



AN EMPIRICAL STUDY ON CUSTOMER SATISFACTION TOWARDS PACKAGED MILK IN CHENNAI

Mrs. C. T. Neena Mary,

Research Scholar, Department of Commerce, S.I.V.E.T College, Gowrivakkam Chennai .

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Dr R Rathina Bai,

Research Supervisor, Asst prof in Commerce, S.I.V.E.T College, Gowrivakkam, Chennai

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ABSTRACT

Consumer behavior is the behavior that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs and wants (Schiffman, G and Kanuk, 2008). In India, packet milk is preferred for its hygiene, quality, readily available and so on. It is available in reasonable quantity for the consumers at any time wherever it is needed. Moreover, it is sterilized at a required temperature so that the quality is assured to the potential consumer for ensuring customer satisfaction in the market. In this research study the researcher focuses on a sample of hundred consumers is taken and customer satisfaction towards packaged milk is analyzed through primary data. Various analyses are studied on Descriptive Analysis, and measure of dispersion like mean and standard deviation, and also finding out mean rank of different brands of milk by the consumers are also computed.

Key Words: Customer satisfaction, Packaged milk, Brand preference, consumers

1.1 INTRODUCTION

Milk is a vital part of the global food system and also vital for human growth and development. It maintains our body and protects us from various diseases. The economic outlook and the process of absorbing nutrients from food and processing them in the body in order to grow healthy, benefits to a large proportion of the world's population. In India, dairy and dairy products are needed to an unspecified very large number of people in the village. It has become one of the sources of income for the Indian rural families in addition to the traditional agricultural products

1.2 NEED OF THE STUDY

The Customer Satisfaction of packaged milk describes that a consumer's commitment in the usage of milk brand. It is also described as the degree to which a consumer continually buys the same milk brand over a period of time. Moreover, customer satisfaction may be considered as a mediating and dominating factor for the brand preference of any milk brand. Therefore it makes it essential and important for the researcher to study about customer satisfaction towards packaged milk in Chennai.

1.3 OBJECTIVES OF THE STUDY

1. To study the demographic features of consumers in using packaged milk.
2. To examine the impact of variables on customer satisfaction.
3. To analyze the brand preferences on packaged milk.

2. REVIEW OF LITERATURE

Ahila, B.etal (2015)¹ in his study viewed that, India is the world's largest dairy producer. Indian Dairy sector has grown substantially over the years. The demand for dairy products in India has increased attention both in rural and urban sectors. In the state of Tamil Nadu, Aavin milk brand being the major milk contributor, procures milk, processes it and sells milk and milk products to consumers. A special reference to the Pollachi Taluk of Tamil Nadu state is taken for the study. Here the researcher studies consumer perception over Aavin milk products based on demographic features like age, educational qualification and house monthly income of the consumers' family. Further Chi-square test was analysed.

Ananda Kumar, A and Babu, S (2014)² studied customer's preferences and desires, an abundant number of choices and many diverse factors that influence their buying behavior. Factors affecting consumer's buying behavior, with the focus on dairy products in Pondicherry state was taken into consideration. Some of the variables studied are packaging,

cost, availability, ingredients, product popularity, product quality, product taste, etc., that influences the choice of a brand

Sivasankaran and Sivanesan (2013)³ viewed that India has the highest livestock population in the world with 50 percent of the buffaloes and 20 percent of the world's cattle population, most of which are milk cows and milk buffaloes. India's dairy industry is viewed as one of the most successful development programs after its independence. The year 2006-07 were the total milk production in the country was over 94.6 million tons with a per capita availability of 229 gms per day. The industry recorded an annual growth of 4 percent during the period 1993-2005, which is almost 3 times the average growth rate of the dairy industry in the world. Milk processing in India is around 35 percent, of which the organized dairy industry accounts for 13 percent of the milk produced, while the rest of the milk is either consumed at the farm level, or sold as fresh, non-pasteurized milk through unorganized channels. Dairy cooperatives account for the major share of processed liquid milk marketed in India.

Jothymary, C (2013)⁴ studied marketing concept starts with the consumer needs and behavior in meeting consumer needs. Every action of a person is based on the needs. The actual problem is to learn what a customer takes into account when he decides on a particular brand. Such a study is concerned with consumer behavior. Importance to study the consumer attitudes, consumer behaviour, marketing mix, consumer awareness, advertisement effectiveness, and brand preference are the objectives of the study, Sample size was limited to 120 consumers by using random sample check. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it.

Franklin John, S. et al (2013)⁵ investigated the influence of Milk brand rating and different dimensions of milk brand. The study covers the population includes 325 consumers from Tamilnadu, who are all using branded milk. The questionnaires were distributed to 500 consumers out of which only 325 were duly filled in and returned promptly. The participants completed the two sets of self-reported questionnaires, including personal characteristics and variables were chosen for this study in order to measure the influence of branded milk are the salience, performance, imagery, judgment, feelings, and Resonance. The collected data were computed and analyzed via Descriptive statistics and one – way ANOVA. The findings of the

study were generalized as follows. Statistically significant differences were found in the milk brand rating and the different brand dimensions like Saliency, Imagery, Judgement, feelings, and resonance and there is no statistically significant difference in dimension performance and milk brand rating.

SubramaniyaBharathy,Retal (2013)⁶ observed that the India is the leading producer of milk in the world. It was in the year 1904 when the seed of cooperation was sown in India with the passage of first Cooperative Act. Since then the cooperative movement has made rapid strides in all fields of socio-economic activities. Due to the white revolution, there is a fierce competition among the dairy firms to increase their market share in India. Dairy Industry is undertaken by farmers to augment their income and it has been the source of livelihood for the rural masses. In Tamil Nadu, Salem is the leading producer of milk and due to which many firms have started flooding in the market. It's because of the various attributes Salem consumers continue to be brand loyal to Aavin.

ShahramGilaninia, (2013)⁷ investigated the effective factors of packaging dairy products and prioritizing these factors on consumer behavior in the GuilanFarhangian stores. In this study, we discuss the effect of visual elements(shape, color, size) and information(tags) dairy products packaging on consumer behavior will be assessed. The present study, from the purpose sight, is practical and from method, sight is classified in descriptive- survey researchers. To evaluate the main hypothesis, is used regression and to ranking components of packaged dairy products is used the Friedman test. The results indicate that the visual elements of color and packaging and information factors(the label) have a significant impact on consumer have the highest ranking among respondents.

Vinayagamoorthy,Aetal (2012)⁸ observed that people complaint that fat in the milk increases the content of cholesterol in their body causing some disease. To get rid of this complaint people can go for skimmed milk. Previously, the availability of cattle farm was more and the population was less. To carry out all the day-to-day life activities, energy is needed. Food gives energy. Hence it is irritable for any human being to intake food. One of the important factors that must be considered in food is its nutritious value. Nutritious is the science of food. It is the process by which the organism ingests digests, absorbs, transports, and utilizes nutrients and disposes of its end products. Collectively, it is the process of intake, digestion, and assimilation of food. Consumer's preference for a readily available, good

quality product has led to the increased demand for packet milk. Moreover, the contents of the packet milk are highly nutritious. It has no cholesterol. This enables even aged people to consume packet milk. As such, being a nutritious food is important for the human being. Milk is an essential item used by the people as vegetarian diet more consumption of milk depend not only on its factor but also on the availability of children and also by the practice of taking coffee, tea, etc. the chief factor which influences the consumption of milk are availability level of income of people and prices. Milk is not only an essential item but also most frequently and commonly used by the people.

Vipul Pare (2012)⁹ examined the extent to which packaged-goods brands exhibit excess loyalty over a multi-year period. Brand loyalty for 300 brands in 20 UK product categories is compared to theoretically expected loyalty levels calculated using the Dirichlet model. Results show that while many brands show excess loyalty in a particular year (31%), fewer of them (25% and 22%) exhibit excess loyalty over 2 and 3 years, respectively. Almost all the brands that do show persistent excess loyalty are private-label brands or are market-share leaders (either the biggest or the second-biggest brand in the market). Therefore, excess loyalty over multiple years is a rare occurrence for a brand unless it is the market leader or a private-label brand. The study also shows that 38% of all high-share brands have consistent excess loyalty, and 37% of all private-label brands have consistent excess loyalty. These results suggest that existing explanations in the literature as to the sources of excess loyalty need further investigation. The reason is that those explanations relate to distribution effects, which should be similar across such brands. They, therefore, imply that most high-share and private-label brands should exhibit excess loyalty. The study suggests several avenues for further research to identify the reason why some high-share or private-label brands show excess loyalty and others do not.

MitulDeliya, (2012)¹⁰ studied the importance of packaging design as a vehicle for communication and branding is growing in competitive markets for packaged FMCG products. This research utilized a focus group methodology to understand consumer behavior toward such products. The challenge for researchers is to integrate packaging into an effective purchasing decision model, by understanding Consumer's behavior towards the packaging of FMCG products. When consumers search for and process information in-store, the product's package can contain relevant and useful information for the consumer. Product packaging forms the end of the 'promotion-chain' and is close in time to the actual purchase

and may, therefore, play an important role in predicting consumer outcomes. Packages also deliver brand identification a label information like usage instructions, contents, and list of an ingredient or raw materials, wanting for use and directives for the care of the product.

Nidhyananth and Sugapriya (2011)¹¹ studied the overview of consumer behavior of Aavin milk with reference to Erode District. The major objective of the study to determine the consumer behavior towards Aavin milk products and to find out the consumer mentality towards using the service. The research mainly focuses on the factors like quality, consumer preference, price, service, attitudes and experience of consumers. In this study, data are collected from the consumers through a questionnaire (interview schedule). 100 samples are selected using convenience sampling. Using the interview schedule prepared, the 100 consumers are interviewed personally and their opinion was collected. Secondary data was collected from related websites, books. The collected data is analyzed using simple percentage and chi-square. Suggestions are given to the company to take initiation to fulfill the consumer needs in the study.

AEN De Alwis and AMTP Athauda (2009)¹² study focused on analyzing the consumer attitudes, demographic and economic factors that affecting fresh milk consumption among the mid-country consumers of Sri Lanka. Data were collected through a consumer survey conducted in Kandy district at randomly selected supermarkets, groceries, milk bars and retail shops. Factor analysis was carried out in order to weigh up the consumer attitudes and factor scores were introduced to the final model as independent variables which can be categorized as cost and usage, nutrition, sensory factors, and availability. An ordered logistic regression was carried out to find out the relationships between a number of demographic and socio-economic characteristics of consumers such as age, gender, the level of education, income, size and composition of the household, ethnic group and presence of diseases that affect fresh milk consumption. Results from estimation of ordered logistic regression model of consumption show age of the respondent, cost and usage related attitudinal factor and Nutrition related attitudinal factors are the key determinants of milk consumption levels; however, household monthly income, health problems effect on fresh milk consumption and level of education play a more important role in consumption. Finally, these findings suggest the marketing strategies which are most suitable to fit with the consumer expectations.

Vladislava Bartoseviciene and Gintaras Saparnis (2005)¹³ study observed that the turn of the economy changes the needs of current customers and would attract new ones. Because customer behavior is a constituent of human behavior, it is difficult to forecast. Therefore enterprises have periodically to carry out the analysis of customer behavior, allowing understating customer deeds and forecast their future behavior. In the paper, the level of milk and its product consumption in Lithuania and consumption tendencies are highlighted. Only fully satisfied customers can become loyal customer

3 RESEARCH METHODOLOGY

3.1 Research Design

The investigator has chosen the “Descriptive Research” design which best suits in the present study. The main characteristics of descriptive research are that the investigator has no control over the variables studied and can only report what has happened or what is happening? The major purpose of descriptive research is a description of the state of affairs as it exists at present (Kothari, 2004).

3.2 Population

The population of the present study consists of different consumers in Chennai and it is found to be more of infinite in nature, therefore, the unit of population is difficult to measure in the study.

3.3 Sampling Design

For the present study, the investigation has selected both simple random sampling and convenience sampling technique.

3.4 Sample Size

The sample consists of 100 consumers from Chennai which include students, employed persons (male & female), housewives, educated, unemployed, self-employed etc. Their personal information such as Gender, Marital Status, Educational level, Occupation, Household Income, Size of family, type of Food Habit and type of family are studied. The preferential meanrank(i.e.,) the choice of the customers of branded packaged milk and variables of Customer satisfaction are also studied.

3.5 Data Collection Method

Primary and secondary data were collected and used for this present study. Primary data are collected fresh from the consumers for the very first time and happens to attain originality. With the help of the questionnaire, the researcher was able to collect and gather information relevant for the primary data. In this study, a well-structured questionnaire was

given to the consumers concerned with a humble request to answer and fill in the questionnaire and return it to the researcher. The secondary data were collected through books/magazines, journals, websites and company records.

3.6 Reliability and Validity

In the present study, the researcher has chosen Cronbach's Alpha reliability test. The study reveals all items are satisfied and was found values to be $r = 0.85$

Table 4.11 showing Cronbach alpha value for customer satisfaction

S, No	Variables	No. of sample	No. of items	Cronbach Alpha values
1.	Customer satisfaction	100	9	.827

Table 4.11 reveals that the Cronbach alpha value for customer satisfaction is .827 which satisfies the alpha value $r = .85$ and the number of variables taken for the study are nine.

4. ANALYSIS AND INTERPRETATION

DESCRIPTIVE ANALYSIS

In this study the research analysed some of the demographic profile of the respondents which are felt relevant. The variables such as Gender, Educational qualification, marital status, occupation, type of family, family size, food habit and Household income are being studied. All these variables have an effect on customer satisfaction on packaged milk in Chennai. These effects are studied through percentage analysis.

Percentage analysis is one of the statistical measures used to describe the characteristics of the sample or population in totality. It also involves computing measures of variables selected of the study and its finding will give easy interpretation for the reader.

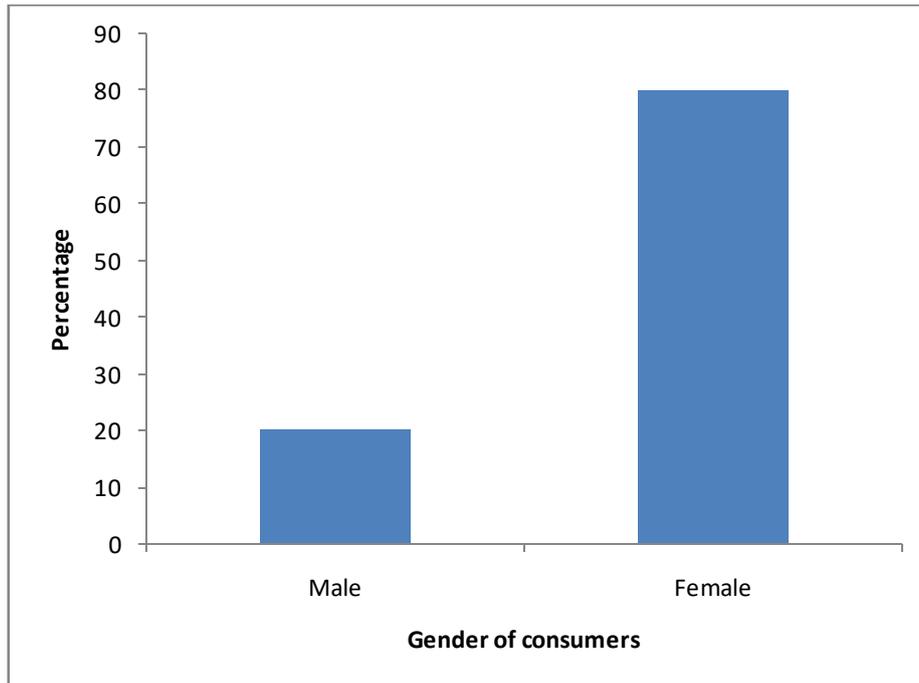
Table 4.1

Gender wise distribution of consumers

Gender	No of Respondents	Percentage
Male	20	20.0
Female	80	80.0
Total	100	100.0

Source: Primary data

Chart 4.1.1



From the above table 4.1, it is indicated that majority of the respondents (80%) are female consumers and (20%) are male consumers. The above percentage of respondents determined that female consumers are the maximum than male consumers since they are the consumers who decide the essentials and need of the product for their household. It is also pictorially shown in chart 4.1.1

Table 4.2
Educational Qualification of consumers

Educational Qualification	No of Respondents	Percentage
UptoHsc	22	22.0
UG	24	24.0
PG	27	27.0
Professional	12	12.0
Others	15	15.0
Total	100	100.0

Source: Primary data

Chart 4.2.2

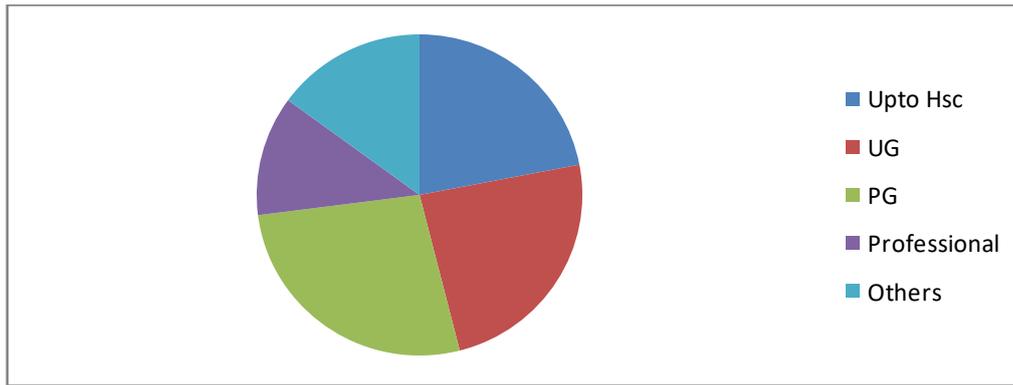


Table 4.2 describes that most of the respondents are professional consumers having (27%) who decides to purchase their favourite milk brand followed by undergraduates consumers of (24%). Other categories of respondents who are housewives around (15%) also determine to purchase their milk brand. This is also shown in diagram 4.2.2

Table 4.3

Marital Status of consumers

Marital Status	No of Respondents	Percentage
Married	72	72.0
Unmarried	28	28.0
Total	100	100.0

Source: Primary data

Table 4.3 shows that majority (72%) of the respondents are married. Married respondents are consuming more quantity of branded packaged milk.

Table 4.4

Occupation of the consumers

Occupation	No of Respondents	Percentage
Business	8	8.0
Government Employee	11	11.0
Private Employee	46	46.0
Others	35	35.0
Total	100	100.0

Source: Primary data

Table 4.4 expresses that out of the total respondents 46% are working in private concerns and 35 % are other category people like housewives, daily coolies, students etc. It reveals that private concerns are interested in trying out more type of branded packaged milk.

Table 4.5
Type of family Distribution

Type of family	No of Respondents	Percentage
Joint	31	31.0
Nuclear	69	69.0
Total	100	100.0

Source: Primary data

From the above table it indicates that 4.5 majority (69%) of the respondents belong to nuclear type of family who prefer to buy branded packaged milk for their daily consumption.

Table 4.6
Number of family members distribution

Number of family members	No of Respondents	Percentage
Upto 4 members	73	73.0
Upto 5 members	13	13.0
Upto 6 and above	14	14.0
Total	100	100.0

Source: Primary data

From the above table 4.6 73% of the respondents family are having four members and more than five and six member family are having 13% and 14% respectively. So more than four members type of family are consuming more quantity of milk.

Table 4.7

Type of food habit by the consumers

Type of food Habit	No of Respondents	Percentage
Vegetarian	22	22.0
Non- Vegetarian	78	78.0
Total	100	100.0

Source: Primary data

Table 4.7 shows the type of food habit among respondents are more in the case of non vegetarian which is around 78% than vegetarian respondents which is around 22 %

Table 4.8

Household Income of the consumers

Family monthly income	No of Respondents	Percentage
Below 30,000	39	39.0
30,000-40,000	16	16.0
40,000-50,000	21	21.0
50,000-60,000	24	24.0
Total	100	100.0

Source: Primary data

The household income 39% of consumers are having below 30,000 as their family monthly income in table 4.8 and 24% of consumers are having above 50,000 as monthly income. Since it is an essential product in their household all income groups contribute to purchase their favourite branded packaged milkas shown in table 4.8

Table 4.9

Mean Rank of Preferential choice of brand

Preferential choice of brand	Mean
Aavin	1.98
Arokya	2.96
Cavins	4.57
Jersey	6.28
Thirumala	4.96
Heritage	4.68
Hatsun	5.35
Govardhan	7.35

Source: Primary data

The test reveals in table 4.9 about the preferential choice of different brands of milk. The least mean rank being the best which is Aavin (1.98), followed by Arokya which is (2.96) and the last preferred is Govardhan which is less preferred by respondents which has the mean rank of 7.35.

Table 4.10

Mean and Standard Deviation of Customer Satisfaction

Customer Satisfaction	Mean	SD
Satisfied with Quality	4.10	0.927
More benefits	4.11	0.875
Trust the milk	4.02	0.876
Purity and thickness	3.81	0.961
Committed to buy	3.91	0.965
Usage of same brand	4.05	0.978
Contentment of service	3.89	1.136
Available in all stores	3.97	0.969
Advertisements	3.42	1.191

Source: Primary data

Based on the mean scores in Table 4.10 with regard to customer satisfaction , the respondents are highly satisfied with quality (4.10), they feel the benefits(4.11) are more by using their favorite milk. Consumers also trust the milk they buy having a mean score of (4.02), and continue to use the same brand of milk (4.05), they do not rely much on advertisements(3.42) as they feel they could assess the quality by their usage of milk.

FINDINGS OF THE STUDY

- Majority of the respondents are female consumers than male consumers since female are the consumers who decide the essentials and need of the product for their household.
- Most of the respondents are professional consumers who decide to purchase their favorite milk brand followed by undergraduates, housewives to purchase their milk brand.
- Majority of the respondents are married consumers.
- Out of the total respondents, most of the consumers are working in private concerns and other category people like housewives, daily coolies, students etc. It reveals that private concerns are interested in trying out more type of branded packaged milk.
- Study also reveals that majority of the respondents belong to the nuclear type of family who prefers to buy branded packaged milk for their daily consumption.
- A good majority of the respondents family are having four members and more than five and six members of the family. The study reveals that more than four members type of family are consuming more quantity of milk.
- The type of food habit among respondents are more in the case of nonvegetarian than vegetarian respondents.
- The household income of consumers are having below 30,000 as their family monthly income and also consumers are having above 50,000 as monthly income. Since it is an essential product in their household all income groups contribute to purchase their favorite branded packaged milk.
- The test reveals about the preferential choice of different brands of milk. The least mean rank being the best which is Aavin, followed by Arokya and the last preferred is Govardhan which is less preferred by respondents.
- The mean scores with regard to customer satisfaction, the respondents are highly satisfied with the quality and they feel more benefits are derived by using their favorite branded milk in making curd, paneer, sweets etc., Consumers also trust the

milk they buy and continue to use the same brand of milk, they do not rely much on advertisements as they feel they could assess the quality by their usage of milk and take the right decision in purchasing their favourite brand.

LIMITATIONS OF THE STUDY

1. The research findings were applied only in Chennai city
2. The respondents may not be true in filling the questionnaire
3. Time was the major constraint in collecting the data.
4. The sample size was restricted to hundred respondents only

CONCLUSION

Even though there are many competitors in the market, Consumers are strongly satisfied with Aavin Milk brand, as it stands out as the best brand. The study reveals that the competitors brand need to improve and enhance in order to withstand in the market and to gain customer satisfaction. Consumers felt that in preparation of other milk products like curd, paneer, and sweets Aavin brand of milk is preferred. Satisfied customers are loyal towards the brand and prefer to use the same brand. Customers do not rely on Advertisement in taking decision for purchasing the brand. Thus with regard to Gender, education qualification, marital status, occupation, household income, size of the family, type of food habits customers are highly satisfied with their preference.

“SATISFIED CONSUMER MAKES A DIFFERENCE IN THE MARKET”

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