A Study of Consumer Behaviour Regarding Purchase of Branded and Non-Branded Milk

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ABSTRACT: - *The present paper is an attempt to study consumers preference for different kinds of milk available in the market (branded and non-branded) and to study consumers preference for different attributes of milk in relation to their family size, occupation and salary. For evaluating the objectives of the study, both primary and secondary data were utilized. The primary data were collected from 264 respondents residing in four districts of Haryana through self-developed and pre-tested questionnaire. The technique of tabular analysis is employed to study the responses of people. The statistical tools like frequency, percentages and chi-square test are employed. It was found that that large majority of respondents purchase dairy milk (non-branded) it was also found that size of family, occupation and income of the respondents have no influence on purchase of different kind of milk.*

Keywords:- Milk, branded, non-branded, customers.

INTRODUCTION

India had the highest milk production of, 84.6 million tonnes in 2001 in the world, and the organized sector handled about 12.5 per cent of the total milk production which is about 10.6 million tonnes (Aneja et al., 2002). It accounts for 15 per cent of world's milk production and its production is growing at the rate of four point five per cent per year as against the world's milk growth rate of one point one per cent per year [Deepak Jain, 2004]. The liberalization policy of the Government, the entry of private enterprise and mainly the globalization of the consumers have all led to a basic change from the dictatorship of the producer to the democracy of the consumer. The dairy industry in India reached a stage where marketing become the most crucial factor for growth and viability. Creating an organization structure centered on marketing is the first step towards the transition from a production (or) sales oriented approach to a marketing-oriented approach. This is a challenge that should be taken up. Marketing mix is an important tool used by marketing managers to design the process of marketing organization. Marketing mix is a blend of decisions to provide a marketing offer to the selected markets or consumers. The idea behind the development of a mix is that a certain combination of four Ps will produce greater customer satisfaction than other blends. As such, marketing mix is used as a strategy in developing marketing planning (Gupta and Nair, 2003).

Milk production in India has developed significantly in the past few decades from a low volume of 17 million tons in 1951 to 110 million tonnes in 2009. Currently, the Indian dairy market is growing at an annual rate of 7%. Despite the increase in production, a demand supply gap has become imminent in the dairy industry due to the changing consumption habits, dynamic demographic patterns, and the rapid urbanization of rural India. This means that there is an urgent need for the growth rate of the dairy sector to match the rapidly growing Indian economy.

Dairy development has been acknowledged as the most successful developmental programmes in India substantiated by the fact that the country has achieved the distinctive position of being the highest milk producer in the world with an estimated milk production of 121 million tonnes in 2010 – 11. India is viewed as one of the world's largest and fastest growing markets for milk and dairy products with an annual growth of 7.5 per cent in value terms. One of the interesting facts of Indian dairy market is that it consumes almost 100 percent of its own milk production. India proves to be a very good dairy market for the fact that people here have a very good understanding of milk and dairy products. India has a population of more than 1 billion with diverse food habits, cultures, traditions and religions. Most of the population of India strictly follows vegetarian diet therefore milk becomes an important source of animal protein. It is considered as complete food. It is consumed all across the nation in different forms.

In most of the communities milk is essential part of their meal and a large variety of preparations are followed. Indian dairy industry is highly unorganized. Almost 80 percent of the market is dominated by local milk men and sweet mates. Only 20 percent of the industry is organized. It is therefore important for the organized milk marketers to know and understand what consumers are looking for. Milk producers must meet consumers' demand and expectations in order to remain competitive. It involves an in depth study about the nature of the consumer, their taste, their likes, their preferences, brand loyalty and many other characteristics related to the consumer and as well as to the product.

REVIEW OF LITERATURE

Cuma and Tiryaki (2008) suggested that unpacked fluid milk preference is related positively to household size, income and age of the household head, and negatively to education level of the household head and status of the household wife. Similarly, pasteurized and sterilized fluid milk preferences are related positively to income and the education level of the household head, and negatively to household size and age of the household head. Results from these analyses are used to suggest techniques for marketing fluid milk products to specific segments of the consumer population

Rena and Vadde (2010) concluded that majority of the consumers are purchasing milk from shops, commission agencies, consumers are satisfied with price, quality, and 74 percent consumers pay by card. Electronic media is playing significant role to adverting dairy products.

Akhtar, Abbasi, Ali, and Afzal (2011) stated that brand image is the important factor which contributes for a company in terms of brand equity and it also play vital role in creation of customer loyalty. Although it's not necessary that only because of brand image a customer can be retain. There can be too many other factors which can contribute towards customer retention and loyalty and these factors can vary from product to product and market to market.

Ingaval and Thakar (2012) revealed that the customers preferred packaged branded milk and milk products over a period of time from 1991 to 2006. The change in purchase decision was due to marketing factors such as availability, advertisement, product quality and price of the products.

Gopalakrishnan (2014) in his study revealed that 53% of the respondents are satisfied in price of dairy milk. 42% of the respondents are satisfied in quality of dairy milk. 44% of the respondents are highly satisfied in taste of dairy milk. 44% of the respondents are satisfied in available of dairy milk. 40% of the respondents are highly satisfied in package of dairy milk. 40% of the respondents are highly satisfied in advertisement of dairy milk.

Sangeetha and Mohan (2016) stated that consumer awareness is mainly focus on quality of the product, price of the product, brand of the product. Consumer satisfaction, consumer preference towards the product, product distribution that is channels of distribution and customer loyalty is the major area to satisfy the customer. Consumerism is essentially a social movement started to secure more rights for the buyers.

STATEMENT OF THE PROBLEM

Milk is almost an ideal food. It has high nutritive value. It supplies body building proteins, bone-forming minerals and health-giving vitamins and furnishes energy-giving lactose and milk fat. Besides, supplying certain essential fatty acids, it contains the above nutrients in an easily digestible and assimilable form. All these properties make milk an important food for pregnant mothers, growing children, adolescents, adults, invalids, convalescents and patient's alike (Sukumar de, 1997). Thus, marketing mix is a blend of decisions in the four Ps. It is a system comprising the subsystems of price, product, promotion and distribution. These elements of the marketing mix are interrelated because decisions in one area affect the others. Marketing mix is a dynamic concept as it keeps on changing with changes in market.

Given this scenario, it becomes necessary to investigate the behaviour of customers relating to how do the customers make a choice of the product? Are they brand conscious or not? Do customers prefer to buy the product? If so what factors (variables) which influence the customers to buy the product?

OBJECTIVES OF THE STUDY

The present paper focuses on consumer's behaviour for liquid milk in Haryana. The specific objectives of the study are as follows-

• To study consumers preference for different kinds of milk available in the market.

• To study consumers preference for different attributes of milk in relation to their family size, occupation and salary

RESEARCH METHODOLOGY

The present study is an attempt to study the consumer's behaviour for liquid milk in Haryana. To undertake the study following plan of action was implemented.

DATA COLLECTION

For evaluating the objectives of the study, both primary and secondary data were utilized. The primary data were collected from 264 respondents residing in four districts of Haryana through self-developed and pre-tested questionnaire. The information related to type of milk, top of mind awareness, criteria for preferences were collected to understand the people's preference for different type of milk.

Processing and Analysis

The technique of tabular analysis is employed to study the responses of people. The statistical tools like frequency, percentages and chi-square test are employed.

Limitations of the Study

Following are the limitations of this study-

• The study is confined to for districts of Haryana. Therefore, the results may not be generalized for other districts.

• There are many other variables which affect consumer preferences and behaviour but are not considered in this study.

• The sample size is limited to 264 households.

• The consumers may vary in their interpretation of questions.

Findings and Analysis

Consumers are the most important component of today's marketing. They play an important role in guiding the business to provide goods and services as per their requirements. Consumer's research is extremely important to device market strategy, because knowledge of the factors influencing consumer-buying behaviour and consumer's preference towards a product can help to increase market share and milk market is no exception to this.

Table 1 Purchase of different kind of milk by respondents

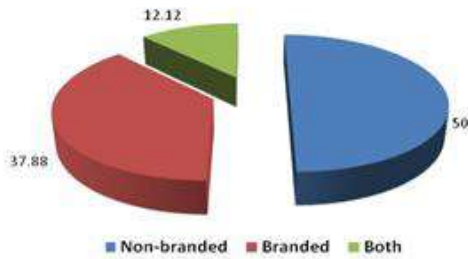| Kind of milk	Frequency	Percentage
Non-branded	132	50.00
Branded	100	37.88
Both	32	12.12
Total	264	100.00

Fig. 1: Purchase of different kind of milk by respondents

The table 1 shows the different kind milk purchased by respondents. It shows that large majority of respondents (40.6%) purchase dairy milk (non-branded), while 37.6 per cent respondents purchased branded milk such Amul, Vita, Mother dairy etc. and 12 per cent respondents purchased both kind of milk (branded and non-branded).

Table 2 Association between size of family and purchase of different kind of milk

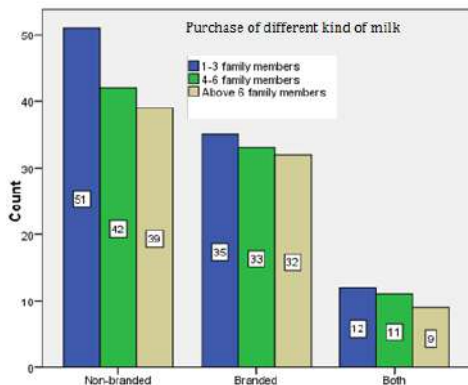| Crosstab					
Family Size		Purchase of different kind of milk			Total
		Non branded	Branded	Both	
1-3 family members	Count	51	35	12	98
	%	52.0%	35.7%	12.2%	100.0%
4-6 family members	Count	42	33	11	86
	%	48.8%	38.4%	12.8%	100.0%
>6 family members	Count	39	32	9	80
	%	48.8%	40.0%	11.2%	100.0%
Total		132	100	32	264
	%	50.0%	37.9%	12.1%	100.0%

Fig. 2: Association between size of family and purchase of different kind of milk

Chi- Square	Calculated value	df	Tabulated value	Remarks
χ^2	0.435	4	3.791 at 0.05 level	Significant

Table No. 2 reveals that obtained chi square value of 0.435 is less than the tabulated value of 3.791 and therefore it is found not significant at 0.05 level of significance. It indicates no significant difference among the three groups of subjects regarding purchase of different kind of milk. It can be said that size of family has no influence on purchase of different kind of milk.

Table 2 Association between occupation and purchase of different kind of milk

Cross table							
Purchase of milk		Occupation				Total	
		Govt service	Business	Private service	Others		
Non-brand	Count	39	44	29	20	132	
	% within	29.5%	33.3%	22.0%	15.2%	100.0%	
Brand	Count	29	19	29	23	100	
	% within	29.0%	19.0%	29.0%	23.0%	100.0%	
Both	Count	11	8	9	4	32	
	% within	34.4%	25.0%	28.1%	12.5%	100.0%	
Total	Count	79	71	67	47	264	
	% within	29.9%	26.9%	25.4%	17.8%	100.0%	

Fig. 2: Association between occupation and purchase of different kind of milk

Chi- Square	Calculated value	df	Tabulated value	Remarks
χ^2	8.402	6	14.067 at 0.05 level	Significant

Table 3 Association between salary and purchase of different kind of milk

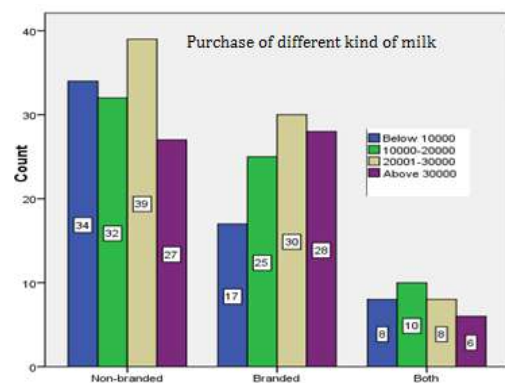| Cross table						
Purchase of milk		Income				Total
		Below 10000	10000-20000	20001-30000	Above 30000	
Non branded	Count	34	32	39	27	132
	%	25.8%	24.2%	29.5%	20.5%	100.0%
Branded	Count	17	25	30	28	100
	%	17.0%	25.0%	30.0%	28.0%	100.0%
Both	Count	8	10	8	6	32
	%	25.0%	31.2%	25.0%	18.8%	100.0%
Total	Count	59	67	77	61	264
	%	22.3%	25.4%	29.2%	23.1%	100.0%

Fig. 3: Association between salary and purchase of different kind of milk

Table No. 2 reveals that obtained chi square value of 0.8.402 is less than the tabulated value of 14.067 and therefore it is found no significant at 0.05 level of significance. It indicates no significant difference among the four occupation groups of subjects regarding purchase of different kind of milk. It can be said that occupation of respondents has no influence on purchase of different kind of milk.

Chi- Square	Calculated value	df	Tabulated value	Remarks
χ^2	4.496	6	14.067 at 0.05 level	Significant

Table No. 3 reveals that obtained chi square value of 4.496 is less than the tabulated value of 14.067 and therefore it is found not significant at 0.05 level of significance. It indicates no significant difference among the four salary groups of subjects regarding purchase of different kind of milk. It can be said that salary of respondents has no influence on purchase of different kind of milk.

FINDINGS OF THE STUDY

It was found that that large majority of respondents (40.6%) purchase dairy milk (non-branded), while 37.6 per cent respondents purchased branded milk such Amul, Vita, Mother dairy etc. and 12 per cent respondents purchased both kind of milk (branded and non-branded). Finding regarding Association between size of family. occupation and salary and purchase of non-branded and branded type of milk. It is found that there is no significant difference among the three groups of different family size regarding purchase of different kind of milk. It can be said that family has no influence on purchase of different kind of milk. It was found that there is no significant difference among the four occupation groups of subjects regarding purchase of different kind of milk. It can be said that occupation of respondents has no influence on purchase of different kind of milk. It was found that there is no significant difference among the four salary groups of subjects regarding purchase of different kind of milk. It can be said that salary of respondents has no influence on purchase of different kind of milk.

CONCLUSION AND RECOMMENDATIONS

Haryana is known as a hub of milk and milky animals. There are many dairies in the state which provide milk and other milk products in the market. In our study we find that a large majority of consumer mostly preferred the unpacked milk because of the freshness of the milk and they believe that the unpacked milk has pure quality. Unpacked milk comes without adding any chemical. So, customer has positive attitude toward unpacked milk. While out many consumers prefer to purchase packed milk because they want a standard fat level and standard quality of milk. There is a need for creating awareness, spreading information and educating consumers about the importance of pasteurized milk which is provided by the established milk brands in the market. In addition, if organized dairy improve its performance in terms of easy availability and affordability the dependence of people on unprocessed milk will be over. This will give the required boost to the organized sector and the involvement of the organized sector will drive the growth of Indian dairy industry.

Today's market is consumer oriented. It is therefore important for dairy companies to study consumer behavior and accordingly plan their marketing strategies. The present study shows that the most remembered brand in the category of liquid milk after local dairy is AMUL. The reason for which is the consumer centric approach followed by AMUL in its marketing practices.

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