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RESEARCH ARTICLE

FACTORS INFLUENCING CONSUMER BUYING OF DAIRY PRODUCT: A STUDY IN ODISHA

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ABSTRACT

Dairy products are quite accepted in Indian market. Taste, availability and brand name etc. are few factors which bothers consumer while purchasing a particular brand. Also the role of family members is critical in choosing particular milk and dairy products. The present study has undergone an empirical research in Jatni block of Khurda district of Odisha to know the influencing factors among the family members in deciding a particular product or brand. The result indicates that children, wives, friends and relatives play a vital role in purchasing various milk and dairy products.

Key words: Dairy products, consumer, milk, cow, brand.

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INTRODUCTION

India is predominantly an agrarian economic country with a population of 1.22 billion as of the census of 2011. Most of the people living in rural areas depend on agriculture, animal husbandry and allied activities for the livelihood. Dairy sector contributes significantly in generating employment to the landless laborers of rural India. As per the data of National Dairy Development Board (NDDB), the milk production comes to 127.9 million tons in the year 2011-12. The first economic survey during the period of BJP government at the center indicated that India has a good position in milk production and contributes 17 percent of total milk production of the world. The average year-on-year growth rate of milk at 4.04 per cent with respect to world average of 2.2 per cent. Indian dairy farming has been characterized by co-operatives involving millions of men and women. According to ASSOCHAM (Associated Chamber of Commerce and Industry of India) milk production in India is likely to reach 190 million tons by the end of 2015 and the annual turnover will be Rs.5 lakh crores. Among the dairy and milk products, India produces largest amount of milk. The consumption of milk among the Indians is much bigger than other food products. In this context, India occupies an attractive dairy market for many foreign players. Cows and buffalos in India are the major contributor of the milk. In the year 2010-11, the output of entire livestock accounts for 26 % of agricultural GDP and 4% to national GDP. The co-operative network is the backbone to Indian dairy industry. Among the states, Gujrat is the pioneer in the development in co-operative movement.

Indian dairy sector has undergone radical changes with the support from government and other stake holders. Over the period there is a phenomenal growth with respect to technical, economic, political and institutional support. There is a significant change in dairy structure with respect to value chain and demand for milk will increase due to income and urbanization. The demand of Indian milk is 127.3 million tons in 2011-12 and will rise to 209 million tons in 2026-2027. Odisha is one of the least developed states in India with very high levels of poverty. Mixed live-stock farming is the most predominant farming system for over 80 percent of all rural households in state. Of the total live-stock population, bovines account for about 65 percent indicating their importance in livestock production. In the rural economy, milk is the one of the most important product of cattle and buffalo enterprises, contributing over 33 percent of the value of all livestock outputs. Odisha does not contribute significantly to milk production in India. With only 1.7 percent of the Dairy cow population and 0.4 percent of the buffalo population in 2002, milk production in Odisha is produced on farms with marginal to small landholdings, less than 2 hectares, and with 3 or 4 animals. Even by Indian standards, milk yields in Odisha are extremely low i.e. 1/4 of the Indian average (Government of Odisha, 1998-99).

Review of Literature

This chapter attempts a review of earlier studies so as to pin point the hitherto untouched and unexplored areas in the present study. Kumar et al. (2010) says that some factors are not dependent of age, education and income. As the consumers are attracted by brands, the origin of the product is dominated by brand image. Rees (1992) had observed flavor and appearance influences on the consumers to choose the product and motivates 'snaking' by reducing traditional cooking. In

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addition to these, demographic factors also influences the consumer. Many a times, changes in the role at the household level act as an moderator in decision making. Due to advancement in retail sector food sales which constitutes around 80percent plays a significant role for the consumers to decide the product. Marwaha (2010) studied the Indian ice cream market and found that it is highly seasonal in nature and the sales decline in winter. This market which is growing at 12 percent per annum shows an increase in sales during summer. The major products in these markets are vanilla, strawberry and chocolate. All the above three take a market share of more than 60 percent. Butterscotch and fruit flavors are the next best alternatives for the consumers. More studies are found towards consumer preference. Singh *et al.* (1995) while studying the consumer preference observed that quality, availability, quantity supplied and flavor are considered as important parameters. High level of consumer satisfaction is also observed due to color, freshness and mode of payment. Subhash Chander *et al.* (1999) found that cooperative societies and milk vendors are the major distribution partners in villages. People in these areas prefer to purchase milk due to reasonable price and convenience. It is also observed that artificial insemination, free vaccination and technical guidance are major services which motivate the buyer to purchase the milk. Rural people sell the milk to vendors due to easy accessibility, advance payment and procurement at the right place. Housewives and working women act as a catalyst in milk purchase. The study by Kamalaveni and Nirmala in the year 2000 reported that demographic variables like age, occupation, income, education and size of the family promotes housewives to buy instant food products. Further study indicated that the per capita expenditure on instant food products is also changed due to the influence of above factors.

Problem Statement

The dairy sector does not maintain the buffalo on par with cows and there is no proper pricing of milk. The pricing policy of raw milk becomes major challenge because it is currently based on the fat content in milk. Also milk is perishable in nature and therefore requires number of devices to preserve it. It should be kept in proper temperature and also in a hygienic condition. The milk producers face numerous constraints namely, infrastructural, technical, socio-psychological, economic and marketing. Various factors are involved in this process, cow, food for the animal, maintenance, medical care; production, storage, package and marketing are some of the identifiable problems in this industry. These factors should be highly considered as milk is consumed right from the children to the adolescence. The success of any product depends upon the consumer's satisfaction and delightfulness. Behavior of the consumer is likely to show variation from individual to individual, from product to product and from an individual of one region to an individual of other region. Thus this industry has multi-facet problems and some major problems of this industry are to be analyzed in this study.

Scope of the Study: The study covers some of the influencing factors of consumers towards the purchase of various brands of milk and dairy products in Jatni block of khurda district. This will be of immense use to the marketers in dairy industry.

Objectives of the Study

- To analyze the influencing factors for consumer towards the purchase of selected dairy products

MATERIALS AND METHODS

The research was empirical. Data were collected from Jatni Block of Khurda district of Odisha. A total of 400 samples were considered for study. The duration of the study was four months from January to April 2017. Data collection from secondary sources also took about two months. One month was spent for taking expert opinion. This had strengthened understanding and helped me to come up with new strategies.

REULTS AND DISCUSSION

Certain people in the family will influence the purchase of certain branded dairy products. Based on the perception of varying cadres, purchase of certain branded milk and dairy product takes place. Purchase of branded milk chocolate takes place due to certain influencers and media in the family. The influencers are classified under various categories in Table 01. From the table, it is inferred that 66.5 per cent of the respondents were influenced in the purchase of chocolate by children, 12.5 per cent were influenced by friends and relatives, 3.5 per cent were influenced by their wives, 2.5 per cent were influenced by husbands and only 15 per cent were influenced by the advertisement. The children were the main influencing factor to purchase the particular chocolate brand. In Case of biscuit brand, 77 per cent of the respondents were influenced by children, 10 per cent were influenced by friends and relatives, 4 per cent were influenced by their husbands, 6 per cent were influenced by the advertisements and only 3 per cent were influenced by wives. Generally ice-cream is considered to be the favorite milk product of all the cadres of people irrespective of age. It is inferred from the Table that 79 per cent of the respondents were influenced by children, 14 per cent were influenced by friends and relatives, 4 per cent were influenced by advertisement, 2 per cent were influenced by their husband and one per cent were influenced by their wives. It is very well evident that children are the great influence in the purchase of a particular ice-cream brand. It is inferred from the Table that 65 per cent of the respondents were influenced by their wives, 18 per cent were very much influenced by advertisements, 13 per cent were influenced by friends and relatives and 4 per cent were influenced by their husbands.

It is observed that Paneer purchase was mostly influenced by wives in the family. Ghee is mostly used in cooking varieties of food items and sweets. It is found that 75 per cent of the respondents were influenced by friends and relatives to buy a particular brand of ghee, 14 per cent were influenced by advertisements, 6 per cent were influenced by their husbands and 5 per cent were influenced by their wives in choosing the ghee brand. The ghee purchasing behaviour of the respondents was influenced by friends and relatives. It is inferred from the table that 78 per cent of the respondents were influenced by friends and relatives, 3 per cent were influenced by husbands, 10 per cent were influenced by advertisements and 9 per cent were influenced by wives. More than three fourth of the respondents were influenced by friends and relatives in purchasing the curd. It is observed that 81per cent of the respondents were influenced by friends and relatives, 10 per cent were influenced by advertisements, 5 per cent were influenced by wife and 4 per cent were influenced by husband. More than four fifth of the influencers are friends and relatives for the purchase of butter. From the table, it is revealed that 75 per cent of the respondents were influenced by friends and relatives, 16 per cent were influenced by advertisements, five

Table 1. Distribution of the respondents based on influencing factors

Types of product/brands	Influencing people	No. of respondents	Percentage to total
Milk chocolate brand	Husband	10	2.50
	Wife	14	3.50
	Children	266	66.50
	Friends and relatives	50	12.50
	Advertisement	60	15.00
	Total	400	100.00
Milk biscuit brand	Husband	16	4
	Wife	12	3
	Children	307	77
	Friends and Relatives	40	10
	Advertisement	25	6
	Total	400	100
Milk ice-cream brand	Husband	9	2
	Wife	4	1
	Children	317	79
	Friends and Relatives	55	14
	Advertisement	15	4
	Total	400	100

Source: Primary Data

Table 2. Flavoured will be flavored

Types of product/brands	Influencing people	No. of respondents	Percentage to total
Milk paneer brand	Husband	17	4
	Wife	260	65
	Friends and Relatives	51	13
	Advertisement	72	18
	Total	400	100
Milk Ghee brand	Husband	23	6
	Wife	21	5
	Friends and Relatives	301	75
	Advertisement	55	14
	Total	400	100
Curd brand	Husband	11	3
	Wife	37	9
	Friends and Relatives	312	78
	Advertisement	40	10
	Total	400	100
Butter brand	Husband	16	4
	Wife	21	5
	Friends and Relatives	325	81
	Advertisement	38	10
	Total	400	100
Flavoured milk brand	Husband	17	4
	Wife	20	5
	Friends and Relatives	301	75
	Advertisement	62	16
	Total	400	100

Source: Primary Data

per cent were influenced by wives and 4 per cent were influenced by husbands. Majority three fourth of the respondents were influenced by friends and relatives in the purchase of flavored milk.

Concluding Remarks

The study gave a brief idea about the role of family members and media in choosing a particular brand in case of dairy products. Children in the family influence more on the purchase of Chocolates, Biscuits and Ice creams. Paneer is product whose purchase is mostly decided by wives in family. Friends and relatives are the major source of reference for the purchase of Ghee, Curd, Butter and Flavored milk. So most of the dairy products purchase is decided by the various members of the family irrespective various media exposure.

Limitations of the Study

The study has not considered any caste or religion during the data collection. Few respondents in the rural region were

reluctant to provide the information due to apprehension in leakage of data.

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