



***CONSUMER'S ATTITUDE TOWARDS READY TO EAT FOOD PRODUCTS  
IN KLANG VALLEY***

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CONSUMER'S ATTITUDE TOWARDS READY TO EAT FOOD  
PRODUCTS IN KLANG VALLEY

BY

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## ABSTRACT

This study has been conducted in order to observe the consumer's attitude towards ready to eat food products in Klang Valley. Since most of the consumers are having the busy lifestyle. They don't have enough time to prepare the food for themselves. They prefer to buy the ready to eat food products which is more convenience. Despite of that, there are several problems that restraining them from buying the ready to eat food like the price and safety of consuming ready to eat food products. Still, there is also some problems about trust among consumer towards new kind of products.

Using the simple random sampling method, a sample of 385 respondents was selected from multiple places in Klang Valley. The Klang Valley is chosen because the community consist of multiple races, ages, occupations and attitudes. Besides that, Klang Valley is chosen because this area are having high population density compared to the other places in Malaysia. Statistical methods like descriptive analysis, chi-square analysis and factor analysis were used in this research.

In social demographic aspect, it is also found that most of the respondents are from urban area, single and age from 18 to 28 years old. It is also found most of consumer buy the ready to eat food because it is convenience and usually they buy it from supermarket and hypermarkets. Besides that, the consumers thinks the expiry date and halal certification becomes the most important factors that affect their attitude towards ready to eat food products. It also found that race, living area and salary have the association with consumer's attitude towards ready to eat food products. The findings of this study shows that product attributes, health & safety concern and personal factor influencing the consumer's attitude towards ready to eat food products.

Understanding the attitudes of the consumer is challenging without the proper strategy. From this research, I certainly hoped that it can help marketers to plan their marketing strategies effectively. So, it can assist them perfecting their campaign and deepen marketing reach.

## ACKNOWLEDGEMENTS

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I also dedicating my thanks to my parents, mom and dad who have pray for me every day and night for my success and well-being. Furthermore, for their love and financial support. A special words also to my relatives who also give their effort to help me finish this project.

Lastly, the sincerest thanks to my beloved course-mates for their help, advice, encouragement and assistance in carrying out this project. I pray that all of us will be successful in life after we have finished the study.

## DECLARATION

This project entitled **Consumer's Attitude Towards Ready to Eat Food Products in Klang Valley** is prepared by Muhamad Amirul Ashraf Bin Abdullah and submitted to the Faculty of Agriculture in fulfilment of the requirements of PPT4999 (Project) for the award of the Degree of Bachelor Science (Agribusiness)

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# CHAPTER ONE

## INTRODUCTION

### 1.1 BACKGROUND OF THE STUDY

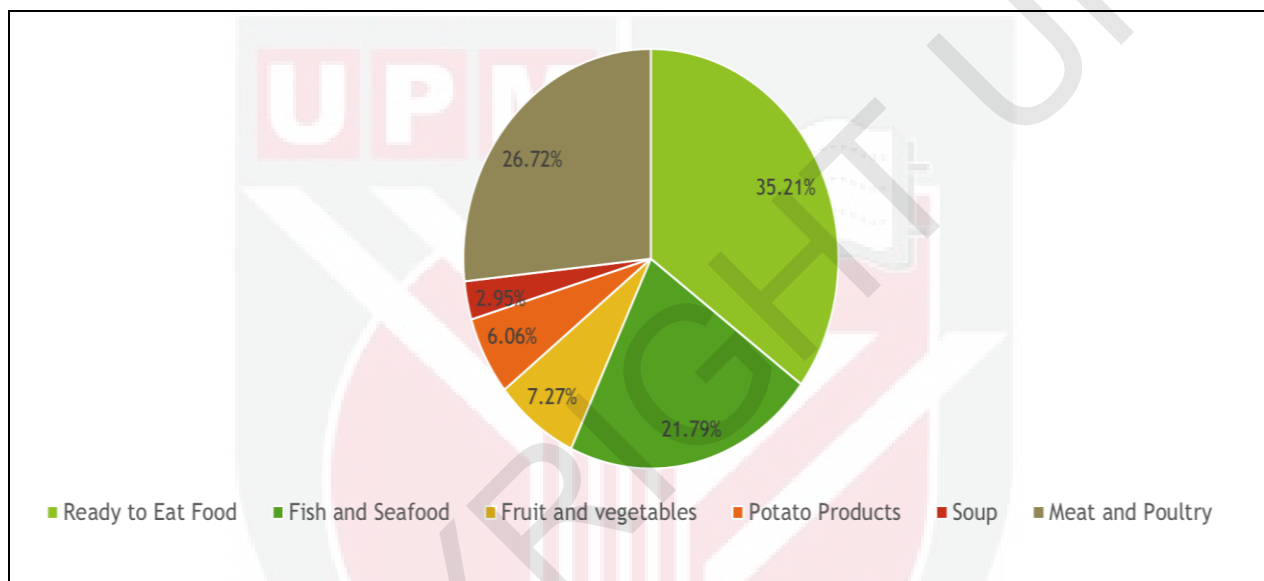
The growing demand for convenience products had caused the industry of food and retailing reacted to it by expanding the assortments of the pre-prepared meal solutions which include the ready to eat food products (Verlegh & Candel , 1999). The ready to eat food is essential food for a large component of the countries that have developed. Due to the economic importance of ready to eat food it is necessary to understand furtherly the factors that affect their consumption (Ruzaike, Muizniece-Brasava, & Janmere, 2014).

For the last several years, the demand for the safe, easy to use, innovative food with the extended shelf life has been increasing and had been given the attention (Valceschini, 2006). Capps , Tedford and Havlicek (1983) have defined the ready to eat food products as the fully or partially prepared food items where the time of preparation , skills of culinary, and inputs of energy have move from home kitchen to the food processor-distributor. The ready to eat food products are different from ready to take away foods, because the ready to eat food still require the cooking or re-heating compare to the ready to take away food which it can be eat instantaneously (Verlegh & Candel , 1999).

Consumer spend lesser time to prepare food everyday due to the busy lifestyle, the consumer need the way that can save their limited free time (Olsen et al., 2010) “Consumers work longer hours, spend more time commuting and have a growing desire to maximize their increasingly limited leisure time. They require products and services to ease and support their hectic lives” (Datamonitor, 2007). Meanwhile, the convenience was a related to the reduction of input that had been required from consumer whether in shopping, preparation, cooking or cleaning after eating the food (Consumer Watch, 2002). The convenience food aim to make the consumer lives becomes easier in term of choosing, preparing, needed time and cleaning.

## 1.2 AN OVERVIEW INTO INDUSTRY OF THE READY TO EAT FOOD

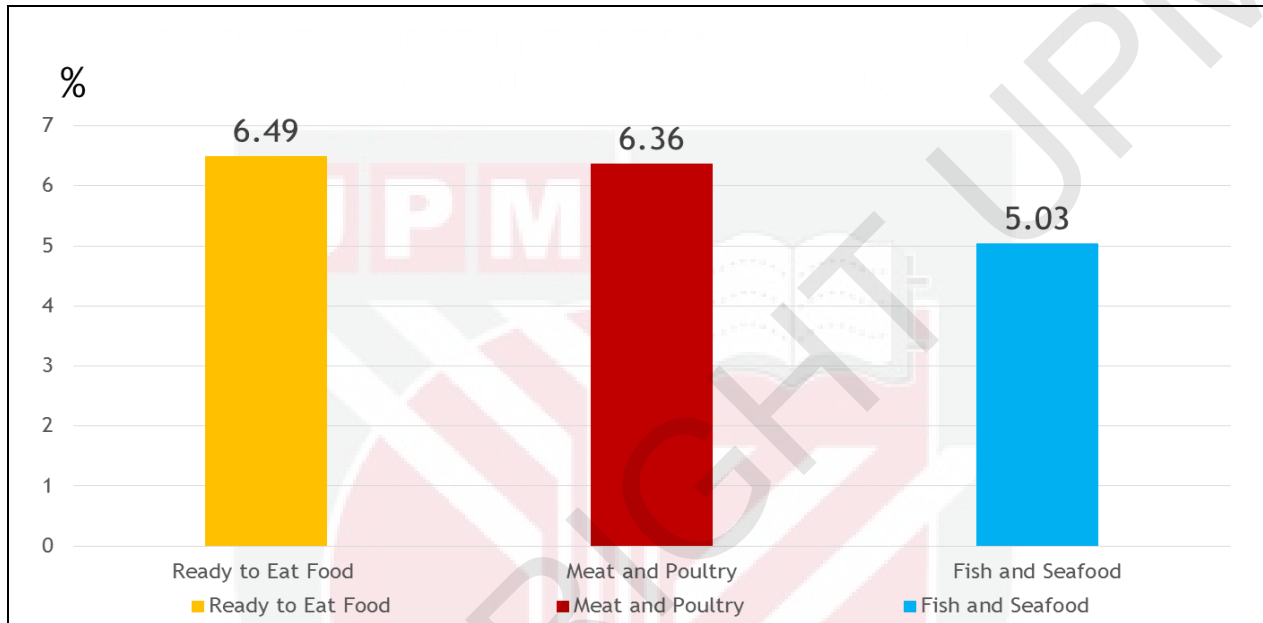
Figure 1 shows that 35.21% of the frozen food global market share is the ready to eat food product. Meanwhile, fish and seafood (21.79%), fruit and vegetables (7.27%), potato products (6.06%), soup (2.95%) and meat and poultry (26.72%).



**FIGURE 1: Frozen Food Global Market Share**

Source: Businesswire.com. (2017). Global Frozen Food Market - Opportunity Analysis, Market Size, and Forecast

As shown in Figure 2, the value of compound annual growth rate of ready to eat food product from year 2016 – 2021 is 6.49 %. Meanwhile, meat and poultry (6.36%) and fish & seafood (5.03%). From the graph , it can be conclude that any investment on business that related to ready to eat product during the year 2016 will giving the return about 6.49% more at the end of the year 2021.



**FIGURE 2: Forecasting Of the Ready to Eat Food by Compound Annual Growth Rate 2016-2021 (CAGR)**

Source: Businesswire.com. (2017). Global Frozen Food Market - Opportunity Analysis, Market Size, and Forecast

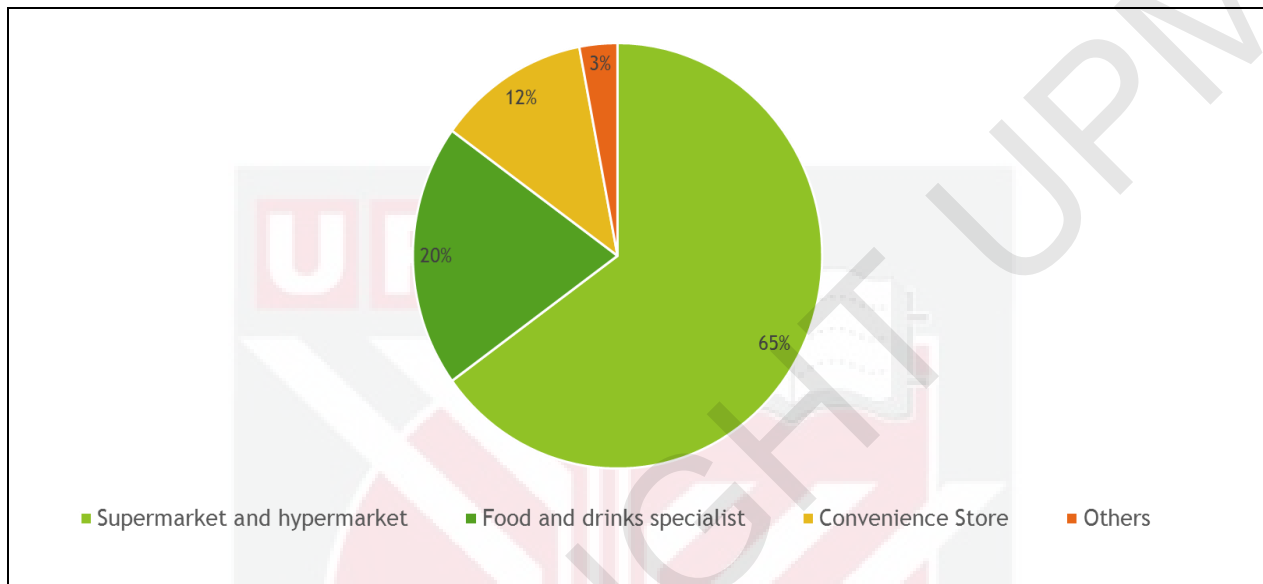
### 1.3 READY TO EAT FOOD PRODUCTS IN MALAYSIA

Malaysia are currently having the 64 manufacturers and 35 importers of ready to food product in Malaysia (Ministry of Agriculture, 2010). This number is still considered low , there are still a lot of opportunities for new investor , especially the small scale business to fill up the increasing demand that caused by continuous urbanisation and changes in lifestyle and preferences. Malaysia are still depending on the importation to fulfil the demand by consumer towards this agriculture food products. Besides , the Malaysian household expenses on processed food are expectedly increase from RM 61 billion on 2010 to RM 154 billion on 2020.

The investment made on the private sector in agriculture food industry is still low due the several factors which include low and unattractive incentive, low labour force, instability of market price and limited career development opportunities (National Food Policy 2011-2020, Ministry of Agriculture). The example can be seen from the social aspect itself, in the most developed country like Japan. Japanese can obtain this ready to eat food from the vending machine itself to support their hectic day. Meanwhile, in Malaysia most the citizens especially the office worker and students themselves have to queue in a long line during the lunch time just to choose and pay for their meal.

This traditional method of selling meal already cost a lot time to them. They need the nutritious food that can be obtain easily to support their hectic day. Besides it's more nutritious when it is compared to the normal fast food, the ready to eat food itself can save time and reduce the labour cost. Since there are still a lot opportunities and space for development. It should be encouraged to the society so that more options will be provided for consumer in the market.

As shown in Figure 3 , most of the ready to eat food products were distributed at supermarket and hypermarket (65%). Meanwhile , food and drinks specialist (20%) , convenience store (12%) and others (3%) .



**FIGURE 3: Prepared Meals Products Distribution Channel in Malaysia**

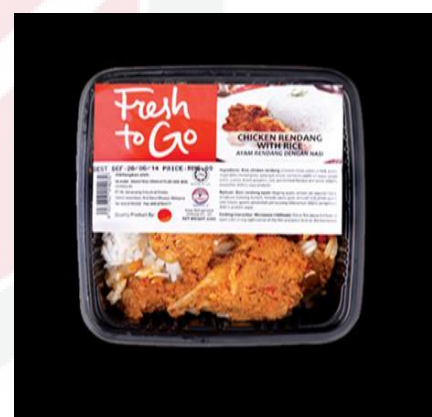
Source: Canadean (2015). Consumer and Market Insights: Prepared Meals Market in Malaysia



### 1.3.1 Example Of Ready To Eat Food Products In Malaysia

There are several well-known company in Malaysia that involve in producing ready to eat food products. For example, Adabi , Ayamas , Ramly , Sharifah , Agromas , Brahim's and Kart's.

#### a) LOCAL RECIPE OF READY TO EAT FOOD PRODUCTS



b) WESTERN RECIPE OF READY TO EAT FOOD PRODUCTS





## 1.4 PROBLEM STATEMENT

The fast growing economy, increasing number of population has effect not only on economy itself but it also include the Malaysian ready to eat food product. The urbanisation and knowledge development had caused the changes in consumer lifestyle itself and increasing the health consciousness among the consumer. They are busy and don't have enough time to cook on their own. It is easier for them to buy the food that ready to be eaten.

Despite of that , the continuous inflation which caused by the value of Malaysia currency which is still low , application of Government Service Tax (GST) and unstable price of the fuel contributing to the expensive price of ready to eat food products in the market. The consumer prefer to buy the raw food materials and cook by their own which cheaper in term of cost instead of buying the finished or half finish cook of ready to eat food products even though they are busy.

Other problem also involve some of the food handlers which did not fully apply the food safety practices in preparing the ready to eat food products (Norrahiah Abdullah Sani and Oi Nee Siow, 2014). This scenario had caused the consumer had doubt about the safety of consuming ready to eat food that available in the market since the food poisoning cases still happening in our country.

Besides that , the ready to eat food products is considered as innovative products and problem arise when the new products introduced in markets where the consumer attitude are not identical where the women tend to have greater distrust towards new food products in the market (Rollin et al., 2011). This problem had caused resistance to the development of ready to eat food products in Malaysia.

## **1.5 RESEARCH QUESTIONS**

The presence market environment gives the following research question:

- 1) What are the levels of consumer's attitude towards ready to eat food products?
- 2) What are the associations between socio-demographic background and consumer's attitude towards ready to eat food products?
- 3) What are the factors that influence consumer's attitude towards ready to eat food products?

## **1.6 OBJECTIVES OF THE STUDY**

There are two types of objectives, the general objective and specific objectives.

### **General Objective**

To analyse consumer's attitude towards ready to eat food products in Malaysia

### **Specific Objectives**

- a) To analyse level of consumer's attitude towards ready to eat food products.
- b) To analyse the association between socio-demographic background and consumer's attitude towards ready to eat food products.
- c) To explore factors that influence consumer's attitude towards ready to eat food products.

## **1.7 SIGNIFICANCE OF THE STUDY**

The final result of this research will provide the useful information to the consumer, marketer and other institutions. At the same time, this research is being conducted for further understanding of consumer's attitude towards ready to eat food products.

Consumer will have more knowledge about ready to eat food products. They will become wiser in making decision. They will be able understand what are their needs and wants, why they need to buy, how they can buy, how much that they required. This study will gain an insight of consumer's attitude towards ready to eat food products.

Meanwhile, marketers, retailers or producer will have a better understanding on consumer's attitude to develop marketing strategies to meet consumer's needs and wants which will lead to consumer satisfaction and increased sales of ready to eat food product. As a conclusion, this research will be a guide for people that interested to being involve in the research of ready to eat food product by providing them the understanding and knowledge.

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