

CONSUMER BEHAVIOUR OF MILK AND MILK PRODUCTS IN KANCHIPURAM DISTRICT - A STUDY

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ABSTRACT

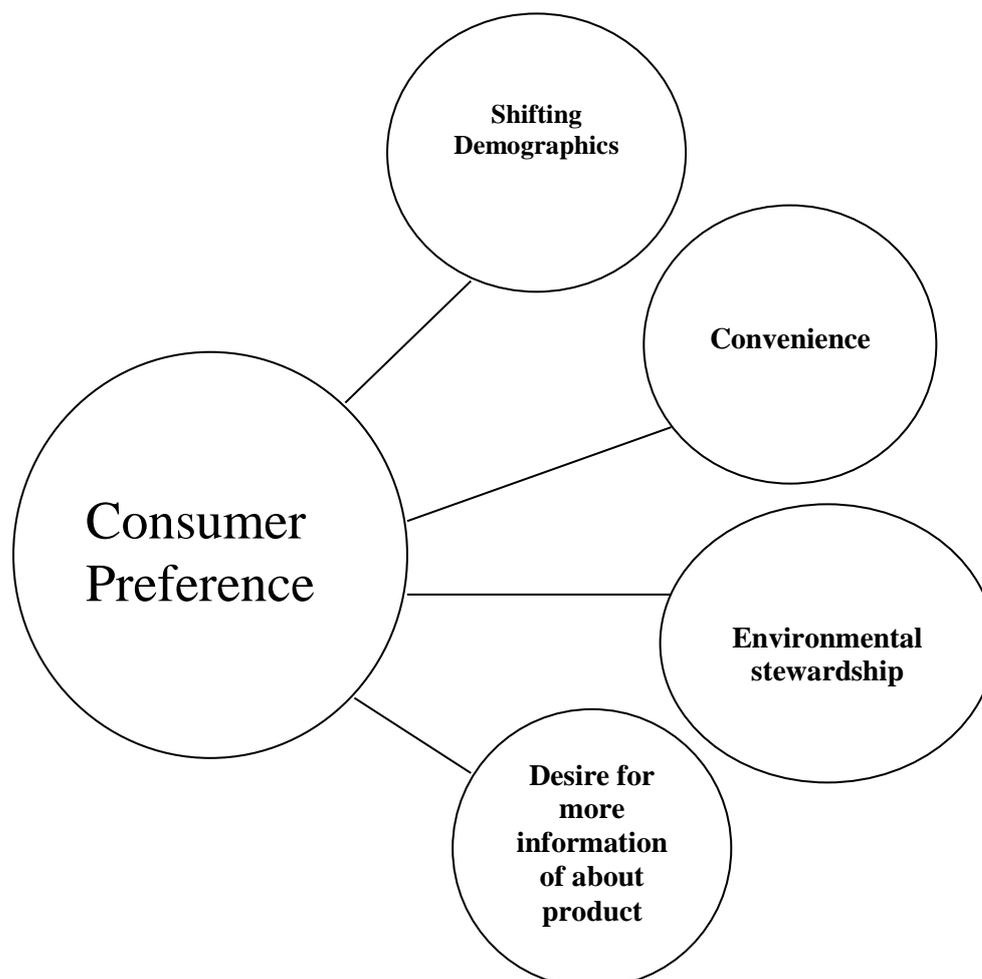
Kanchipuram is one of the fast growing selling points of milk and milk product players among the district. In modern days consumer's taste and needs very rigorously change, so it is very complex of a market situation. Hence, the researcher eagerly took the concept of attitude and behaviour the buying preference of milk and milk product. The understanding influencing factors on consumption mode its consumers support for buying preference and improving towards consumer requirement of milk and milk product. The main focus this paper on the analysis of the socioeconomic status of consumers' preference of milk and milk product its projection of upcoming development of dairy industry in Kanchipuram district.

Keywords: Milk and Milk product, Consumer, Attitude, Dairy Industry, etc.

1. INTRODUCTION

The companies all over the world are focused on Sustaining and Excelling. Although service providence and profit maximization are the main concern for any business, the global competition of the business has pushed the companies to frame their strategies towards sustaining in the market and later towards excelling in the field they are in. Once the organization deals with this competition effectively, it can sustain in the market. Dealing with the competition, for any organization is not a onetime process, instead, it will continue throughout the lifecycle of a business. For any business, the outcome of the business i.e., their product or service will be mainly customer oriented. So, to sustain in the competitive world, the organizations should structure their strategies focusing particularly towards customers. The company with the backing of its customers can be predicted as a company that cannot be overpowered in the market. Further, with the increase in the income level of the customers, their lifestyle and buying behavior also changes frequently.

Figure 1. FORMATIVE MODEL FOR CONSUMER BUYING BEHAVIOUR



CONSUMER OF MILK AND MILK PRODUCTS

With the observation that Milk is the healthy food, the consumption and importance of milk in the day to day life of people is insuperable. It is said that only humans consume milk past infancy, in spite of the fact that the majority of adult humans show some degree of lactose intolerance (Champe, Pamela, 2008)¹⁰. Although India is a country with a bunch of spiritual people, milk is considered to be a product consumed by all the set of people. Drinking milk and consuming its products consists of an extremely popular group of dairy products in India. Milk is considered as a source of wholesome nutrition among rural as well as urban families, with fresh / pasteurized milk comprises of about 83% of value sales of drinking milk products in 2012 (Country Report, March 2013).

India nevertheless faces a milk supply gap due to increasing demand from a rising middle-class population. Estimation put forward that Indian dairy production is growing at a rate of about six percent per year; however, consumer demand is growing at around double that rate of dairy production. According to a national survey conducted by the National Sample Survey Organisation (NSSO), an average Indian family's spend on dairy products was only next to cereals in terms of food expenditure incurred in each month. Such dependency on dairy products, and more particularly on milk and with its availability, it gives limited scope for price increases on these products. As such, regional dairy cooperatives and private producers have to meet the growing demand for packaged milk despite a limited rise in the corresponding production. Understanding the consumers will help for the cooperatives and the private companies to utilize the source effectively.

2. REVIEW OF LITERATURE

A literature review is an account of what has been published on a topic by qualified scholars and researchers. It is a text written by somebody to consider the vital points of current knowledge including supportive findings, as well as theoretical and methodological hand-outs to a particular topic. In this chapter, the researcher has reviewed a number of articles related to the consumer attitude and their behavior towards different products as well as milk and milk products. The reviews under this chapter not only concentrated one demographic area but covered to determine the previous views of researchers on attitude and behavior of customers towards any products.

Donskilashi (2012), in her study titled, "The Influence of Sale Promotion on Customers Patronage" states that the major tasks of marketers are to produce the right goods, charge the

correct price, gives the product exposure through distribution networks, and to induce the consumers to purchase the product. But all these marketing skills will become a waste of effort if the consumer fails to become aware of the existence of a product or service. The author concludes that the sales promotion is a method in which the marketer can make the products reach the customers and can present customers a clear idea about the product.

Parul Mittal and Sandeep Aggarwal in their study, “Consumer perception toward branded garments: A study of Jaipur” (2012) states that analyzing and understanding the consumer and his behavior is the cornerstone of success in marketing. It includes all the physical, mental and emotional processes and concerned behaviour which is observable before, during and after each and every purchase of goods and services which intern makes the marketer understand, observe, record and react to such behaviour in case we want to have a win-win strategy that matter for the marketer and the customer both. In this study, the authors attempt to understand those emotional or rational appeals, which drive the purchase decision toward the branded garments and it is found out that brand enhances the personality of a person and further people associate brand with the quality of product, style and its design. In return, they expect the branded product to provide them recognition, satisfaction and value for the money invested. Survey depicts that there is a relationship between the consumer’s income and the satisfaction derived from a purchased product. People are price sensitive and the final selection or rejection of the good depends on the price/budget of the buyer.

Budi Suprpto and Tony Wijaya in their study titled, “Model of Consumer’s Buying Intention towards Organic Food: A Study among Mothers in Indonesian” (2012)³ has examined the model of the consumer’s purchase intention towards organic food in Indonesia. Their model presents the relationship among healthy consumption lifestyle, attitude toward organic food, and purchase intention of organic food. Their study uses survey data gathering from 250 mothers who have a child or children. The result indicates that healthy consumption lifestyle is a good predictor of attitude toward organic food, meanwhile attitude toward organic food directly influence to purchase intention toward organic food.

In the article titled, “Customers’ Brand Preference on Pasteurized Packaged Milk” (2011) **S. Arun Kumar and Sumathy** have made a study to understand the brand preference of customers over the packaged milk. For this the methodology adopted was by mall intercept response collection, whereby shoppers were intercepted in the public areas of shopping outlets and distributed the structured questionnaire for their valuable response. Non-

Probability and purposive Sampling techniques were employed with a sample size of 150 respondents. From this study, it is concluded that the dominant variables identified by using statistical analysis (Multiple Regression Analysis) from consumer responses are an advertisement, reasonable price, taste, brand name and packaging which has got prominent implications on the marketers brand building exercise.

STATEMENT OF THE PROBLEM

The milk production in India has ranked first with 121.8 million tons in 2011 and the dependence of the people over the milk and milk products are unassessable. The dairy sector in India has performed well for decades and become as one of the most promising agriculture sectors. After the introduction of liberalization in 1991 in India, there was a significant change in the consumer buying behavior, consumption pattern and brand consciousness. However, the increase in the organized sector of dairy industry in Coimbatore lacks information on consumer buying behavior. Thus, the lack of information on the consumer buying behavior as a whole is a disadvantage upon the sales opportunities and the efficiency of dairies in Kanchipuram district.

NEED OF THE STUDY

Kanchipuram is a fast developing district with a number of leading players constituting their production and selling units. A further change in the economy and the change in preference of consumers' needs, wants and preference makes the dairy market more complex. Therefore a study on consumers' attitude, preference, and buying behavior towards dairy products helps the dairy industry in preparing a projection plan and also in developing the marketing strategies. Understanding the major influencing factors on the consumption pattern of the consumers helps the dairy industry to improve their approach towards meeting customer requirements. An accurate analysis of the socioeconomic status of the consumers and good estimates of the demand for dairy products helps the projection of future development of dairy sector in Kanchipuram district.

3. OBJECTIVES OF THE STUDY

- To analyze the growth and development of Dairy Industry in Kanchipuram District.
- To assess the consumers' consumption pattern of milk and milk products in Kanchipuram district.
- To determine the influence of marketing mix on consumer behavior over their milk and milk products.

LIMITATION OF THE STUDY

- All the by-products of milk are not considered in the present study.
- Only household consumers were considered and the bakers were not considered in—this study.

4. ANALYSIS OF CONSUMER ATTITUDE AND BUYING BEHAVIOUR OF MILK PRODUCTS

The table shows the classification of respondent based on the frequency of purchase of curd and the resident of the respondent.

Table: 1 Respondent based on resident and frequency of purchase of curd

Residence	The frequency of curd purchase	Frequency	%
Rural	Daily	35	38.5
	Twice in a week	23	25.3
	once in 15 days	18	19.8
	Never	15	16.5
Semi-Urban	Daily	42	28.0
	Twice in a week	33	22.0
	Once in 15 days	18	12.0
	Once in a month	21	14.0
	Never	36	24.0
Urban	Daily	93	26.8
	Twice in a week	185	53.3
	Once in 15 days	18	5.2
	Once in a month	11	3.2
	Never	40	11.5

From the table 1, it is understood that in rural area maximum of 38.5% of the respondent buys curd daily and 25.3% of the respondent at least twice in a week. In the semi-urban area maximum of 28% of the respondent buys curd daily followed by 22% of the respondent twice in a week. In the Urban area, maximum of 53.3% of the respondent buys curd twice in a week and 26.8% of the respondent daily.

Table 2 shows the classification of respondent based on the frequency of purchase of curd and the type of family of the respondent.

Table 2: Respondent based on Type of family and frequency of purchase of curd

Type of family	Purchase frequency of curd	Frequency	%
Nuclear Family	Daily	121	25.9
	Twice in a week	223	47.6
	Once in 15 days	34	7.3
	Once in a month	26	5.6
	Never	64	13.7
Joint Family	Daily	49	40.8
	Twice in a week	18	15.0
	Once in 15 days	20	16.7
	Once in a month	6	5.0
	Never	27	22.5

From the table 2, it is inferred that in the nuclear family a maximum of 47.6% of the respondent buys curd twice in a week followed by 25.9% of the respondent who buys curd daily. Considering the joint family it is understood that a maximum of 40.8% of the respondent buys curd daily which is followed by 22.5% of the respondent who never buys curd.

Table 3 shows the classification of respondent based on the frequency of purchase of butter and the resident of the respondent.

Table 3: Respondent based on resident and frequency of purchase of butter

Type of family	Purchase frequency of butter	Frequency	%
Rural	Daily	7	7.7
	Once in a month	7	7.7
	Once in 2 months	6	6.6
	Once in 3 months	12	13.2
	Never	59	64.8
Semi-Urban	Once in a month	60	40.0
	Once in 2 months	9	6.0
	Never	81	54.0
Urban	Once in 15 days	7	2.0
	Once in a month	176	50.7
	Once in 2 months	78	22.5
	Once in 3 months	30	8.6
	Never	56	16.1

From the table 3, it is understood that in rural area maximum of 64.8% of the respondent never buys butter and 13.2% of the respondent buys butter once in 3 months. In the semi-urban area maximum of 54% of the respondent never buys butter followed by 40% of the respondent buys butter once in a month. In the Urban area, maximum of 50.7% of the respondent buys butter once in a month and 22.5% of the respondent once in 2 months.

Table 4 shows the classification of respondent based on the frequency of purchase of butter and the type of family of the respondent.

Table 4: Respondent based on Type of family and frequency of purchase of butter

Residence	The frequency of butter purchase	Frequency	%
Nuclear Family	Once in 15 days	14	3.0
	Once in a month	201	42.9
	Once in 2 months	87	18.6
	Once in 3 months	25	5.3
	Never	141	30.1
Joint Family	Once in a month	42	35.0
	Once in 2 months	6	5.0
	Once in 3 months	17	14.2
	Never	55	45.8

From the table 4, it is inferred that in the nuclear family a maximum of 42.9% of the respondent buys butter once in a month followed by 30.1% of the respondent who never buys butter. Considering the joint family it is understood that a maximum of 45.8% of the respondent never buys butter, which is followed by 35.0% of the respondent who buys butter once in a month.

Here Garrett's Rank technique was conducted to determine the Consumers' preference in selecting a brand for milk products.

Consumers' preference in preferring a brand in Curd

Factors	Garrett Score	Ranking
Price	54.35	4
Quality	68.13	1
Taste	57.59	3
Health	60.98	2
Availability	44.09	6
Brand Name	44.82	5

Quantity	29.68	8
Mnf./Exp.	40.36	7

The table shows the Garrett Score and the rankings of different factors to determine the preference of the consumers of curd in selecting their preferred brand. Here eight factors such as price, Quality, Taste, Health, Availability, Brand Name, Quantity and Manufacture date or expiry date were listed and taken it to the consumers of branded curd to rank their preference. After the application of the appropriate formula, it is identified that with the Garrett score of 68.13 curd's consumers mainly prefer the quality of curd, followed by Health concern with the score of 60.98 and the taste of the curd in the third position with the Garrett score of 57.59. The consumers of the curd give the least preference to the manufacturing date or their expiry date in 7th position among the given 8 factors followed by the quantity of curd in the last position with the Garrett score of 29.68. From the table, it is clear that the consumers clearly looking for the quality of the product and its influence on health before purchasing. If the quality of the product is good, then the sales will be automatically increased.

With the determination of consumers' preference on the brand for curd, a similar technique has been adopted to determine the consumers preferred brand towards butter. The table explains the factors, their Garrett scores and ranking for those factors to determine the preferred brand of the consumers towards butter.

Consumers' preference in preferring a brand in Butter

Factors	Garrett Score	Ranking
Price	59.57	2
Quality	56.22	4
Taste	58.53	3
Health	60.84	1
Availability	45.32	5
Brand Name	41.46	7
Quantity	33.08	8
Mnf./Exp.	44.97	6

From the table, it is clear that the consumers prefer or gives more importance to the health factor when considering the purchase of butter. With the Garrett score of 60.84, Health factor tops in the factor list which is well followed by the price of the butter with the Garrett Score of 59.57. It is clear that before choosing any brand of butter, price factor has a significant

influence on the decision-making process of the consumers. The other factor following health and price are taste (58.53), quality (56.22), availability (45.32), manufacture date or expiry date (44.97), brand name (41.46) and Quantity (33.08). It is clear that even for butter, consumers prefer the health and quality than the quantity of the product.

5. FINDINGS, SUGGESTIONS, AND CONCLUSION

FINDINGS

The growth of Dairy in Kanchipuram District:

- Production of milk in Coimbatore District records an increase from 248.14 LLPD in 2010-11 to 435.81LLPD in 2011-12, which shows the potential of the district an increase in the production of milk.
- Top milk companies in Coimbatore district like Aavin, Arokya, Sakthi, and Aroma has witnessed a considerable growth in their procurement of milk from the year 2014-15 to 2016-17 as of 8.48%, 19.62%, 51.74% and 31.10% respectively.
- Considering the period 2014-15 to 2016-17, the sales of Aavin has risen by 15.78% and Aroma by 39.92%. Apart from this, the companies like Arokya and Sakthi in a whole recorded an amplified sale of 171% and 157% respectively in the same period.

Socio-economic profile of the respondent:

- Maximum of 48.8% of the respondent were in the age group of 41 to 50 years and 17.7% of the respondent comes under the age group of 21 to 30.
- 75.5% of the respondent under the study are female and 24.5% of the respondent is male. 59% of the respondent belongs to an urban area, 25.5% of the respondent belongs to the semi-urban area and 15.5% of the respondent belongs to a rural area.
- 79.6% of the respondent comes in the nuclear family and 20.4% of the respondents were in the joint family system. Irrespective of the area most of the respondent belongs to Nuclear family.
- Maximum of 50.2% respondent family monthly income in the study area is between ₹10001 and ₹21000.

Consumption Pattern of Milk and Milk Products

- Irrespective of a resident of the consumer, their average spending for monthly milk consumption lies between ₹501 and ₹1000.

- Maximum per day milk consumption for rural is 500ml and for semi-urban and—
Package preference of rural consumer is 250ml and the packs preferred by a semi—urban is 1 liter.
- Urban and urban are 500ml. Preferred packet size of milk for a nuclear and joint family is 500ml. There is an association for consumers' age, gender, and resident with their preference on fat content in milk.
- In absence of the regular brand of milk, irrespective of the age group of consumers, their preference will be based on same quality as that of their regular brand. Maximum of 34.7% of male says that their alternative brand in the absence of their regular will be based on same taste and for a female, the choice is be based on similar quality (51.4%).
- Homemakers prefer the alternative brand of milk in the absence of regular one based on same quality (58.1%).
- In the rural area (38.5%) and semi-urban area (28%), most of the consumers buy curd daily.
- In an urban area (53.5%) most of the consumers buy curd twice in a week. The consumers of the nuclear family mostly buy curd twice in a week and the consumers of the joint family mostly prefer to buy curd daily.
- In the urban and semi-urban area, the consumption of butter is more compared to that of rural.

SUGGESTIONS

- Parents and wife/mistress is the common person in deciding the brand of milk and milk products. So framing the strategies attracting the elderly members of the family will help the organization to increase its sales.
- To avoid the unavailability of products in the market, the proper market survey can be conducted to identify the exact requirement of the brand of milk or milk product needed in particular area.
- More importance should be given to the consumers above the age of 50 and those consumers who are in the urban area, as they are mostly dissatisfied with the service of dealers. Attaining and retaining consumers is more important for both company and dealers.

- Highlighting on quality, health benefits and taste of the product in the advertisement of curd and maintaining such standard can make a brand of curd customer preferred. Companies can use television and word of mouth technique more to reach the consumers more quickly and effectively.
- Promotional technique concentrating more on a female can help the organization in increasing the sales of milk and milk products as female consumers feel that the promotional technique followed by the companies in the study area is not effective.

CONCLUSION

In this study, the researcher has studied the buying behavior and attitude of consumers of milk and milk products. In the problem identification section it is noted that understanding the consumers and their buying behavior is a usual study, but understanding the consumers of the dairy industry is a rarely tapped area in Kanchipuram district. Usual studies on dairy industry were based on the cooperative milk societies, their product Aavin, a study on a dairy farm, and study on producers of milk and so on. The researcher conducted the study to understand the consumers of the dairy industry in Kanchipuram district. The study has been carried out with 588 respondents of milk and milk products spread almost through all the areas of Kanchipuram district. The analyses of these data have been done with appropriate statistical tools and certain findings on the buying behavior and the attitude of consumers towards milk and milk products were derived. The findings discussed in this research give a clear idea of the behavior and attitude of the consumers based on the demographic factors. The study makes it clear that the consumers of Kanchipuram district mostly stick towards a single brand and their satisfaction level on brands can be further improved by understanding their attitude and buying behavior. The researcher concludes that understanding consumers' attitude and behavior is essential to sustain and excel in this competitive and growing dairy market.

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