

BRAND PREFERENCES AND CONSUMPTION PATTERN OF EDIBLE OILS IN MAHARASHTRA STATE

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ABSTRACT

The importance of edible oil in our daily diet was well recognized by our ancestors; as a result it became a part of our food. Oils and fats are basically esters of glycerol and fatty acids. The fatty acids may be either saturated or unsaturated. The oils are the better source of energy as compared to carbohydrates and proteins. Edible oils have got higher importance in preparation of tasty food, improving texture of food items, increasing palatability of food, flavor of food maintenance and growth of human body.

India is a vast country and inhabitants of several regions have developed specific preference for certain edible oils largely depending upon the oils available in the region. For example, people in the South and West prefer groundnut oil while those in the East and North use mustard seed/rapeseed oil. Likewise several pockets in the South have a preference for coconut and sesame oil.

Objectives of the study

The study has following objectives:

To study the brand preference position in the market.

To know the levels of brand awareness among the consumers of edible oils.

To know the factors influencing the purchase decision for edible oil.

To know the purchase and consumption patterns.

CONCLUDING REMARKS

In majority of the families interviewed during this course, house wife is the decision maker for the brand and type of edible oil to be used.

Health consciousness and quality of a particular brand are the important factors in decision making.

Majority of the respondents use sunflower oil followed by kardi, groundnut, soyabean, corn & kardi blend.

Branded oil is preferred than the loose oil.

Dhara has maximum brand awareness followed by Saffola, Fortune, & Gemini respectively IN India and Maharashtra state.

Majority of the respondents prefer 1litre and 5 liters package size.

Majority of the respondents consume 2 – 4 liters of oil per month.

Keywords: Edible Oil,International Conference,Srilanka

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TITLE:-BRAND PREFERENCES AND CONSUMPTION PATTERN OF EDIBLE OILS IN MAHARASHTRA STATE

1. Edible Oils and Indian Economy: - Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy covering an area of 24.38 million hectares and accounting for the production of 20.87 million tones of oilseeds during the year 1999-2000. India contributes about nine percent of the world oilseeds production, about seven percent of the global production of protein meal is the fourth largest edible oil economy in the world¹.

India is a vast country and inhabitants of several regions have developed specific preference for certain oils largely depending upon the oils available in the region. For example, people in the South and West prefer groundnut oil while those in the East and North use mustard seed/rapeseed oil. Likewise several pockets in the South have a preference for coconut and sesame oil².

Through technological means such as refining, bleaching and de- odourisation, all oils have been rendered practically colorless, odorless and tasteless and therefore, have become easily interchangeable in the kitchen. Newer oils, which were not known before have entered the kitchen, like those of cottonseed, sunflower, palm oil or its liquid fraction, polyolefin, soybean and rice bran³. All of them are again essentially bland, processed edible oils. About 60-70% predominantly groundnut and mustard seeds are used to make non-refined or filtered oils. These are often branded by large manufacturers. The lower quality and generally lower cost filtered oil produced is mainly by the small scale village based processors. The oil is mostly sold loose directly to the consumers from a variety of containers, often within two to three days of production⁴. These local crushers will produce between half and two MTs per month. This decentralized production and marketing pattern may account for around 20% of all edible oils in the country⁵. The share of raw oil & refined oil in the total edible oil market is respectively 42.0% and 42.7% as per the Department of Food & Public Distribution.

In the above context, an attempt has been made to understand the buyer's behavior and brand preferences for edible oils in the state of Maharashtra.

2 Review of literature

Some of the outstanding studies conducted on edible oil marketing and purchasing practices, production, sales and marketing strategies of business firms in respect of edible oil products

were thoroughly examined in the literature review. The main thrust of these studies is the evaluation of edible oil brand extension practices of some reputed brands preferences equity and the market share. In fact the findings of the studies are very valuable for new researchers and marketers though who want to chalk out edible oil branding strategies in a professional way

Regarding to this study, some eminent professors and academicians quality research papers review has been taken by studying their research papers on edible oils. Near about 10 quality research papers review has been taken in this study.

Prof. H. Sulochana (2008), eminent female professor of Osmania University, Hyderabad highlighted in her article that, the consumers must care about the use of edible oil to avoid the health problems. In India 60% of the health problems are raised by not using the quality edible oil in their regular diet⁶. **Prof. Reddy Bhagwan** (2009) University of Tamil Nadu has recommended in his research article that the consumers must use the refined edible oil to prevent the fat in the human body. Heavy fat is the main cause of weight and stomach problems in the health of human beings⁷.

Prof. Philip Opar Donney (2007) a Marketing vice president of Asian companies from Afghanistan, basically he is from Kenya, has recommended the packed edible oil for regular diet by the customers than loose edible oil⁸. **Prof. Purushootam Rao** (2008), dean faculty of commerce and Head department of commerce, Osmania University Hyderabad from Andhra Pradesh highlighted in his research paper that, edible oil is the most important part of a food for human being. The Govt. must prevent the oil mixing practices done by the wholesalers and local retailers while they are selling loose oils to the consumers⁹.

Dr. B.K. Bhattacharya, West Bengal (2009) a eminent health physician advised and given important suggestions to his patients and consumers to use the less quantity of edible oil in the regular diet of the people, 30% of the Indian peoples were not conscious while using the edible oils in their diet, so the concentration must be given to the regular use of edible oils. **Prof. Merry George** (2009), great academician from Malaysia analyzed in her study that, the producers of edible oil mills are not taking care while producing the edible oils. The producers must avoid using the chemicals for getting bright color and better transparency in edible oils. There must be strict rules and regulations in the production and selling of edible oils¹. **Dr. Simon Chippy** (2007)

Afghanistan a health specialist recommended to the patients to use Saffola and Sunflower packed edible oil in their regular food to avoid unwanted diseases from the use of regular edible oils². **Prof. Abdul Gilani, Pakistan** (2009) has analyzed in his research study that the customers or regular users of edible oils must avoid fatty edible oils in non-veg food as well as vegetation food. **Prof. James Berry U.S.A. (2009)**, said in her article that Gov.t. and different NGO's must come forward in public and try to create proper awareness in use of regular edible oils and save the life by health diseases³. **Prof. Ramana Joof U.A.E. (2009)** has found in her study that from Afghanistan, Iraq, Iran, and Saudi Arabian peoples are using most fatty edible oils. She suggested to the regular users try to use less and refined edible oil in their regular food and easy diet.

3 Objectives of the study

The study has following objectives:

- 1) To study the brand preference position in the market.
- 2) To know the levels of brand awareness among the consumers of edible oils.
- 3) To know the factors influencing the purchase decision for edible oil.
- 4) To know the purchase and consumption pattern of consumers.

4 Research Methodology

4.1 Collection of Data

To complete this study primary as well as secondary source of information is used.

4.2 Primary data

The Maharashtra state includes 35 different districts places with 10 crore of population. Due to time and cost constraints only 1000 respondents were selected for getting the primary data by direct interview method. To study the market trends and brand preferences of edible oils, primary data is collected by using a detailed questionnaire which was administered to a small sample of 1000 families selected on the basis of convenience sampling method. The study has been carried out in the urban areas of Maharashtra state.

4.3 Secondary data

The secondary data is collected from published thesis, books from library well reputed journals, magazines and related Web. Sites.

4.5 Selection of Brands and Samples

At first phase 7 leading brands in India were selected on the basis of previous marketing studies and in consultation with marketing experts and researchers. The brand value of 07 brands is calculated on the basis of available data and resources.

The population of Maharashtra state is near about 10 crores (as per 2001 census) due to cost and time constraints it was not possible to deal and contact with all the consumers. By the help of convenience sampling method only 1000 respondents were selected from the state of Maharashtra.

4.6 Scope and Limitations of the study

The study is limited to the state of Maharashtra in India only. The limitation of this study is that sometimes the male or female respondents may not give the proper and correct information regarding the price and used brands of edible oils in their daily diets.

4.7 Tools and techniques used

The data so collected is scrutinized, tabulated, analyzed and finally used for the study purpose. For the calculation and analysis of data simple tools and techniques are used i.e. percentile, average, simple correlation, regression and other related tools and techniques.

5 DATA ANALYSIS

The data so collected is scrutinized, tabulated and analyzed by the help of some statistical tools and techniques and finally used for the study purpose. Following are the major conclusions are drawn by the researchers.

1) As per Table no-1.1, 43% of the consumers use near about two to four liters of edible oil per month and only six percent use more than 8 liters per month. This shows that people in general are much conscious about their health which results into lower consumption.

2) Table no 1.2 shows that, in 87% cases only house wife is the decision maker for type and brand of edible oil to be used and in six percent cases there is joint decision making.

When consumers were asked about their preference towards package size (refer Table no 1.3) 60% of the respondents preferred one liters and five liters packages respectively mainly due to FIT i.e. freshness intact technology.

There are various factors which influence consumers to buy a particular type and brand of edible oil. As per Table no. 1.4 health conscious is the main reason where 90% peoples choose on the basis of health, 88% choose because of its quality and 77% because of price. Factors like package design and advertisement have negligible effect.

Health consciousness being the major influencing factor, about 42% of the people use sunflower and 32% use Kardi oil which are known to be good for heart functioning. (Refer table no. 1.5)

The awareness of edible oil is maximum for Dhara i.e. 93% whereas Saffola, Fortune and Gemini are close with 92, 82 and 72 % respectively (refer table no 1.6).

The edible oil market is mainly divided into two types i.e. branded oil and loose oil, 64% of the respondents use branded oil and only 36% use loose oil (refer table no 1.7).

Consumers in the edible oil market can get information from various sources like Advertisements, Retailer's window display, doctors, friends and relatives, past knowledge etc. Out of these 50% of the respondents get information from retailers, 18% from doctors, 20% from advertisements, ten percent from past experience and only two percent from friends and relatives (refer table no 1.8).

6 Major conclusions

1) In majority of the families interviewed during this course, house wife is the decision maker for the brand and type of edible oil to be used.

Health consciousness and quality of a particular brand are the important factors in decision making.

Majority of the respondents use sunflower oil followed by kardi, groundnut, soyabean, corn & kardi blend.

Branded oil is preferred than the loose oil in higher income class of the consumers.

Dhara has maximum brand awareness followed by Saffola, Fortune, & Gemini respectively.

Majority of the respondents prefer 1 litre and 5 liters package size.

Majority of the respondents consume 2 – 4 liters of edible oil per month.

TABLE NO-1.1
Monthly consumption Pattern of edible oil

Sr. No	Quantity (in litres)	Number of respondents	Percentage
1	01 - 02	90	09
2	02 – 04	430	43
3	04 – 06	270	27
4	06 – 08	150	15
5	08 & above	60	06
	TOTAL	1000	100

Source: - Field Survey (2009-10)

TABLE NO-1.2
Brand decision maker for edible oil

Sr. No	Decision Maker	Number of respondents	Percentage
1	Wife	870	87
2	Husband	70	07
3	Both	60	06
	Total	1000	100

Source: - Field Survey (2009-10)

TABLE No-1.3
Respondent's preference towards package size of edible oil

Sr. No	Package size	Number of respondents	Percentage
1	1 litre	300	30
2	5 litres	300	30
3	15 litres	130	13
4	Loose	270	27
	Total	1000	100

Source: - Field Survey (2009-10)

TABLE NO-1.4 Factors affecting on brand decision making

Sr.No	Particulars	Percentage
1	Price	77
2	Quality	88
3	Size of pack	05
4	Advertisement	04
5	Package design	05
6	Health consciousness	90

Source: - Field Survey (2009-10)

TABLE NO-1.5
Respondent's preference towards type of oils

Sr. No	Type of oil	Number of respondents	Percentage
1	Kardi	320	32
2	Groundnut	150	15
3	Sunflower	420	42
4	Soyabean	100	10
5	Corn & Kardi blend	10	01
		1000	100

Source: - Field Survey (2009-10)

TABLE NO-1.6
Brand awareness for edible oil

Sr. No	Names	Percent age
1	Dhara	93
2	Saffola	92
3	Fortune	82
4	Gemini	72

Source:-Field Survey (2009-10)

TABLE NO-1.7
Brand preference for edible oils

Sr.No	Varieties	Number of respondents	Percentage
1	Loose	360	36
2	Gemini	150	15
3	Fortune	110	11
4	Sundrop	110	11
5	Saffola	120	12
7	Silverdrop	60	06
8	Dhara	30	03
	Others	60	06
	Total	1000	100

Source: - Field Survey (2009-10)

TABLE NO-1.8
Branded Vs. Loose edible oil

Sr.No	Branded Vs Loose	Percentage
1	Branded	64
2	Loose	36
	Total	100

Source: - Field Survey (2009-10)

TABLE NO-1.9
Source of information for edible oil

Sr. No	Source	Number of respondents	Percentage
1	Advertisements	200	20
2	Retailer	500	50
3	Friends & relatives	20	02
4	Doctors	180	18
5	Past experience	100	10
	Total	1000	100

Source: - Field Survey (2009-10)

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