



Consumer Behavior Towards Brand Preference Among Edible Oil Users

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ABSTRACT

Consumer behavior changes as the time changes. These changes are due to advancement in technology and new innovations. Today consumers gather more & more information on the brands that are available in the market, and based on the information & knowledge they rank their preferences. This study was carried out in the semi urban area: Chitradurga District, to know the consumer preference over the brand/unbranded edible oil. The study was elongated to reveal whether particular age group consumers prefer branded edible oils or not, along with the attributes that play important role in motivating the consumer. For this study total 104 Ss were surveyed. These observations were analyzed with the help of Chi-square test & with simple percentage analysis. Among the sample it was observed that age group 26-35yrs prefer branded products. Health was considered to be an important parameter for the selection of Edible Oils. Finally it was concluded that, consumers prefer branded products over unbranded products of Edible Oils. Healthy Edible Oils are on priority for selection on any brand of Edible oil than any other attribute. This region has major satisfied customers with reference to the brand they presently use.

KEYWORDS

Branded Edible Oil, Preferences, Consumer Satisfaction.

I. INTRODUCTION:

To understand consumers and their actions in different environment becomes a key aspect of learning in order to predict their future behavior. The Behavioral study starts from knowledge in process of sensory responses. As per Feldman (1997) [1], the intensity of a stimulus influences our sensory responses. Stimuli vary in both type and intensity. Different types of stimuli activate different sense organs. For instance, we can differentiate light stimuli, which activate our sense of sight and allow us to see the colors of a tree in autumn, from sound stimuli, which, through our sense of hearing, permit us to hear the sounds of an orchestra. Each sort of stimulus that is capable of activating a sense organ can also be considered in terms of its strength, or intensity. Once we understand the stimuli we start understanding motivational features of individual, which allow us to reveal and alter consumer behavior. Without understanding consumer it becomes a difficult to put forward an actual acceptable products to them, it is similar like aiming without a target. On this basis different advertisements and promotional activities were proposed by the firms in order to catch the attention of the consumers. And then started the process of brand building. The main sub drivers of brand equity are customer brand awareness, customer attitude towards brand and customer perception towards brand ethics. Brand help in building emotional relationships with customers, which in turn brings tangible returns for the organization in terms of customer loyalty. Brand awareness is the consumer's ability to identify the brand and can be measured with the help of brand recall and brand recognition. Kathuria & Jit (2009)[2] quoted in their study that, relationship between a brand's share of uses and its loyal franchise, it was found that brands with a larger share of users have proportionately larger factions of loyal buyers. Another study reviewed that the weaker brand gains more from price promotions. They also found that loyal customers were less price sensitive than non-loyal ones in choice decision, but more price sensitive in the quantity decision. Today's consumer get exposure to various brands, however consumer has to select some of the product in order to fulfil basic need. The selection procedure among these varieties of brands is through complex process. As Dasgupta & Pareek (2010)[3], mention in their study, "A customer is exposed to more than 1500 advertising messages a day, encounters more than 200 edible oils, 150 soaps and 90 toothpastes on the shelves of grocery stores to choose from thus making them more confuse.

Knowing who is your customer and who is involved in making decision, it becomes important to evaluate the factors that affect consumers. Sheena (2009)[4] commented in her study", factors affecting extension evaluation, consumer characteristics moderating the effects of the basic model are Motivation, Consumer Expertise, Positive Consumer Mood, Implicit Personality Theory and Innovativeness. Juyal & Singh (2009)[5] in their study reported diminishing role distinction between men and women, resulting into more complex and vague roles. Among the family members, Green and Cunningham (1975) [6], reveal that more women are performing traditionally male dominated tasks and vice versa, and with the increased anatomy, the wife is able to have more International influence in the decisions within the families. One of those areas affected by diminishing sex role distinction is in consumption aspects of family decision-making. Their findings showed that husbands of liberal wives make relatively few decisions compared to the husbands of moderate and conservative wives. Decision related to groceries were found to be wife dominated in the three groups, and decisions related to life insurance were husband dominated. Companies should not stop at the stage where the brand in well know or well among the competitions in market else they lead to fall short over the performance. The only difference that uplift would be through product satisfaction. Briarley[7], Services create a hindrance on building brand images based on the customer dissatisfaction due to which retaining consumer is difficult. In general, it becomes important for companies to retain consumers with the help of customer satisfaction index. However, technology advancement have created a room in consumer satisfaction and companies try to serve their customers at customers' convenient places and time. Various options are created for a customer convenience, all lead to customer satisfaction. Online shoppers are more satisfied but out the room for improvement, especially in communication about delivery and returns. These customers have more control. In U.S. 63% of online shoppers look at the return policy before making a purchase[8].

II. OBJECTIVES OF THE STUDY:

1. To identify consumer preference for branded and unbranded products of edible oils.
2. To know whether consumers are satisfied, with the Edible Oil they use, or not.

Hypotheses: H1. Consumers prefer branded products rath-

er than unbranded products of Edible Oils.. H2. Repetition of brand depends on satisfaction of customers. Working Definition: Analyze: To examine edible oil consumers in detail, in order to understand or explain their perception. Perception: The ability to understand and make good judgments about edible oil products. Attribute: To believe that consumer preference of edible oil products is the result of a particular feature, events, experience or referrals. Health Edible Oil: Less absorbed, and Cholesterol Free Oil, for health hearts. (Source: Macmillan English Dictionary, International Student Edition, Mcmillan Publishers 2002.)

III. LITERATURE REVIEW:

Indian markets from low-involvement to high-involvement product categories have been experiencing sweeping changes in the past decade. Changing lifestyles, fragmented market segments and consumer preferences, and intense competition from the brands of multinational corporations (MNCs) have made branding strategies a prerequisite for marketing success. India has been going through radical changes in the marketing arena in the last decade. Globalization in terms of multinational corporation (MNC) brands entering Indian markets, the emergence of young professionals in urban areas, the opening up of luxury and leisure markets, the impact of mass media and the influence of Westernization are some of the crucial aspects which have forced Indian marketers to adopt branding strategies. These strategies have been formulated against the backdrop of an Indian culture which is strongly entrenched in the consumer psyche, and amidst changes in the social environment. These changes can be seen in overall consumer products, Rajaveni & Ramasamy (2012)[9], analyzed the trend in edible oil consumption and also attempt has been made by the researcher to assess the consumer behavior on consumption of edible oils from various income groups. In India, most vegetable oil is purchased by household or industrial buyers (food processors, restaurants and hotels) for frying or baking needs and is sold as loose oil or vanaspati (partially hydrogenated vegetable oil). Only a small percentage of edible oils are sold in branded form at the retail level. They studied, what kind of edible oil people consume, since there are varieties of edible oil like Palm oil, soya bean oil, mustard oil, groundnut oil, rice barn, and cotton seed oil in the market. It was considered that branded and quality product were preferred. However some of the motivation functions were quality, health and package. Pathak & Tripathi (2009)[10] found Indian customers are more sensitive to quality, customer service and status. They are ready to pay, sometimes, astronomical sums, provided their needs are satisfied. They are basically looking for an experience which is more of cognitive than physical. Other factors in preference for Edible Oil was highlighted by Kokatnur (2009) [11], Parasuraman, studies on quality of the product plays a major role in the consumers preference of the product, their satisfaction and repurchase intension. Maintaining consistent quality can enhance the market share of private labels. Another factor influencing consumer perception of private brands is the package. The taste test study revealed that consumers rate private labels higher than manufacturers brand. Vyas, Imran & Jay (2013)[12], proposed that Health factor plays a predominant role in selecting the brands among selected respondents. As most of the respondents change their oil for better health, very strong brand International Journal of Research and Development - A Management loyalty is not displayed for oil consumption. Syed Hasan and Muhammad Khan (2009)[13], study identified that packaging characteristics are significant variables for consumer brand preference in edible oils. The study indicates that packaging characteristics has association with consumer brand preference in edible oils. Prema (2013)[14], in the study compared sunflower and groundnut oil, to know which is more popular, preferred and purchased by the consumer. The factors influencing the consumers for purchasing branded oil were quality, healthy, tasty, availability and fat content. Today consumer market is flooded with various brands of sunflower and groundnut oil. Each branded sunflower and groundnut oil stands out distinctly when grouped with other branded edible oil. Consumers have specific preference or choice and they analyze the price,

quality, packaging aspects etc. before they buy the product and hence, it is up to the different brands of sunflower and groundnut oil manufacturers to concentrate on those aspects and workout better strategy to attract more consumers for their brands. The chance of success of brands having higher perceived quality are more than brands having lesser perceived quality. Brands enjoying greater perception of quality shall bestow higher risk relief to consumers than brands having lower standing. Keller and Asker (1992)[15] found higher quality of the brand will undoubtedly lead to its success. Today, Indian Customer is demanding more value for the price he/she pays. Social structures like family, role models and peer groups are under pressure largely because of the change created by media, technology and competition. These change drivers are today impacting the customer's awareness, values, social structures and even the individual customer personality. The rural market does not differ on a larger extent which was shown by Sen, Nandita (2012)[16], in a study of newly launched edible oil by Amul, entering into edible oil segment. Based on a sample of 38 villages near Anand(Gujarat) where consumption patterns of 200 randomly surveyed. It was concluded that there is less awareness among consumers. Customers were ready to try new products, however, more focus should be on right pricing.

Value added product or services have always an upper edge, Jaiswal, Sahu & Matharu (2010)[17] in their research on restaurant services found consumers prefer those restaurants that provide maximum degree of satisfaction. As per Bhat & Reddy(2001)[18], brand affects positively on purchase intention. Sallylinkenauger (2012)[19] brands built images and images built brands. People who believed that a professional's skills had rubbed off on a piece of equipment performed better while using it. Moreover, as Jyothsna Priyadarsini & Goodwin(2009)[20], mentioned with increasing levels of awareness, the customers are educating themselves before they go for the purchase. Additionally, for a consumer the entire story remains same as a whole market. Consumers are more consent about the brand not only in urban but also in rural area was found in the studies carried out by Jain & Meenakshi Sharma (2012)[21], Most of the people both from illiterate & literate groups prefer branded products with the belief that quality is assured as the manufacturers are reputed companies. People are not worried about the price of the product. They are showing willingness to spend higher price when they realize that they can afford to spend. Since the usage of branded products of reputed companies will elevate their status as well as stature in that village. This change in the attitude to spend more on the highly priced branded products, suggests that there is an ample scope for such products to capture the markets in these areas by increasing supply of these products. The marketing agencies are advised to conduct health awareness programs by educating the people about the need to use the health care products to arrest tooth decay, hair fall, dry skin, etc. These products can be made more popular and acceptable among the rural people. Noor Firdoos Jahan and Lalitha Ramakrishnan (2012)[22], examined brand preference in rural areas and studied the preference of the customers in branded products of Fast Moving Consumer Good (FMCG). India's rural markets have seen a lot of activity in the last few years. Since penetration levels are pretty high in most urban areas, future growth can come only from deeper rural penetration and higher consumption. As rural income increases and distribution network improves (in line with road development projects), the penetration levels are set to increase. At present, urban India accounts for 66% of total FMCG consumption, with rural India accounts for the remaining 34%. However, rural India accounts for more than 40% of the consumption in major FMCG categories such as personal care, fabric care and hot beverages. Brand preference is one of the most emerging areas in marketing everywhere so as the rural areas in Chitradurga district in Karnataka. Their study provided bunch of knowledge about demand of different FMCG products in rural areas as well it also provides detail knowledge about the consumer preference towards different FMCG products.

IV. LIMITATION OF THE STUDY:

Karnataka region is a vast region; our study is restricted to the following:

1. Few places in the region have been covered.
2. The time period of the study is from May-June of year 2015.

V. CONCLUSION:

The Study had revealed that age group 26-35yrs preferred branded products. However, Health was considered to be an important parameter for the selection of Edible Oils. Finally it was concluded that, consumers prefer branded products over unbranded products of Edible Oils. Healthy Edible Oils are on priority for selection on any brand of Edible oil than any other attribute. The region has satisfied customers with reference to the brand they presently use. For marketers it is necessary to create a brand that focuses on healthy life style. Consumers are on the verge of comparing different brands available in the market and finalizing the healthy products with economical prices.

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