



## Consumer preference towards aavin brand with special reference to Madurai district cooperative milk union

Hanishkanthraja G, Subburaj B

Research Scholar, Department of Cooperation, Gandhigram Rural Institute-DU, Gandhigram, Tamil Nadu, India

### Abstract

A study was conducted to assess the Consumer Preference towards Aavin Brand with Special reference to Madurai District Cooperative milk Union. The prime reason for consumer preference of Aavin brand is “Good quality” followed by “Correct quantity and Maintenance of quality”. “Dependable Advertisement” fetch the least rank. The relationship between the consumer preference and monthly expenses on milk indicated a significant response on the variables viz., reasonable price (x1) correct weight (x2) convenient sales point (x3) good quality (x5) convenient packing (x6). The variables viz., Adequate quality (x4) maintenance of quality (x7) purchase policy (x8) dependable advertisement (x9) and product information (x10) did not influence and showed non- significant. It can be concluded from the study, that the consumers change their attitude frequently on the basis of new trend and fashion and availability of Good quality product. Milk producers must meet consumers' demand for milk on the basis of Maintenance of good quality, purchase return policy, and creation of awareness of Aavin's product should be concentrated more in order to meet out the global competitive market.

**Keywords:** dairying, consumer, decision making

### Introduction

A dairy is a business unit established for the harvesting of animal milk – mostly from cows and buffaloes, – for human consumption. Approximately 150 million households around the globe are engaged in milk and allied emphasis. In most developing countries, milk is being produced by smallholders, and milk production contributes to household livelihoods, food security and nutrition. India has 60 lakhs village where in 70 percent of the rural populations are employed in agriculture and related activities. Dairying is one of the important allied activity act as an instrument for social and economic development of the rural masses. The nation's milk supply comes from the millions of small producers (farmers), who are dispersed in rural areas. According to the National Sample Survey. Milk production in India crossing 121 million tonnes in 2010-11 (BAHS, 2012) and to 137.7 million tonnes in 2013-14 (BAHS, 2015).

### Consumer preference

Consumer preferences are defined as the subjective (individual) tastes, as measured by utility, of various bundles of goods. They permit the consumer to rank these bundles of goods according to the levels of utility they give the consumer. The below said preferences are independent of income and prices.

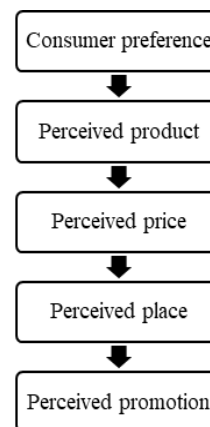


Fig 1

### Five Common Factors Influencing Customer Preference

The Customer Preference of any product is influenced by the following five factors. Purchasing power, Group Influence, Personal Preference, Economic conditions, and Marketing campaigns.

#### Purchasing Power

Purchasing power of a consumer plays an important role in influencing the consumer preference. The consumers

generally analyze their purchasing capacity before making a decision to buy and products or services. The product may be excellent, but if it fails to meet the buyers purchasing ability, it will have high impact on its sales.

### Group Influence

Group influence is also seen to affect the decisions made by a consumer. The primary influential group consisting of family members, classmates, immediate relatives and the secondary influential group consisting of neighbors and acquaintances are seen have greater influence on the purchasing decisions of a consumer.

### Personal Preferences

At the personal level, consumer behavior is influenced by various shades of likes, dislikes, priorities, morals and values. In certain dynamic industries such as fashion, food and personal care, the personal view and opinion of the consumer pertaining to style and fun can become the dominant influencing factor. Though advertisement can help in influencing these factors to some extent, the personal consumer likes and dislikes exert greater influence on the end purchase made by a consumer.

### Economic Conditions

Consumer spending decisions are known to be greatly influenced by the economic situation prevailing in the market. A positive economic environment is known to make consumers more confident and willing to indulge in purchases irrespective of their personal financial liabilities.

### Marketing Campaigns

Advertising plays an important role in customer preference, especially for non-durable goods. They are even known to bring about a great shift in market shares of competitive industries by influencing the preference of the customer

### Literature Review

The consumers tended to purchase tetra-pack considering the attributes included in value and package subsets mainly, including purity, appearance, size, convenience, and informational labeling etc. However, consumers did not believe that it enhanced those attributes included in "food safety" and "nutritional" subsets. (*Kariyawasam, Jayasinghe-Mudalige, & Weerahewa, 2006*)<sup>[4]</sup>.

The better educated household head, higher income households, younger and female household head and people who agreed with "unpacked milk is not healthy" consumed more packed fluid milk than did others. (*Kilic, Akbay, & Tiryaki, 2009*)<sup>[5]</sup>

The consumers mostly perceive packed milk relatively better due to its various quality attributes. The estimated ordered logistic regression model revealed that younger, married and male consumers irrespective of education level had greater preferences for packed milk. (*Aayaz, Badar, & Ghafoor, 2011*)<sup>[1]</sup>.

Better educated household heads, higher income and larger households, and households with children under seven years of age consumed more packed milk than others. A similar result was found for unpacked milk consumption, except for a

negative effect of education, working wife and income. (*Yayar, 2012*)<sup>[9]</sup>

Quality, packaging, price, availability and advertisement were the factors that affected the preference of branded milk in rural and urban areas and affected the consumption pattern. (*Sivasankaran & Sivanesan, 2013*)<sup>[7]</sup>,

The packaging was the most important factor. It was further concluded that the packaging elements like its Color, Packaging material, Design of Wrapper and innovation were more important factors when consumers making any buying decision. Finally it has also been concluded that the Packaging is one of the most important and powerful factor, which influences consumer's purchase decision. (*Ahmed, Pramara, & Amin, 2014*)<sup>[2]</sup>

Packaging elements such as color, context image, packaging material, style of writing, cover design, printed information and innovation had positive and significant relationship with consumer buying behavior. (*Mousavi & Jahromi, 2014*)<sup>[6]</sup>

Despite the technological advancement resulting in several variety of packaged milks in market, there is a strong felt need for the marketing managers to focus on creating high degree awareness among consumers regarding their product range". (*Sumathi, 2015*)<sup>[8]</sup>

In Tamil Nadu that people preferred retail outlets for purchasing branded milk and milk products and most of the respondents were influenced by the family members for purchase of particular brand of milk. (*Elangovan & Gomatheeswaran, 2015*)<sup>[3]</sup>

### Statement of the problem

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. In spite 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' preference towards Aavin Milk.

### Objective of Study

- To analyze the major factors influencing the consumers in buying Aavin milk in Madurai District.
- To find out the effect of customer preference towards Aavin milk and Milk Purchase.

### Materials and Methods

Among the Consumers of Aavin products Madurai District Milk producers Cooperative Union Limited 120 samples were selected for the study. The samples, were taken from the five zones viz., Annanagar, Bibikulam, Central, Arapalayam and Palanganatham which covers all types of consumers from village area to high class society and labour area around Madurai city. A fraction of the population is being investigated in all the five zonal areas of Madurai district, which is by convenience method. In order to give equal representation of sample units to all zones, a sample of 24 customers were chosen as respondents from each zone in Madurai.

**Methods of Data Collection**

**Primary data and Secondary data**

Primary data was collected through a pre tested interview schedule and the data were collected through personal Interview method among the consumers of MDCMPU. Secondary data were collected from various sources related to MDCMPU such as records, journals, books, internet etc.

**Tools used for Data analysis**

The collected data were coded, tabulated, classified and further categorized for systematic statistical analysis. The statistical tools like mean score ranking and multiple regression were used for analysis of data. The results were interpreted accordingly.

**Mean score ranking**

The **Mean rank** of a score is the percentage of scores in its frequency distribution that are equal to or lower than it. The mathematical formula is

$$\frac{c_{\ell} + 0.5f_i}{N} * 100$$

Where  $c_{\ell}$  is the count of all scores less than the score of interest,  $f_i$  is the frequency of the score of interest, and  $N$  is the number of examinees in the sample. If the distribution is normally distributed, the percentile rank can be inferred from the standard score. (Research Methodology by Krishnaswamy and Appaayer Pearson Publication)

**Multiple Linear Regression**

Multiple linear regression attempts to model the relationship between two or more explanatory variables and a response variable by fitting a linear equation to observed data. Every value of the independent variable  $x$  is associated with a value of the dependent variable  $y$ . (The population regression line for  $p$  explanatory variables  $x_1, x_2, x_p$  is defined to be  $\mu_y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \dots + \beta_px_p$ . This line describes how the mean response  $\mu_y$  changes with the explanatory variables. (Statistical Methods for the Social Sciences by Alan agersati 2014 5<sup>th</sup> edition)

**Analysis and interpretation**

The result of analysis and interpretation of empirical data based on the questionnaire given to 120 respondents from various age grouped people of Madurai district, Tamil Nadu.

**Table 1:** Consumer preference of Aavin brand

SI. No	Particulars	Mean score	Ranking
1	Reasonable price	4.2	IV
2	Correct quantity	4.6	II
3	Convenient sales point	3.5	VI
4	Availability of adequate quantity	3.9	V
5	Good quality	4.8	I
6	Convenient packing	1.6	VIII
7	Maintenance of quality	4.3	III
8	Flexible purchase policy	1.6	IX
9	Dependable advertisement	1.0	X
10	Adequacy of information of product features	1.7	VII

Based on the study from the above Table -1. It is clearly evident that the prime reason for Consumer preference is “Good quality followed by Correct quantity and Maintenance of quality, Maintenance of quality, Reasonable price,

Availability of adequate quantity, Convenient sales point. Adequacy of information of product features, Convenient packing, Flexible purchase policy and Dependable Advertisement” fetch the least rank.

**Table 2:** Multiple regression analysis between Consumer preferences with monthly expenses on milk purchase by the consumers. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.952 <sup>a</sup>	.907	.898	.19560

a. Predictors: (Constant), Product information, Purchase policy, Advertisement, Correct Weight, Maintenance of Quality, Good Quality, Adequate Quantity, Convenient Sales point, Reasonable price, Convenient packing.  
 b. Dependent Variable: monthly expenses on milk purchase by the consumers.

**Inference**

From the model summary table the R value of 0.952 implies that the model have good prediction. R<sup>2</sup> value of 0.907 implies

that 90.7 percent variation on depend variable (milk sales turnover). When independent variables changes. The adjusted R<sup>2</sup> value of 0.898 conformed the interpretation.

**Table 3: ANOVA<sup>a</sup>**

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	40.493	10	4.049	105.844	.000 <sup>b</sup>
	Residual	4.170	109	.038		
	Total	44.663	119			

a. Dependent Variable: monthly expenses on milk purchase by the consumers.

b. Predictors: (Constant), Product information, Purchase policy, Advertisement, Correct Weight, Maintenance of Quality, Good Quality, Adequate Quantity, Convenient Sales point, Reasonable price, Convenient packing

**Inference**

The F- ratio in the above ANOVA table has been used to test the fitness of the overall regression model. The table value

indicated that the independent variables are significantly predicting dependent variable  $F(10,109) = 105.844$  and therefore model is very good fit.

**Table 4: The effect between Consumer preferences with monthly expenses on milk purchase by the consumers. N=120**

SI. No	Consumer preferences of Aavin brand	Regression Coefficients	Standard Error	T value	Significance
	Milk purchase (Constant)	1.524	.576	2.646	.009
X1.	Reasonable price	.266	.074	3.570**	.001
X2.	Correct quantity	-.214	.051	-4.209**	.000
X3.	Convenient sales point	.190	.048	3.919**	.000
X4.	Availability of adequate quantity	.113	.073	1.540	.126
X5.	Good quality	-.199	.089	-2.231*	.028
X6.	Convenient packing	.251	.063	3.983**	.000
X7.	Maintenance of quality	-.031	.117	-.262	.794
X8.	Flexible purchase policy	.026	.042	.631	.529
X9.	Dependable advertisement	.091	.066	1.367	.175
X10.	Adequacy of information of product features	-.225	.072	-3.136**	.002

\*.Regression is significant at the 0.05 level (2-tailed).

\*\* .Regression is significant at the 0.01 level (2-tailed).

**Equation:**  $(Y=1.52+0.27X1-0.21X2+0.19X3+0.11X4-0.19X5+0.25X6-0.03X7+0.03X8+0.09X9-0.22X10)$

**Conclusion**

The relationship between the consumer preference and monthly expenses on milk indicated a significant response on the variables viz., reasonable price(x1) correct weight(x2) convenient sales point(x3) good quality(x5) convenient packing(x6). The variables viz., Adequate quality(x4) maintenance of quality(x7) purchase policy(x8) dependable advertisement(x9) and product information(x10) did not influence and showed non- significant. Generally, the consumers change their attitude frequently on the basis of new trend and fashion and availability of Good quality product. Milk producers must meet consumers' demand for milk on the basis of Maintenance of good quality and purchase return policy, creation of awareness of Aavin's product should on timely basis be concentrated more in order to meet out the global competitive market.

**Reference**

1. Aayaz S, Badar H, Ghafoor A. Level and Determinants of Consumers' Perception of Packed Milk in Pakistan. Journal of Business and Economics, 2011.
2. Ahmed RR, Pramara V, Amin AM. Impact of Product Packaging on Consumer's Buying Behavior. European Journal of Scientific Research, 2014; 120(2).
3. Elangovan N, Gomatheeswaran M. A study on consumer behaviour towards various brands of milk and milk products with special reference to Thudiyalur town at Coimbatore district in Tamil Nadu. International Journal of Multidisciplinary Research and Development, 2015.
4. Kariyawasam S, Jayasinghe-Mudalige U, Weerahewa J. Assessing Consumer Perceptions Towards Attributes of

Food Quality: The Case of Consumption of Tetra-Packed Fresh Milk in Sri Lanka. Canadian Agricultural Economics Society Annual Meeting. Montreal, Quebec, 2006.

5. Kilic O, Akbay C, Tiryaki YG. Factors affecting packed and unpacked fluid milk consumption. Agric. Econ. – Czech, 2009.
6. Mousavi SA, Jahromi MM. Examining The Relationship Between Packaging And Consumer Buying Behavior Case Study: Comparison of Pasteurized 1.5l Milk Of Brands Roozaneh And Mihaan. Indian Journal of Fundamental and Applied Life Sciences, 2014.
7. Sivasankaran S, Sivanesan R. Brand Preference of Packed Milk-Comparative Study on Rural and Urban Consumers in Kanyakumari District. International Journal of Business and Management Invention, 2013.
8. Sumathi S. The Customer Perception Towards Marketing Of Different Brands Of Packaged Milk. International Journal of Research in IT & Management, 2015.
9. Yayar R. Consumer Characteristics Influencing Milk Consumption Preference. The Turkey Case. Theoretical and Applied Economics, 2012, 10-25.
10. Statistical Methods for the Social Sciences by Alan agersati 2014 5<sup>th</sup> edition.
11. www.aavinmilk.com.
12. www.agritech.tnau.ac.in
13. www.nddb.org
14. www.dairytechindia.in
15. www.wikipedia.com
16. www.tutorvista.com