

THE CUSTOMER PERCEPTION TOWARDS MARKETING OF DIFFERENT BRANDS OF PACKAGED MILK

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INTRODUCTION

Indians are predominantly vegetarian's. Where, milk and milk products occupy a significant place in the people's diet. Indians have knowledge on usage and consumption of milk and allied products over number of decades and play a pivotal role in the development of our economy. India has the world largest cattle population with best breeds of cattle and buffaloes. The India's dairy sector yields an annual production of 70 million metric tonnes which is the second largest in the world next to USA. However, India's milk production alone ranks fourth in the world. In milk production, dairies supply two third of the domestic requirements. Milk among all commodities, is the largest contributor to the rural economy in India. At an all India level, the value of milk produced per annum is higher than the combined production of rice and wheat.

Indian dairy sector has made remarkable progress over the last few decades. The Co-operative movement, especially Operation Flood, has been an important driver of this progress and has played an important role in facilitating the participation of smallholders in this growing sector. Despite four decades of cooperative movement in India, however, a large proportion of milk and milk products continues to be marketed through the 'informal or unorganized sector'. Although the share of organized market has steadily increased over the years, the informal sector comprising middlemen, private milk traders and direct sale from producer to consumer, still accounts for nearly 80 percent of marketed milk and milk products in the country.

The informal market thrives on poor willingness of consumers to pay the extra costs of formal processing and packaging. The informal market usually does not incur those costs and hence the market margins between farmer and consumer could remain smaller. This also implies that the informal market agents can afford to offer higher prices to farmers and lower retail prices to consumers. Consumer preferences reveal that the market for value added milk products is small and most buyers unwilling to pay for processing of any kind. Formal processes not only spend on quality control and packaging but also on trade taxes and are thus able to market to a niche segment only. Further, most consumers perceive fresh milk to be of superior quality and hence prefer to buy loose milk. Quality concerns such as bacteria levels in primary processed items like sweets and curd are often not attributed high priority and it is suggested that consumers are themselves not particularly worried about it. The dominance of informal market agents in marketing of milk and milk products in India is likely to continue in the foreseeable future. It is therefore important to understand the dynamics of various marketing

channels, including buying and selling behaviour of buyers and sellers, marketing efficiency and the ability of different market agents in reaching out to the poor producers and consumers.

STATEMENT OF THE PROBLEM

The milk processing units in India is suspected to have contamination due to processing the milk at ultra- high temperature and adulteration made while supplying it with and without packing. In India there are more than 30 players including government and private agencies involved in supply of packed milk nationally and domestically. Usually, the milk vendors at rural and urban area under informal way add water in it. The Dilution of milk with pure water may lead to malnutrition and adding impure water may cause intestinal problems but supplied at lower cost in comparison to packed milk. However, in a formal way the milk is packed by adding colours, preservatives such as Sodium bicarbonate, boric acid chalk powder, soap powder, starch, hydrogen peroxide and urea.

In India, the consumers of the packed milk are largely located in urban area and most of them are assumed to be literate. Also these consumers are believed that they have knowledge on the packing process, ingredients added as preservatives and the hazards caused while consuming the processed and packed milk.

Inspite of this knowledge, still most of urban people consume it inevitably because of non availability of direct milk and convenience of purchase. Therefore, this study attempts to gauge the consumers' perception towards supply of different brands of packaged milk.

OBJECTIVES

- To study the demographic influence on the buying behaviour of different brands of packaged
- To determine the level of satisfaction regarding various aspects of branded Milk.
- To analyse the customer awareness towards different brands of packaged milk influence

Research methodology

(i) Area of the Study

The area of the research will be confined to Coimbatore city which is known as “Manchester of South India”. Coimbatore also known as Kovai, is a city in India. It is the second largest city and urban agglomeration in the Indian state of Tamil Nadu. It also makes its predominance in various other sectors like foundries, pumps , textile, industrial, commercial, educational, information technology, healthcare and manufacturing hub of Tamil Nadu. It has also become a leading educational & health care hub.

(ii) Source of data

The data required for the study will be received through primary data. A schedule questionnaire with all the relevant information required is being drafted for collecting of the primary data. Secondary sources from is information that has already been collected for a purpose

other than the current research project but has some relevance and utility for the research and from books, magazines, journals, newspapers, etc have been used for further studies.

(iii) Sampling size

Sample size determination is the act of choosing the number of observations or replicates to include in a statistical sample. The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample. In these research 100 respondents has been used as the sample size for collecting the required data.

(iv) Tools for analysis

The various tools to be used for analyzing data are

- ❖ Percentage analysis
- ❖ Chi-square analysis
- ❖ Average rank analysis
- ❖ 5 point scaling techniques

Limitations

- This study is restricted to Coimbatore city only and the sample size has been limited to 100 respondents.
- The conclusions drawn from the study are applicable only to the area studied and may fluctuate with regard to other areas.

REVIEW OF LITERATURE

Aluregowda (2013)³ in his Study on “Brand Image towards Nandini Products at Manmul in Mandya”. The study examined the consumer preference towards brand image of Nandini milk products. Socio economic factors are used collect the data from the respondents and to conduct this study. The findings and suggestions of the study we conclude that Nandini brand has good image in milk products and services. But they have to use more promotional strategies to develop strong brand image as there are many new brands which are emerging in the market , which may attract their existing customers to switch over.

Dr.S.Franklin John, Ms.S.Senith and Ms.Reshma Ravindran (2013)⁴ in their study entitled on “ Branding is the solution for product differentiation in Indian Dairy Industry”. The study was investigate the influence of Milk brand rating and different dimensions of milk brand. The study analyzed the descriptive statistics and one - way ANOVA.The study found that Statistically significant differences were in the Milk brand rating and the different brand dimensions like Salience, Imagery ,Judgment, feelings and resonance and there is no statistically significant difference in dimension performance and Milk brand rating.

Angerfors et al (2014)⁵ in their article effects “Milking the consumer’s conscience: Consumers’ perception of ecologically and locally produced milk”. The study investigates how consumers perceive ecologically and locally produced milk and the consumer perception are used together with definitions of ecologically and locally produced food. The empirical study based on four focus groups discussing their perception towards six milk brands in Uppland as well as the concepts of ecologically and locally produced goods. The positive perception of brands with higher responsibility standards and brands wearing external labels guaranteeing the standards of the product. The study concludes that the participants had an interest in ecologic and local production, something that

presumed because the trends of these concepts was low due to vague information from the producers in combination with consumer inertia.

ANALYSIS AND INTERPRETATION

TABLE 1: PERCENTAGE ANALYSIS

PERCENTAGE ANALYSIS			
		Frequency	Percentage
Gender	Male	112	56
	Female	88	44
	Total	200	100
Marital Status	Married	90	45
	Single	110	55
	Total	200	100
Age	Below 25	62	31
	26 to 45	72	36
	46 to 65	48	24
	66 and above	18	9
	Total	200	100
Education Level	Up to School Level	62	31
	College Level	74	37
	professional Level	44	22
	Technical Level	20	10
	Total	200	100
Employment sector	Agricultural	12	6
	Business	48	24
	Employed	38	19
	Professional	36	18
	Others please specify(Student)	66	33
	Total	200	100
Number of members in the Family	Up to 2	20	10
	3	90	45
	4	48	24
	More than 4	42	21
	Total	200	100
Family income	10000 to 20001	48	24
	20001 to 30000	62	31
	30001 to 40000	50	25
	Above 40000	40	20
	Total	200	100

TABLE 1 shows that percent of the respondents come under

- ❖ The Majority (56%) of the respondents are Male.

- ❖ The Majority (55%) of the respondents are married.
- ❖ Most (36%) of the respondents comes under the age group of 26-45 and 46-65 years.
- ❖ Most (37%) of the respondents have complete their college level.
- ❖ Most (33%) of the respondents comes under others please specify(Student).
- ❖ Most (45%) of the respondents have 3 members in their family.
- ❖ Most (31%) of the respondents have a monthly income of Rs.20,001 to Rs.30,000.

CHI-SQUARE ANALYSIS

Hypothesis:

H₀ There is no significant relationship between personal factors and different brands of consume.

The table describes the result of chi-square analysis in term of personal factors, chi-square value, p value, and their significant on the sources of information.

TABLE 2:- CHI-SQUARE ANALYSIS

Personal factors	Chi-Square	p Values	Significant / Not Significant
Gender	1.70	0.94	NS
Marital status	24.46	0.000	S
Age (Year)	37.16	0.05	S
Education Qualification	30.78	0.031	S
Occupation	47.53	0.003	S
No. of member in the Family	38.86	0.003	S
Family Income(Rs)	17.83	0.467	NS

Notes S – Significant at 5% level (p values< 0.05); NS Not Significant at 5% level (p values>0.05)

It is found from the table that the hypothesis is rejected (significant) in five cases and in two cases the hypothesis, is accepted (Not Significant).It is concluded that marital status, age, education qualification, occupation and No. Of member in the family of the respondent have significant relationships between different brands of packaged milk consume. Gender and family income of the respondent have no significant relationship different brands of packaged milk consume.

TABLE 3 - AVERAGE RANK ANALYSIS

RANKING THE INFLUENCE FACTORS OF BUY THE PACKAGED MILK											
FACTORS	Rank	I	II	III	IV	V	VI	VII	Total	Mean	Rank
	F.Value	1	2	3	4	5	6	7			
Price	No's	-	8	30	50	22	54	38	200	4.97	II
	F.Value	-	16	90	200	110	312	266	994		
Quality	No's	56	34	30	34	46	-	-	200	2.90	VI
	F.Value	56	68	90	136	230	-	-	580		
Availability	No's	32	36	42	44	24	22	-	200	3.29	V
	F.Value	32	72	126	176	120	132	-	658		
Purity	No's	10	24	62	36	24	26	12	200	3.83	IV
	F.Value	10	56	192	128	140	156	84	766		
Taste	No's	44	-	26	16	36	60	28	200	4.36	III
	F.Value	44	-	78	64	130	360	196	872		
Variety	No's	8	30	-	12	22	24	104	200	5.49	I
	F.Value	8	60	-	28	110	144	728	1098		
Brand Name	No's	54	64	16	22	22	4	18	200	2.89	VII
	F.Value	54	128	48	88	110	24	126	578		

The Average Rank Analysis with regard to the factors considered as essential in influence factors of buy the packaged milk. The analysis states that the five type priority to followed by Variety of milk as it has been ranked first (mean 5.49), Price is ranked as second (mean 4.97), Taste is ranked as third (mean 3.62) and so on. It is concluded that the respondents have highly influenced to Variety when compare with other influence factors of buy the packaged milk.

TABLE 4 – LEVEL OF AWARENESS OF CONSUMERS FOR THE DIFFERENT BRANDS OF PACKAGED MILK

LEVEL OF AWARENESS OF CONSUMERS FOR THE DIFFERENT BRANDS OF PACKAGED MILK					
Factors	Very high Awareness	High Awareness	Moderate Awareness	Low Awareness	Very low Awareness
Aavin	64	23	13	-	-
Amul	-	18	61	17	4
Arokia/Hutsun	47	40	13	-	-
Aroma	-	24	60	12	4
Cavin's	5	36	50	9	-
Cowma	-	29	66	5	-
Sakthi	10	49	32	9	-
Other brand	-	6	2	-	-

The total respondents selected for the study 64% of the respondents are very high level of awareness about Aavin and secondly 47% of the respondents are very high level of awareness about Arokia Milk.

TABLE. 5 – SATISFACTION LEVEL OF CONSUMERS FOR DIFFERENT ASPECTS OF PACKAGED MILK

SATISFACTION LEVEL OF CONSUMERS FOR DIFFERENT ASPECTS OF PACKAGED MILK					
	Very high satisfaction	High satisfaction	Moderate satisfaction	Low satisfaction	Very low satisfaction
Quality	58	66	76	-	-
Quantity	70	94	36	-	-
Health Aspects	36	46	54	24	-
Package	-	66	78	40	16
Price	-	-	36	104	60
Availability	50	128	22	-	-
Exchange Price	-	42	82	76	-
Offer and Discount	-	18	70	92	20
Home Delivery	-	12	102	44	42
Taste	24	118	58	-	-

The out of the total respondents selected for the study 70% of the respondents are with Quantity of packaged milk and 58% are said that Quality having very high level of satisfaction with of consumers for different aspects of Packaged Milk.

TABLE. 6 – SATISFACTION LEVEL OF CONSUMERS FOR DIFFERENT ASPECTS OF PACKAGED MILK

SATISFACTION LEVEL OF CONSUMERS FOR DIFFERENT ASPECTS OF PACKAGED MILK					
	Very high satisfaction	High satisfaction	Moderate satisfaction	Low satisfaction	Very low satisfaction
Easily Availability	82	106	12	-	-
Help to make selection	40	40	44	36	40
Door Delivery	8	20	76	72	24
Courtesy for Friendliness	-	66	64	56	14
Providing Sample of New products	-	12	92	56	40

It is found from the table 6 that out of the total respondents selected for the study 82% of the respondents are HIGHLY SATISFIED WITH Availability and 40% are said that Help to make selection having very high level of satisfaction of consumers for different aspects of Packaged Milk.

CONCLUSION

The dominance of informal market agents in marketing of milk and milk products in, India is likely to continue in the foreseeable future. It is therefore important to understand the dynamics of various marketing channels, including buying and selling behaviour of buyers and sellers, marketing efficiency and the ability of different market agents in reaching out to the poor producers and consumers. Surprisingly little systematic work is available on these aspects and whatever little work has been done either lacks methodological rigor or has very narrow conceptual and geographical

coverage. Also, due to progression in technology, several varieties of milk are available in the market such as whole milk, skimmed milk, toned milk etc. Again, there is a strong felt need for the marketing managers to dwell on creating a high degree of awareness among the customers regarding their product range Milk companies are also advised to strengthen their supply chain and other logistics and use intermediaries to promote and make their products available to the end consumer.

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