# PREFERENTIAL CHOICES OF CONSUMERS TOWARDS DAIRY PRODUCTS - A STUDY IN SELECTED DISTRICTS OF ANDHRA PRADESH

Kiran Koduru\*

Research Scholar Department of Commerce & Business Administration, AcharyaNagarjuna University, Nagarjuna Nagar, Guntur, Andhra Pradesh – 522510. E-Mail: kirankoduru7@gmail.com

#### Dr. T Sree Krishna\*\*

M.B.A., M.Phil., Ph.D.

Associate Professor Department of Management Sciences, R.V.R & J.C College of Engineering, Chowdavaram, Guntur, Andhra Pradesh – 522019. E-mail: tsreekrishna@gmail.com

\_\_\_\_\_

#### **ABSTRACT**

Consumer behavior is the combination of rational and emotional factors and it is highly impulsive. This paper examines the perception of the consumer towards dairy products in the selected Guntur district of Andhra Pradesh. It examines the factors of consumer motivation towards the purchase of dairy products and it analyze the purchase preferential choices of consumers towards dairy products. The present research study adopts descriptive research design and both primary and secondary data was utilized for drawing the inferences from the study. The sample size was fixed for the study was 140 and multi stage random sampling and convenience sampling techniques were applied to draw the required sample for the study. Statistical tools like mean, standard deviation, Z-test and ANOVA were applied for the verification of the proposed null hypotheses. The study concludes that there exists no significant difference between the gender of the consumers with respect to the factors of motivation in purchasing dairy products and there exists no significant difference in between the age categories of the consumers with respect to the factors of motivation in purchasing dairy products. The study further concludes that there exists no significant difference in the perception among the gender of and their purchasing preferences towards dairy products and there exists no the consumers significant difference in the perception among the age categories of the consumers and their purchasing preferences towards dairy products.

Key Words: Consumer preferences, Buying patterns, Consumer perception, Dairy products



#### **INTRODUCTION**

The dairy industry in India is said to be the significant component of the nation's food system and it is transforming into significant entrepreneurial platform at the present scenario. The drivers for the transformation process are multifold in their nature comprising technological changes in the milk production and milk products, regulatory environment towards dairy industry, trends in the consumption pattern and the rescheduling of multinational corporate strategies towards diary sector. The dairy industry constitute a special position in the existing allied sectors of agriculture. Several small producers are earning their daily income through the process of milk production.

Dairy industry is also termed as white gold industry and it involves an extended array of superior quality products. The cost factor of the milk which acts as the basic raw material has prompted the emergence of high-tech processing in the dairy industry. The perishable and bulky nature of the milk paves the way for the comprehensive quality regulations and high costs of transportation. The heavy reliance of milk producers on the processing industry has ended in a rigid position held by the dairy cooperatives in the process of dairy marketing.

Consumer behavior is said to be the sub component of the wider field of human behavior. It is the resultant factor of bio-psycho- socio-logical dimensions. Consumer behavior is neither rational nor emotional. It is the combination of both the factors and it can be termed as highly impulsive. The study of the aspect of consumer behavior is said to be the effort to understand and presume human actions in the process of buying the goods. Consumer behavior comprises various aspects like consumer preferences, consumer motivation, purchasing patterns, process of buying and behavior towards shopping etc,. Hence, the product organizations in every industry has to study and analyze the behavior of the consumers towards their desired products.Dairy product firms should analyze the consumer behavior and purchasing patterns of the dairy products as they are being essential for the existence and survival of the human beings.

### **REVIEW OF LITERATURE**

Dhanya. K, Venkatesa Palanichamy. N (2021) in their study had concluded that dairy industry can target the existing consumer segment and use it as an opportunity to expand their sales by satisfying those consumers also by retaining the existing consumers. For that they have to make their quality and availability their utmost importance than any other factors.

Karthick E and Nithya, A (2022) in their research work on the consumer behavior about aavin dairy products in Chennai had concluded that the consumer change the behavior frequently on the basis of new trend and fashion. They well know their needs and wants, so gather information about products and also compare its price, quality and other attributes. If the consumer are not satisfied they shift to other brands.

Dolekogle (2019), in his research work had concluded that the consumers loyalty with regard to the branded products was found to be increased and their exists several reasons for the consumers towards their preferential choices in terms of product price and product type. The socio- economic conditions of the consumers will also have a significant impact on the sensitiveness towards marketing mix.

Rose (2015), had concluded that it is very difficult in order to simulate the quantitative variables in order to explain the overall preferential choices towards taste, price, hygiene and quantity etc, along with the dynamic and attractive features of the products and they will have the significant impact on the consumer preferences.

Jain (2017), had concluded that the perception of the consumers depend on the specified demographic regions. Major organizations are producing their products with a special focus on the consumers perception towards quality in that particular demographic aspects.

Sharma (2018), had stated that consumer preferences are subjective aspects and they are measured by the aspects like utility and quantity of goods. The ranking of the products by the consumers will be generally done by their utility levels towards the directed products. The consumer preferences and choices will not determine the ability to purchase the goods and it is only a option that has the significant anticipated value in the prevailing number of options.

Virmani (2016), had concluded that the specific reasons for the consumer preferences towards the particular brands relies on the product quality to the product availability. The significant parameter for consumers brand preference is said to be the quality of the specific products. Majority of the consumers had expressed that they were not carried away by the advertisements at all times and the end factor that counts the large is the quality aspect of the product.

### STATEMENT OF THE PROBLEM

Though the Dairy industry plays an important role in the development of national economy and it possess good share of market to capture, the aspect of marketing was not given the importance. The entry of abroad players in the field of dairy market demands strategic approach of professionals towards dairy products market. The professionalism approach in terms marketing strategies is lacking among the dairy product companies. Every business organization must understand the behavior and perception of the consumers towards its product and services in the market. Hence this study helps to gain the insights about various aspects of consumers with regard to their perception and attitude towards dairy products and helps in designing the marketing strategies those appropriate for the Indian Dairy Market.

# **OBJECTIVES OF STUDY**

- 1. To examine the factors of consumer motivation towards the purchase of dairy products.
- 2. To analyze the purchase preferential choices of consumers towards dairy products.

# NULL HYPOTHESES

H<sub>o1</sub>: There exists no significant difference between the gender of the consumers with respect to the factors of motivation in purchasing dairy products.

 $H_{o2}$ : There exists no significant difference in between the age categories of the consumers with respect to the factors of motivation in purchasing dairy products.

 $H_{o3}$ : There exists no significant difference in the perception among the gender of the consumers and their purchasing preferences towards dairy products.

 $H_{o4}$ : There exists no significant difference in the perception among the age categories of the consumers and their purchasing preferences towards dairy products.

## **RESEARCH METHODOLOGY**

The present study adopts Descriptive Research Design and both primary and secondary data were examined for the study. The study comprises the respondents drawn from the urban and rural areas of Guntur, Visakhapatnam and Chittoor districts in Andhra Pradesh. The respondent subjects identified for the study were the consumers of various dairy products. The dairy products considered for the study analysis were milk, curd, buttermilk and ghee.

Primary data was collected with the help of interview schedule and secondary data was collected from various publication sources. Multistage Random sampling and Convenience sampling techniques were applied in order to identify the sampling respondents for the study. The sample respondents were drawn from the revenue divisions of Guntur, Visakhapatnam and Chittoor districts comprising both urban and rural areas. Hence, the respondents were drawn from urban and rural areas and the sample size comprises both men and women respectively. The sample size selected for the study was 600.

The motivational factors considered for the study were social, emotional, physical or biological in their nature which influences the consumers to purchase the dairy products . The purchase preferential choices of the consumers examined in the study were three folded and they comprise the patterns of consumption in terms of planning, expenditure and purchase frequency followed by selected of store and preference to purchase the diary products from both unorganized and organized sources. The uniqueness of the present study is the analysis of consumer preferential choices towards dairy products from both unorganized and organized sectors in dairy products.

The respondents preferences were rated on the 5-point Likert scale. The Interview schedule was conducted by the researcher with the help of a structured questionnaire. The data analysis was conducted by the application of statistical tools like frequency, percentage, mean , standard deviation, Z-test and ANOVA.

Table -1

	Gender details of the	respondents
Gender	Frequency	Percentage
Male	350	58
Female	250	42
Total	140	100

Source : Primary Data

The table shows that among the total sample respondents, 58 percent of the respondents were males and 42 percent of the respondents were females. It shows that majority of the selected respondents were males by their gender.

	inge details of the it	-sponto-mo
Age in years	Frequency	Percentage
Below 20	100	16.6
20-40	146	24.4
Above 40	354	59
Total	600	100

Table -2 Age details of the respondents

Source : Primary Data

The table no. 2 shows that among the total sample respondents, 16.6 percent of the respondents were in the age category of below 20 years, 24.4 percent of the respondents were in the age category of 20-40 years and 59 percent of the respondents were in the age category of above 40 years. It shows that majority of the selected respondents were in the age category of below 30 years.

### Verification of Hypothesis (H<sub>01</sub>)

 $H_{o1}$ : There exists no significant difference between the gender of the consumers with respect to the factors of motivation in purchasing dairy products.

Test applied : z-test

		Ger	nder		Sig.	
Motivational factors	Male (82)		Femal	le (58)		
	Mean SD Mean SD					
Regular diet	4.12	1.347	4.14	1.227	-0.2763	0.774
Functions and ceremonies	4.36	0.956	3.37	0.956	-0.1198	0.895
Parties and recreational activities	4.14	1.115	4.06	1.142	0.4296	0.664
Sweet products	3.82	1.334	3.79	1.312	0.0859	0.924
Advise of the health experts	3.93	1.378	3.96	1.284	-1.1004	0.269
Casual intake	3.36	1.236	3.38	1.196	-1.2012	0.227
Pride	2.98	1.489	3.04	1.457	-0.4896	0.618
External influence	2.72	1.321	2.76	1.338	-0.5392	0.579
Overall Score	3.71	0.832	3.74	0.764	-0.6128	0.528
Source Computed	•			•		

 Table -3

 Gender and factors of motivation in purchasing the dairy products

Source :Computed

The table no. 3 shows the cross tabulation details between the gender and factors of motivation in purchasing the dairy products. The table result depicts that the mean scores are high for the respondents

in the female category when compared to the respondents of male category in terms of regular diet, functions and ceremonies, advise of the health experts, casual intake, pride and external influence.

The results further depicts that the mean scores are high for the respondents in the male category when compared to the respondents of female category in terms of parties and functions and sweet products. The overall mean score value for the female respondents (3.74) is higher than the overall score value of the male respondents (3.71).

In order to verify the statistical significance of the proposed Null hypothesis  $(H_{o1})$ , z-test was applied. The gender aspects like male and female were considered as independent variable and the factors of motivation were considered as the dependent variable.

The z-test results shows that the calculated value is less than the table value and hence the null hypothesis  $(H_{o1})$  is accepted. It can be concluded that there is no significant difference between the gender of the consumers with respect to the factors of motivation in purchasing dairy products.

## Verification of Hypothesis (H<sub>02</sub>)

 $H_{o2}$ : There exists no significant difference in between the age categories of the consumers with respect to the factors of motivation in purchasing dairy products.

Test applied : ANOVA

		Ag	ANOVA Results					
Motivational factors		Below 2020-40Above 40(N=100)(N=146)(N=354)		F value	Sig.			
	Mean	SD	Mean	SD	Mean	SD	1 <sup>°</sup> value	Sig.
Regular diet	4.14	1.242	4.18	1.293	4.03	1.324	0.759	0.462
Functions and ceremonies	4.34	0.938	4.41	0.928	4.37	1.982	0.215	0.809
Parties and recreational activities	4.05	1.125	4.15	1.125	4.08	1.129	0.398	0.668
Sweet products	3.79	1.295	3.98	1.294	3.75	1.348	1.596	0.192
Advise of the health experts	4.06	1.253	3.92	1.347	3.91	1.378	0.694	0.493
Casual intake	3.53	1.148	3.31	1.252	3.34	1.232	1.582	0.206
Pride	2.94	1.529	3.02	1.446	2.96	1.462	0.079	0.919

# Table -4 Age and factors of motivationin purchasing dairy products.

External	2.78	1.365	2.64	1.324	2.69	1.312	0.448	0.628
influence								
Overall Score	3.71	0.775	3.69	0.815	3.64	0.808	0.412	0.657

Source: Computed

The table no. 4 shows the age categories of the respondents and the factors of motivation in purchasing dairy products. The table result shows that with regard to the age category of below 20 years, the motivational factors like advise of the health experts and casual intake are having high mean score values and with regard to the age category of 20-40 years, the motivational factors like regular diet , functions and ceremonies, parties and recreational activities, preparation of sweets and pride are having high mean score values.

The results from the table further shows that with regard to the age category of above 40 years, the motivational factors like regular diet and advise of the health experts were found to be with moderate mean scores. The overall mean score value was found to be high in the respondents age category of below 20 years (3.71).

In order to verify the statistical significance of the proposed Null hypothesis ( $H_{02}$ ), ANOVA was applied. The age categories were considered as independent variable and the factors of motivation were considered as the dependent variable.

The ANOVA test results shows that the calculated values are less than the table value and hence the null hypothesis  $(H_{o2})$  is accepted. It can be concluded that there is no significant difference in between the age categories of the consumers with respect to the factors of motivation in purchasing dairy products.

### Verification of Hypothesis (H<sub>03</sub>)

H<sub>o3</sub>: There exists no significant difference in the perception among the gender of the consumers and their purchasing preferences towards dairy products.
 Test Applied :z-Test

		• •					
Preferences in purchasing (Marketing Mix)		Ger	nder				
	Male (350)		Female (250)		z-test value	Sig.	
(Marketing Mix)	Mean	SD	Mean	SD			
Superior Quality	4.52	0.872	4.46	0.962	0.7724	0.432	
Aroma / Flavor	3.41	1.115	3.47	1.068	-0.6536	0.511	
Freshness	4.56	0.763	4.55	0.823	0.1492	0.882	

	Table -5
Gender and Consumers	purchasing preferences towards dairy products

nternational Journal of Scientific Research in Engineering and Management (IJSREM)Volume: 07 Issue: 07 | July - 2023SJIF Rating: 8.176ISSN: 2582-3930

Color	3.73	1.026	3.75	1.002	-0.2284	0.816
Taste	4.14	1.079	4.06	1.098	0.8865	0.375
Fat	3.48	1.162	3.35	1.272	1.2738	0.194
Benefits of health	4.39	1.122	4.36	1.186	0.3279	0.756
Brand	3.57	1.176	3.52	1.236	0.5124	0.614
Price	3.74	0.975	3.69	1.084	0.5782	0.557
Availability	3.91	1.012	3.84	1.015	0.8291	0.405
Convenience	3.47	1.202	3.38	1.152	0.8166	0.409
Offers / advertisements	2.84	1.298	2.71	1.321	1.2843	0.192
Influence of retail traders	3.05	1.154	3.02	1.218	0.4155	0.685
Safety of the products	4.11	0.957	4.13	0.918	-0.1186	0.892
Packing and Hygiene	3.85	1.228	3.79	1.238	0.5892	0.557
Overall Score	3.78	0.649	3.74	0.645	0.7369	0.454

Source : Computed

The table no. 5 shows the cross tabulation details between the gender and the consumer purchasing preferences. It can be inferred that there are no alarming differences among the male and female consumers with regard to their purchasing preferences towards dairy products. The high mean score values for male respondents were observed in the marketing mix attributes like superior quality, freshness, taste, fat, benefits of health, brand, price, availability , convenience , offers/ advertisements, influence of retail traders and packing and hygiene.

The overall mean score for the purchasing preferential choices of male respondents was found to be high (3.78) when compared to the female respondent category (3.74).

In order to verify the statistical significance of the proposed Null hypothesis ( $H_{03}$ ), z-test was applied. The gender aspects like male and female were considered as independent variable and the purchasing preferences of the consumers were considered as the dependent variable.

The z-test results shows that the calculated value is less than the table value and hence the null hypothesis  $(H_{03})$  is accepted. It can be concluded that there is no significant difference in the perception among the gender of the consumers and their purchasing preferences towards dairy products.

# Verification of Hypothesis (H<sub>04</sub>)

 $H_{o4}$ : There exists no significant difference in the perception among the age categories of the consumers and their purchasing preferences towards dairy products.

Test applied : ANOVA

Table -6Age and Consumers purchasing preferences towards dairy products

		Age	ANOVA Results					
Preferences in purchasing (Marketing Mix)		Below 20 (N=100)		20-40 (N=146)		Above 40 (N=354)		Sig.
(what Ketting with)	Mean	SD	Mean	SD	Mean	SD		
Superior Quality	4.55	0.861	4.44	1.036	4.49	0.856	0.604	0.539
Aroma / Flavor	3.54	1.054	3.49	1.048	3.34	1.142	2.052	0.127
Freshness	4.54	0.768	4.48	0.942	4.62	0.688	1.496	0.212
Color	3.72	0.991	3.87	0.934	3.67	1.071	2.138	0.131
Taste	4.21	1.022	4.08	1.145	4.06	1.084	0.954	0.379
Fat	3.44	1.281	3.37	1.172	3.45	1.215	0.249	0.762
Benefits of health	4.47	1.092	4.36	1.123	3.33	1.212	0.778	0.452
Brand	3.64	1.181	3.43	1.262	3.56	1.179	1.316	0.268
Price	3.74	1.062	3.65	1.074	3.74	0.972	0.489	0.614
Availability	3.95	0.973	3.85	1.057	3.86	1.012	0.464	0.628
Convenience	3.47	1.171	3.46	1.234	3.39	1.157	0.269	0.759
Offers / advertisements	2.78	1.275	2.72	1.341	2.83	1.312	0.611	0.538
Influence of retail traders	3.12	1.175	3.04	1.186	3.02	1.185	0.263	0.769
Safety of the products	4.18	0.928	4.07	0.952	4.12	0.939	0.634	0.528
Packing and Hygiene	3.82	1.235	3.85	1.232	3.81	1.238	0.054	0.937
Overall Score	3.81	0.619	3.74	0.652	3.75	0.664	0.552	0.572

Source : Computed

The table no.6 shows the age categories of the respondents and consumers purchasing preferences towards dairy products. The results from the table shows that the consumers in the age group of below 20 years had displayed the mean scores with higher values when compared to other age group categories.

In order to verify the statistical significance of the proposed Null hypothesis ( $H_{04}$ ), ANOVA was applied. The age categories were considered as independent variable and the consumers purchasing preferences were considered as the dependent variable.

The ANOVA test results shows that the calculated values are less than the table value and hence the null hypothesis  $(H_{o4})$  is accepted. It can be concluded that there is no significant difference in the perception among the age categories of the consumers and their purchasing preferences towards dairy products.

## CONCLUSION

This study examines the .perceptions of the consumers towards dairy products in the selected district for the study. The study had examined the factors of consumer motivation towards the purchase of dairy products and it analyze the purchase preferential choices of consumers towards dairy products. The study depicts that there is no significant difference between the gender of the consumers with respect to the factors of motivation in purchasing dairy products. The study further shows that there is no significant difference in between the age categories of the consumers with respect to the factors of motivation.

The study concludes that there is no significant difference in the perception among the gender of the consumers and their purchasing preferences towards dairy products. The study further concludes that there is no significant difference in the perception among the age categories of the consumers and their purchasing preferences towards dairy products.

### SUGGESTIONS

- The Dairy product companies shall take necessary and appropriate steps to attract the customer base by offering price discounts on dairy products purchased in bulk quantities.
- The dairy product companies shall introduced value added products like dairy sweets, paneer, biscuits in order to make bigger presence and flexibility in the market place clubbed with the opportunities for brand building.
- ➤ The dairy companies shall strengthen their supply management channels and their logistics support by promoting intermediary agencies and they should make the dairy products available to the end users.

- > The dairy companies shall reward the retail traders in order to promote the aspects of storage facilities and door delivery services, in order to tap the customer base in the unorganized market.
- The dairy companies shall add more nutritional value to the dairy products in order to promote the public health in the society.
- The National Dairy Development Board shall conduct consumer oriented market research and formulate effective marketing plans for the development of dairy industry.

## REFERENCES

- Dolekogle, Analysis of consumer preferences and perception towards Branded vs Non-Branded products: An exploratory study, *Journal of Euro marketing*, USA, 17(4): 112-115, 2019
- Rose, Perceived quality and attitude towards beverages, *Journal of Learning Research*, 10 (2): 527-536, 2015.
- Jain, Emerging Trends in Vending Markets, Journal of International Research, 4 (2): 184-196, 2017.
- Sharma, Customer Preference and Brand Awareness towards FMCG products, *International Journal of Management and Business Research*, Vol.2(6): 2018.
- Virmani, Impact of Advertizing on Consumers Brand preference towards confectionary products, *International Journal of Strategic Management*, Vol. 8 (2): pp. 142-151, 2016.