# Brand Preferences of Edible Oils

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 and maintenance and growth of human body.

### *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 9% of the world oilseeds production, about 7% of the global production of protein meal and is the 4th largest edible oil economy in the world.

India is a vast country and inhabitants of several of its 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 oil. 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, palmolein, soyabean and rice bran. 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 2-3 days of production. 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 country. 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. The monitoring of quality is done in terms of the provisions of the Orders and as per the procedures prescribed in the Inspection Manual. For the purpose of ensuring proper quality control in addition to surprise inspection from Headquarters, a minimum of 12 inspections per unit are carried out annually. Field officers are also located in nine different zones organized in such a way as to enable proper monitoring. A well equipped laboratory exclusively devoted to the analytical work pertaining to fats and oils is available with the Directorate of Vanaspati, Vegetable Oils & Fats for analytical checking of the samples drawn. The Directorate is staffed by qualified Chemists with experience in the analysis of fats and oils.

In the above context, an attempt has been made to understand the buyer behavior and brand preference for edible oils in the Aurangabad City of Maharashtra State.Aurangabad is the headquarter of Marathwada region and it is known all over the world due to its proximity to the famous Ajanta & Ellora caves. Besides tourist attraction, the city is the centre of trade, commerce, education and several other economic activities. In the year 2001 the total population of Aurangabad city is 9,01,542 which has increased significantly in the last two decades (Source: office record of AMC and Aurangabad cantonment board). The composition of population according to religion indicates how the retail market is regulated according to the different lifestyles & consumption patterns.

**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 patterns.
5. To know the satisfaction level for existing brands.

**RESEARCH METHODOLOGY:**

To study the market trend and brand preference for edible oils, primary data was collected by using a detailed questionnaire which was administered to a small sample of 500 families selected on the basis of convenience given the academic nature of study. The study has been carried out in the urban areas of Aurangabad city of Maharashtra state. Wherever necessary the secondary data available in leading business magazines and internet was utilized.

**DATA ANALYSIS:**

The prominent excerpts of the analysis of the primary data collected through the questionnaire by the researchers and the major findings of the study are as follows:

1. As per Table 1, 43% of the consumers use about 2-4 liters of edible oil per month and only 6% 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 2 shows that in 87% of the cases only wife is the decision maker for type and brand of edible oil to be used and in only 6% cases there is joint decision making.
3. When consumers were asked about their preference towards package size then as shown in Table 3, 60% of the respondents preferred 1 liter and 5litres packages respectively mainly due to FIT i.e. freshness intact technology.
4. There are various factors which influence consumers to buy a particular type and brand of edible oil. As per Table 4, health conscious is the main where 90% customers 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.
5. Health consciousness being the major influencing factor, about 42% of customers use sunflower and 32% use Kardi oil which are known to be good for heart functioning, as shown in table 5.
6. Table 6 highlights that the awareness of edible oil is maximum for Dhara i.e. 93% whereas Saffola, Fortune and Gemini are close with 92,82 and 72 percent respectively.
7. The edible oil market is mainly divided into two types i.e. branded oil and loose oil Table No. 8 indicates that 64% of the respondents use branded oil instead of loose oil(36%).
8. 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,10% from past experience and only 2% from friends and relatives.(Table No. 9)

**TABLE 1**
**Monthly consumption of edible oil**

| Sr.No | Quantity (in litres) | Number of respondents | Percentage |
|---|---|---|---|
| 1 | 01 - 02 | 45 | 09 |
| 2 | 02 – 04 | 215 | 43 |
| 3 | 04 – 06 | 135 | 27 |
| 4 | 06 – 08 | 85 | 17 |
| 5 | 08 & above | 30 | 06 |
| | TOTAL | 500 | 100 |

**Source: Field Survey (2004)**

**TABLE 2**
**Brand decision maker**

| Sr.No | By | Number of respondents | Percentage |
|---|---|---|---|
| 1 | Wife | 435 | 87 |
| 2 | Husband | 35 | 07 |
| 3 | Both | 30 | 06 |
| | Total | 500 | 100 |

**Source: Field Survey (2004)**

**TABLE 3**
**Respondents preference towards package size of edible oil**

| Sr.No | Package size | Number of respondents | Percentage |
|---|---|---|---|
| 1 | 1 litre | 150 | 30 |
| 2 | 5 litres | 150 | 30 |
| 3 | 15 litres | 65 | 13 |
| 4 | Loose | 135 | 27 |
| | Total | 500 | 100 |

**Source: Field Survey(2004)**

**TABLE 4**
**Factors affecting 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(2004)**

**TABLE 5**
**Respondents preference towards type of oil**

| Sr.No | Type of oil | Number of respondents | Percentage |
|---|---|---|---|
| 1 | Kardi | 160 | 32 |
| 2 | Groundnut | 75 | 15 |
| 3 | Sunflower | 210 | 42 |
| 4 | Soyabean | 50 | 10 |
| 5 | Corn & Kardi blend | 05 | 01 |
| | | 500 | 100 |

**Source: Field Survey (2004)**

**TABLE 6**

**Brand awareness for edible oil**

| Sr.No | Names | Percentage |
|---|---|---|
| 1 | Dhara | 93 |
| 2 | Saffola | 92 |
| 3 | Fortune | 82 |
| 4 | Gemini | 72 |

**Source: Field Survey (2004)**

**TABLE 7**

**Brand preference for edible oil**

| Sr.No | Varieties | Number of respondents | Percentage |
|---|---|---|---|
| 1 | Loose | 180 | 36 |
| 2 | Gemini | 75 | 15 |
| 3 | Fortune | 55 | 11 |
| 4 | Sundrop | 55 | 11 |
| 5 | Saffola | 60 | 12 |
| 7 | Silverdrop | 30 | 06 |
| 8 | Dhara | 15 | 03 |
| | Others | 30 | 06 |
| | Total | 500 | 100 |

**Source: Field Survey(2004)**

**TABLE 8**

**Branded Vs. Loose**

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

**Source: Field Survey(2004)**

**TABLE 9**

**Source of information of edible oil**

| Sr.No | Source | Number of Respondents | Percentage |
|---|---|---|---|
| 1 | Advertisements | 100 | 20 |
| 2 | Retailer | 250 | 50 |
| 3 | Friends & relatives | 10 | 02 |
| 4 | Doctors | 90 | 18 |
| 5 | Past experience | 50 | 10 |
| | Total | 500 | 100 |

**Source: Field Survey (2004)**

## CONCLUSIONS

1. In majority of the families interviewed during this course, wife is the decision maker for the brand and type of edible oil to be used.
2. Health consciousness and quality of a particular brand are the important factors in decision making.
3. Most of the respondents are satisfied with the present brand in use and hence brand switching is low.
4. Majority of the respondents use sunflower oil followed by kardi ,groundnut, soyabean, corn & kardi blend.

5. Branded oil is preferred than the loose oil.
6. Retailer's window display is the main source of information. Other important sources are TV Ad, Doctors and past experience.
7. Dhara has the maximum brand awareness, Saffola is on the second position, Fortune on the third & Gemini is on the fourth position as per the survey results conducted in Aurangabad city.
8. Majority of the respondents prefer 1litre and 5litres package size.
9. Majority of the respondents consume 2 – 4litres of oil per month.

## REFERENCES


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