - for the three months ended December 2015, the Indian subsidiary reported a 44 percent decline in net profit versus a 60 percent decline in bottom line in the September 2015 quarter - sales growth has been sluggish.

For the December 2015 quarter, Nestle India's net revenue stood at Rs 1,946 crore, higher than what it was in the three months ended September 2015, when net revenue was Rs 1,736 crore, but in line with June quarter revenues of Rs 1,934 crore.

The plan, according to Narayanan, was to quickly restore Maggi sales to pre-ban levels, before moving to other categories. “I will be spending 2016 on expanding the portfolio of the existing categories. Some of the categories that have not delivered as strongly in the past such as chocolates, confectionery and beverages, I will look at new propositions in those segments.”

Nestle India, which took a hit of Rs. 450 crores, including destroying over 30,000 tonnes of the instant noodles since June when it was banned, had stated it would continue with the product’s existing formula and would not change ingredients. India, maker of Maggi noodles, has said it is working on widening the gap with rivals. According to Wan Ling Martello, executive vice president said that it could take three years Nestle BSE to completely recover its Indian revenue.

**1.2 REVIEW OF LITERATURE**
In May 2015, Food Safety Regulators from Uttar Pradesh, India found that samples of Maggi 2 Minute Noodles had unexpectedly high levels of monosodium glutamate, as well as up to 17 times the permissible limit of lead. On June 3, 2015 the New Delhi government banned the sale of Maggi in New Delhi stores for 15 days due to these findings. Since June 4, 2015 after tests carried out at the state public health laboratory concluded the particular variety to contain added MSG and excessively high lead content. Some of India’s biggest retailers like Future Group which includes Big Bazaar, Easyday and Nilgiris have imposed a nationwide ban on Maggi.

Ataman and Ulengin (2003) According to him the strength of the relationship between the consumer and the brand will reflect the fit between the consumer’s own physical and psychological needs and the brand’s functional attributes and symbolic values as perceived by the consumer. Which create Maggi as a brand in the minds of the people.

According to Del Rio et al. (2001) explained that customers recognize the value of any brand with respect to its different functions like guarantee, social and personal identification and status symbol. These factors have positive effects on customer’s brand loyalty and willingness to accept extension in brands. Brand association has a positive relation with buyer purchasing intentions.

Katyal (2007) According to katyal marketers spend enormous amount of money annually on celebrity endorsement contracts based on the belief that celebrities are effective spokespeople for their products or brands.

Bashir and Malik (2009) stated that celebrities used in ads have greater positive influence on people. Most of the times, people rely on advertisements rather than other sources like family, friends and reference group opinions regarding product.

Pughazhendi et al.(2012), As per them in emerging markets advertisers use dominant celebrities in ads to promote their product image. Single and multiple celebrity involvement in ads affect buying Behavior in different ways. This study shows that consumer Behavior and attitude regarding brand, ads and purchase decision are positively affects by multiple celebrities.

FSSAI (June 5, 2015) Food Safety and Standards Authority of India ordered a recall of all nine approved variants of Maggi instant noodles and oats masala noodles from India, suggesting them unsafe and hazardous for human consumption.

On the same day, Food Safety Agency of United Kingdom launched an investigation to find levels of lead in Maggi noodles. On June 6, 2015 the central government of India banned nationwide sale of Maggi noodles for an indefinite period. Nepal indefinitely banned Maggi over concerns about lead levels in the product. Maggi noodles has been withdrawn in five African nations – Kenya, Uganda, Tanzania, Rwanda and South Sudan by a super-market chain after a complaint by the Consumer Federation of Kenya. In August, tests performed by the US health regulator FDA showed no dangerous lead levels in the products.

Food and Consumer Affairs Minister Ram Vilas Paswan reacting to the operation said that “Standard products are being labeled as sub-standard and faulty products are being passed by such corrupt officials.

1.3 RESEARCH METHODOLOGY
1.3.1 Research design
A research design is the arrangement of condition for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

1.3.2 Need of the study
Maggi was the most liked noodle brand among Indian population. Long way since their introduction in 1983 it was consumed almost in every household (prior to the lead and MSG controversy). Maggi which was initially considered a snack had taken the place of a staple diet in many Indian homes.

And the last year, presence of lead and MSG above the permissible limits startled the crowd and it became a hot potato. Being snoop, I wanted to know the impact of controversy on consumers and their opinion about this controversy which made me choose this as topic of my study. Maggi came back to the shelves in India in November 2015. Nestle has also been running a campaign to win back trust of the Indian community.

1.3.3 Objectives of the study
Followings are the objectives of my research:

- To study the impact of controversy on consumer mind set.
- To study the impact of controversy on company sales and profit.
- To study whether the move with Snapdeal is the smart move to regain the market.

1.3.4 Scope of the study
- The scope of the study is limited to the city of Chandigarh.
- The study focused on MAGGI 2-minute noodles only.
- The number of respondents taken for the study is 50.

1.3.5 Data collection
To know the response, both primary and secondary method was used. A well structured questionnaire was personally administrated to the selected sample to collect the primary data. Questionnaires were distributed to respondents and they were asked to answer the questions given in the questionnaire. In the present study questions were arranged and interconnected logically.

Secondary data
Internal data was generated from company’s brochures, manuals and annual reports. On the other hand, external data was generated from magazines, newspapers, research books and internet.

1.3.6 Sampling technique
Convenient sampling technique was used for the survey of this project. This is the least reliable design but normally the cheapest and the easiest to conduct. In this method researcher have the freedom to choose whomever they want. Thus the name “convenience” includes informal pools of colleagues, friends and neighbors.
1.3.7 Tools & techniques
I have analyzed the data and then I have used graphical method, bar graphs, line charts, pie charts, conical graphs and percentage method to present the data.

1.4 RESULTS AND DISCUSSIONS
The process of extracting, compiling and modeling raw material data for purpose of obtaining constructive information that can be applied to formulating conclusions, predicting outcomes or supporting decisions in business is called data analysis. Data from various sources is gathered, reviewed, and then analyzed to form some sort of finding or conclusion. Here is the result on the basis of respondent’s data.

Chart - I

![Chart - I](image)

From the above chart – I, it is concluded that out of 50 people 35 consume Maggi. Whereas 9 people like Yipee while 3 people each liked either Knoor noodles or other brand. Maggi is the most liked noodle brand among all. It seems a clear trend that Maggi has a good brand recall as compared to its competitors.

Chart – II

![Chart – II](image)

Chart – III

![Chart – III](image)
The survey showed that 98% of consumers are aware of the controversy faced by Maggi whereas 2% was not aware. It is clear that 20 respondents think political conspiracy was the reason of ban, 25 respondents consider adulteration as the reason whereas 5 respondents think it was the monopoly of Maggi which landed it in controversy.

The lead and MSG controversy left the population stunned but beside that out of 50 respondents, 82% respondents continued trusting Maggi but 18% respondents lost their trust. After the controversy, the expectation was that there would be change in consumption pattern but not large extent of change was evident. There were only 14 respondents whose quantity of purchase reduced to either from occasionally consumption to no consumption or reduced to 50%-60%, while other 72% respondent’s quantity of purchase remained same.

It indicates from the above chart – VI that out of total respondents only 16% respondents view Maggi as unsafe after the controversy whilst this controversy didn’t impact 84% respondents views Maggi as unsafe. The above chart – VII presents that whether Maggi can gain same market or not. It is clear that 74% respondents believe Maggi can gain same market, contradictory 26% respondents believe Maggi cannot gain the same market it used to hold previously.
It is depicted from the above Chart - VIII that with the ban over 2-minute noodles it was expected that sales of other products endorsed by Maggi would be hampered. Out of 50 respondents, the purchase for other products was limited by 40% respondents; on the other side 60% respondents didn’t change their demand pattern for other products. Maggi re-launched its noodles by partnering with e-commerce website snapdeal to roll out some of fresh and exclusive batches. 30% respondents didn’t view it as smart move while 70% respondents viewed it as smart move as it offered freebies along with noodles.

1.5 FINDINGS

From the analysis following inferences can be drawn:

The Maggi controversy has exposed the pathetic condition of India’s processed and packaged food industry.

- 70% of people prefer Maggi, 18% prefer Yipee noodles, 6% prefer Wai Wai and 6% other noodle brand.
- 98% people are aware of the Maggi controversy, 2% people are unaware of the controversy.
- 40% people think political conspiracy was the reason of ban, 50% people consider adulteration, 10% people consider monopoly of Maggi which landed it in trouble.
- 82% people had their trust intact over Maggi whereas 18% people lost their trust.
- 28% population had variation in the consumption of Maggi while 72% people had no variation.
- 84% population considered Maggi noodles as safe and healthy product, 16% population found it as unsafe and unhealthy product for consumption.
- 74% people think Maggi can gain the same market which it used to hold, 26% think it cannot gain the same market.
- Ban over 2-minute noodles impacted the purchase pattern of 40% consumers but didn’t impacted 60% consumers purchase and consumption pattern of other products endorsed by brand Maggi.
- 70% people view sales of Maggi via flash sale method through Snapdeal was a smart move, 30% does not view it as smart move.

1.6 LIMITATIONS OF THE STUDY

In attempt to make this project authentic and reliable, every possible aspect of the topic was kept in mind. The main limitations are as follows:
The scope of the project is limited to the city of Chandigarh. So, generalization is not possible on the basis of given city. We cannot conclude the response for whole nation.

A small sample size of 50 is taken, so we cannot draw inferences about the whole population from the sample size.

This study is based on the prevailing consumer satisfaction. But the consumer satisfaction may change according to time, fashion, technology, development etc.

1.7 CONCLUSION

It was concluded from the study that Maggi is the most preferred noodle brand among noodle consumers. 82% people still trust Maggi beside all the adulteration and controversy face by the Maggi brand. The study showed that beside the entire quarrel faced by Maggi, consumer’s opinion about their loved product didn’t change much. They kept supporting and were eager for its comeback. Infect only 28% people witnessed variation in their consumption while all this controversy had no impact over the consumption pattern on rest of the population. Health is an issue for today’s generation. Proved is the presence of lead and MSG but even then 84% population considered Maggi as a healthy product. Regaining lost market is quite difficult but most of the people believe Maggi can gain its market back easily. Maggi used flash sale method to resale its noodles via Snapdeal. The concept was hit among 70% of the total population. Whatever was the controversy or whatever were the facts, consumers of Maggi noodles had and have faith in Maggi and sticked to it no matter what.

It is also concluded from the secondary sources that that there’s no denying that food safety regulations leave a lot to be desired. Despite establishment of the Food Safety and Standards Authority of India in 2006 and subsequent promulgation of the Food Safety and Standards Regulations, 2011, implementation of rules is haphazard and erratic. Food safety demands adequate oversight and inspection at each step of the food production and supply chain. However, such a principle is rarely followed in India.

1.8 SUGGESTIONS

Here are the some suggestion on the basis of the above findings and conclusions that the company has taken into consideration to deal with the crisis.

- Retailers should be encouraged to ask questions and raise doubts. The idea should be to generate a bank of ideas to help the company deal with the crisis.
- India needs to embrace structural changes to ensure food safety for future generations. My main concern stems from the Food Safety Standards Authority of India (FSSAI), created under the Food Safety and Standards Act, 2006. This has been enacted in accordance with international codex guidelines. There are a lot of provisions in the Act that require revamping, but what we’re seeing is a patchwork implementation of both the old PFA (Prevention of Food Adulteration Act) guidelines as well as the new FSSAI laws.
- The government should completely overhaul the Food Safety and Standards Authority of India (FSSAI) and state authorities.
- The re-launch should change the product packaging to give it a new start. The company should also change its labeling to ensure it does not violate food safety norms.
Routine checks for packaged food items to check for any contravention as per Food Safety and Standards, Act should be begun.

Distribution channels may be kept same. Marketing mix, like -Maggi has a distribution channel of Nestle to Distributor to Retailer to Consumer. It is one thing to have a successful a product in your hand; it is completely different ball game to ensure time and time again that this top of the line product reaches the nooks and corners of the world. Even if you go in the Himalayas, you will find Maggi selling there at select places. This single factor - distribution, has been the backbone for the success of the product which will continue.

The southern region is the weakest due to differences in eating habits, company should work on strengthening its presence in different markets as it looks to improve sales.

Prices should be kept normal without many changes. In order to keep with the changing economic times Maggi has reduced the quantity, instead of the prices. To cater to the middle and low income class customers, Maggi should be available in different sizes of packets at various prices so that consumer can buy as per budget.

Coming to the Nestle India, the company has disclosed having spent Rs. 445 crore on Advertising and sales promotion last year while the expenses towards quality testing was less than 5% of such amounts that itself explains everything, the company needs to be more forthcoming in communicating actively and transparently to the public.

Increase the number of private labs: Recently after the incidence of Maggi imbroglio, The FSSAI has notified 82 laboratories accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) in India for testing food samples taken under the Food Safety and Standards Act, 2006. That should be increased in number.

Uniform and Clear guidelines on how to go about monitoring the industry with a clear timeframe such that such random, arbitrary testing is done away with. This will ensure transparency and also simplify the FSSAI guidelines.

It will take time to get back the market share which presently lies distributed with the other competitors of Maggi but a faith and strong planning is the key to success.

1.9 FUTURE IMPLICATIONS

Maggi has lost the trust of many customers & rebuilding that trust will be a challenge for Nestle. There is an immense window of opportunity for Maggi’s rival brands. One can derive that the crisis will most certainly have an impact on Nestlé’s revenue. Lack of communication and ‘wait n watch’ strategy of Maggi officials proved fatalistic for the brand and its image. Consumers felt cheated and it probably would leave the scars for a long time to come.

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**ANNEXURE**

**QUESTIONNAIRE**

**NAME:**

**GENDER:**

**AGE:**

68
Dear Sir/Madam

You are requested to fill this questionnaire complete so that I can conduct my study on Maggi controversy and its impact.

- Which noodle brand do you prefer
  - Maggi □
  - Yipee □
  - Wai Wai □
  - Others □

- Are you aware of the Maggi controversy?
  - Yes □
  - No □

- What was the frequency of its consumption in your routine prior to its ban?
  - Once a day_______
  - Twice a day_______
  - Once in two or four days____
  - Once in a week________
  - Occasionally____________

- What do you think was the reason of ban?
  - Political conspiracy □
  - Adulteration □
  - Monopoly of Maggi □
  - Other □
  - specify________________________

- Do you trust Maggi now?
  - Yes □
  - No □

- Is there any variation in quantity of purchase?
Yes                              No
If yes, then how much ____________

• Do you consider Maggi noodles to be safe (based on controversy and its comeback)
  Yes   ☐  No  ☐

• Do you think Maggi can gain same market?
  Yes   ☐  No  ☐

• Does ban over Maggi 2 – minute noodles impacted your purchase for other products endorsed by Maggi Company?
  Yes   ☐  No  ☐

• Should Maggi reduce its prices to gain the market?
  Yes   ☐  No  ☐

• Was Maggi resale via Snapdeal a smart move?
  Yes   ☐  No  ☐

• Any suggestions or other improvements you would like to suggest?
  ________________________________________________________________
  ____________________
**Strength**
- Market leader in their segment
- Strong brand loyal consumer base
- Wide range of distribution channel
- Product according to the need of Indian consumer
- Innovative Product

**Weakness**
- Product are dependent on each other
- Not so much presence in rural market

**Opportunity**
- Increasing number of working youth
- Product has been acceptable in youth category
- Shift to rural market
- Changing preference of consumer towards Chinese food and fast food.
- Can foray into other food markets with its strong Brand name

**Threat**
- Price war with competitors
- Strong presence of regional competitors
- Consumers don’t perceive it as a “Healthy Product”