

## A STUDY ON CONSUMER PREFERENCES TOWARDS AAVIN PRODUCTS IN TIRUPUR

**Mr.R. Raja** Associate Professor in Commerce Park's College, (Autonomous) Chinnakarai,  
Tirupur – 641 605, Tamil Nadu.

**Mr.S.Sannasi** Associate Professor in Commerce Park's College, (Autonomous) Tirupur – 641 605, Tamil  
Nadu.

### INTRODUCTION

Marketing is the process of identifying consumer needs and preference, developing Suitable products, fixing the prices, physical distribution sales promotion advertisement etc. Today, Marketing is not considered as a mere physical process or set of activities connected with exchange of goods and services. It represents a distinct philosophy of business that has emerged over the recent years. According to this view "the purpose of a business to create a customer".

The first dairy co-operative society started in Denmark in the year 1882. Co-operative dairying occupies a prominent place on the cooperative system of Denmark. A co-operative dairy consists of a number of milk producers associated to process and dispose Dairy is also an additional source of income to the farmers. The small farmers can specially benefit from this industry.

**Table NO. 1 : Table showing the over view of Aavin products in Tirupur**

<b>Tamilnadu Cooperative Milk Marketing Federation</b>	
<b>Type</b>	Cooperative
<b>Industry</b>	Diary
<b>Founded</b>	1958
<b>Head quarters</b>	Nandhanam, Chennai
<b>Revenue</b>	Rs 705.95 lacks INR
<b>Products</b>	Milk products & cattle feeds
<b>Employees</b>	32000
<b>Web site</b>	<a href="http://www.aavin.com">www.aavin.com</a>

### STATEMENT OF PROBLEM

Aavin is a cooperative organisation owned by the farmers of Tamilnadu and built on Ananth Pattern of Gujarath. In Tamilnadu the dairy farmers give milks to the cooperative societies which collect the milk for Tamilnadu cooperative milk marketing Federation Ltd. They market this collected milk in the brand name of Aavin. The dairy industry in India is not free from problems. The per capital availability of milk is around 246 grams per day, as against the world average of 285 grams also, only 40% of the human products, which is also rather low. A major part of the milk production is treated through unorganized vendors. Only about 15-16% of the total milk get in to the organized marketing channels. The farmers face various difficulties in dairy farming and the society face the problem of proper marketing of Aavin difficulties. This sector also faces a lot of problem like insufficient process, heavy loss in dairying, huge losses due to death of cattle etc. In such scenario, the research has attempted to study these problems and end out such solutions

### OBJECTIVES OF THE STUDY

- To evaluate the marketing techniques of Aavin Milk Society
- To analyze the customer perception of Aavin products.
- To understand the present marketing channels of Aavin products with special reference to Tirupur

- To know the attitude of customers towards Aavin products.

### **SIGNIFICANCE OF THE STUDY**

Today India occupies first position in milk production in the world surpassing us with 50 million tons annually. Now India's contribution to milk production of world is 14%. At the end of third of the five year plan there were more than 9000 supply society's and 126.

Milk supply unions Now in India, there are more than 9700 milk Co.operatives societies in 264 district and their sector growth and the end of 6.5 per annum. In India dairy development is witnessing the most successful development programmes. There is abundant supply of milk and this has to be utilized in a better way. Dairy development providing a lot of employment opportunities in our country and this sector also faces a lot of problems like insufficient process , heavy lost in dairing , huge losses due to death cattle etc...Milk and milk products have good opportunities in both domestic and international market.

### **RESEARCH METHODOLOGY**

#### **SOURCES OF DATA**

The research methodology adopted here carry out the study is mainly designed as an empirical work based on both secondary data primary data obtained through pre-tested questionnaire, direct personal interviews of selected persons.

#### **SECONDARY DATA**

This study made use of the secondary data from various sources like

- Text books
- Magazines
- Internet
- Company profile

#### **PRIMARY DATA**

The study is mainly based on primary data, the primary data for the study is collected from 60 customers,pre-tested questionnaire and direct interview. The primary data has mainly used for evaluating the customer's perception of Aavin products on various attributes.

#### **SAMPLING SIZE**

The study is conducted on the products of Aavin,Tirupur The marketing techniques of their products is analyzed through 60 customers. So the sample size here is 60

#### **TOOLS USED FOR THE ANALYSIS**

The study is carry out as a descriptive one, A total of so samples are selected, giving due consideration to age, sex, occupation, income, qualification and residential area etc. To analyze the primary data, the study itself used the major mathematical and statistical tools.

#### **CHI SQUARE TEST**

#### **TOOLS USED FOR DATA PRESENTATION**

- Tables
- Bar diagram
- Pie diagram

#### **HYPOTHESIS**

##### **Null Hypothesis (H<sub>0</sub>)**

There is no significant difference in satisfaction level with respect to gender

## PERIOD OF THE STUDY

This study was conducted during the period of 3 weeks.

## LIMITATION OF THE STUDY

- The main limitation of the study was time factor.
- The study is mainly based on primary sources of data and secondary source was also used. All limitations of using the primary data and secondary data are also applicable here.
- The total number of customers included in the study is limiting to 60.
- The research inadequacy of experience also might have influenced the study to an extent.
- Attitude of the respondents is also a limitation

India ranks first in global milk production contributing 20.17 percent. The dairy sector in India has grown substantially over the years and has emerged as a major driver of overall growth in the sector. India has achieved an annual output growth of 198.44 million tonnes during the year 2019 - 2020. The all India per capita availability of milk is 406 grams per day in 2019-20.

As per the 20th Livestock census, India has a vast resource of animal population totalling 536.76 million livestock, comprising about 193.46 million cattle and 109.85 million buffaloes. Allied sectors including animal husbandry, dairying and fisheries are steadily emerging to be high growth sectors. The livestock sector has grown at a CAGR of 8.15 percent over the last five years ending 2019-20. Dairying sector is also a significant employer of the surplus workforce engaged in agriculture, which employs more than 8 crore farmers directly.

Milk is the single largest agricultural commodity by value contributing 5 percent of the national economy. Dairying has become an important secondary source of income for millions of rural families and has assumed the most important role in providing employment and income generation opportunities mainly for women and marginal farmers.

Dairying plays an important role in socio-economic development of rural households in the country. Major share of the milk in the country is produced by small, marginal farmers and landless labourers. Small land-base encourages the farmers to practice dairying as an occupation subsidiary to agriculture.

Income from agriculture is seasonal, whereas dairying provides year-round income and generates gainful employment in the rural sector. The drivers of demand for milk in India are population growth, urbanisation and increasing per capita income. The dairy sector is therefore an important vehicle for inclusive development in the country.

### Dairying in Tamil Nadu

Tamil Nadu ranked 11th in milk production in 2019-20 with 8.76 million tonnes and the per capita availability of 316 grams per day. The milk production in Tamil Nadu has increased by 4.75% over the previous year.

Tamil Nadu possesses 24.5 million livestock including 9.52 million cattle, 0.52 million buffaloes with breedable cattle population of 6.40 million cattle and 0.35 million buffaloes as per 20th livestock census.

### Profile of Aavin Company

Dairy Development in India has been acknowledged the world over as one of the most successful development programme. India is the second largest milk producing country with the production about 78 million tons during 1999 – 2000. The milk surplus States in India are Uttar Pradesh, Punjab, Haryana, Rajasthan, Gujarat, Maharashtra, Andhra Pradesh, Karnataka and Tamil Nadu. The manufacturing of milk products is concentrated in these milk surplus States.

Dairy sector has assumed a great significance by generating income not only to the rural but also to the urban and semi-urban population in the state especially to the women folk by providing self-employment opportunity. Milk and milk products provides essential nutrition to all walks of life. It provides the main source of income next to agriculture. In a tropical country like India, agriculture may fail sometimes, due to monsoon failure but dairying never fail and gives them regular, steady income.

The state Dairy Development was established in 1958. The Administrative and statutory control over the entire milk cooperative in the State were transferred to the Dairy Development on 01.08.1965. The Commissioner for the Milk Production and Dairy Development is the functional registrar under the Tamil Nadu Co-operative Societies Act 1983.

### **TWO FOLD OBJECTIVES OF THE DAIRY DEVELOPMENT DEPARTMENT**

- Assure a remunerative price of the milk produced by the milk producer's societies through a stable, steady and well market support.
- Distribution of quality milk and milk products at reasonable price to the consumers.

### **TWO FOLD OBJECTIVES OF THE DAIRY DEVELOPMENT DEPARTMENT**

- Assure a remunerative price of the milk produced by the milk producer's societies through a stable, steady and well market support.
- Distribution of quality milk and milk products at reasonable price to the consumers.

### **FUNCTIONS OF THE DAIRY DEVELOPMENT DEPARTMENT**

The main functions of the Dairy Development Department are organization of societies, registration of societies, supervision and control of primary Milk Co-operative, District Co-operative Milk Producers Union and Tamil Nadu Co-operative Milk Producer's Federation.

The Dairy Development Department exercise statutory functions like enquiry, inspection, surcharge and super session, appointment of special officers, liquidation and winding up of societies etc. The Commissioner for milk production and Dairy Development, Deputy Milk Commissioner (Co-operative) and circle Deputy Registrars are vested with quasi-judicial power in respect of settlement of dispute, appeal, revision and review under various provisions of Tamil Nadu Co-operative societies Act 1983 and rule 1988 made there under.

**TABLE NO. 2 : CLASSIFICATION OF RESPONDENTS**

<b>Group</b>	<b>Status</b>	<b>No. of respondents</b>	<b>Percentage</b>
<b>Gender</b>	Male	23	38.33
	Female	37	61.67
	<b>Total</b>	<b>60</b>	<b>100</b>
<b>Age</b>	17-21	25	41.67
	22-30	13	21.67
	31-45	13	21.67
	45 & above	9	15
<b>Occupation</b>	Govt. employee	10	16.67
	Employee	16	26.67
	Businessmen	6	10
	Others	28	46.66
	Below SSLC	5	8.33

<b>Educational qualification</b>	SSLC	12	20
	Plus Two	26	43.33
	Graduate	17	28.34
	<b>Total</b>	<b>60</b>	<b>100</b>
	Bellow 5000	13	21.67
	5000-10000	10	16.67
	10000-20000	10	16.67
	20000-30000	16	26.67
	30000 & Above	11	18.33
	<b>Total</b>	<b>60</b>	<b>100</b>

### INTERPRETATION

There are 38.33% of Male users according to my research 61.67% of Female users. According to the age level classification the data analyzed was the majority of users are in 17-21 age group and after that the majority is in the age group of 22-30 and 31-45 of 21.67% the least was the group of 45 & above. According to the data collected the occupations of the respondent most (16.67%) are government employees and 26.67% are employees. While 10% constitutes the businessmen and the balance by others

There are 8.33% respondents below SSLC and 20% having SSLC as their qualification. 43.33% have qualification as plus two and 28.34% have graduation. The data collected about income level was that the majority are in income level 10000-20000 and followed by 20000-30000. Only 16.67% getting an income of 5000-10000 and balance 16.67% is getting above 30000.

**TABLE NO. 3 : CUSTOMER SATISFACTION ON QUALITY OF AAVIN PRODUCTS**

<b>Attributes</b>	<b>No. of respondents</b>	<b>Percentage</b>
Highly satisfied	41	68.33
Satisfied	7	11.66
Neither/nor satisfied	0	0
Highly dissatisfied	4	6.66
Dissatisfied	8	13.33
<b>Total</b>	<b>60</b>	<b>100</b>

### INTERPRETATION

The table shows the customer satisfaction quality of AAVIN products. As we know that the Aavin produces various products for their customers. It clearly indicates that 68.33% of customers are Highly Satisfied of the quality of AAVIN products, and 11.66% are satisfied. Only 13.33% are dissatisfied on the quality of AAVIN products, while 6.66% are highly dissatisfied.

**TABLE NO. 4 : CUSTOMER PERCEPTION IN SETTING PRICES OF AAVIN**

<b>Attributes</b>	<b>No. of respondents</b>	<b>Percentage</b>
Highly satisfied	28	46.67
Satisfied	21	35
Neither/nor satisfied	6	10
Highly dissatisfied	4	6.66
Dissatisfied	1	1.67
<b>Total</b>	<b>60</b>	<b>100</b>

**INTERPRETATION**

The table presents the picture of customer perception on setting price of Aavin. It clearly indicates that around 46.67% of customers are highly satisfied on the cost of Aavin and 35% are satisfied. 10% stood with nor satisfaction or dissatisfaction The dissatisfaction level is around 1.67% in which 6.66% are highly dissatisfied of the cost

**TABLE NO. 5 : TABLE SHOWING CUSTOMER RESPONSE IN SIGNIFICANT CHANGES**

<b>Attributes</b>	<b>No: of respondents</b>	<b>Percentage</b>
Highly satisfied	30	50
Satisfied	18	30
Neither/nor satisfied	8	13.33
Highly dissatisfied	3	5
Dissatisfied	1	1.67
Total	60	100

**INTERPRETATION**

The table shows the customer response in significant changes. The satisfaction level so received is 50% are highly satisfied with the delivery of bills and 30% of are satisfied. 13.33% stood on no clear opinion. The dissatisfaction level was of 1.67% in and 5% are highly dissatisfied.

**TABLE NO. 6 : CUSTOMER PREFERENCE TOWARDS AAVIN PRODUCTS**

<b>Products</b>	<b>No :of respondents</b>	<b>Percentage</b>
Milk	21	35
Curd	23	38.34
Ghee	5	8.33
Sambharam	5	8.33
Other	6	10
Total	60	100

**INTERPRETATION**

According to study 35% of customers prefer milk 38% prefers curd 8.33% customers prefers ghee, while only 8.33% of customers prefers Aavin and 10% prefers other .we can analyse that in Tirupur area milk is mainly preferred.

**TABLE NO. 7 : WHICH PRODUCTS WAS MOSTLY USED BY THE CUSTOMERS**

Products	No :of respondents	Percentage
Milk	19	31.67
Curd	17	28.33
Ghee	10	16.67
Sambharam	10	16.67
Other	4	6.66
Total	60	100

**INTERPRETATION**

According to study 31.67% of customers prefer milk 28.33% prefers curd 16.67% customers prefers ghee, while only 16.67% of customers prefers Aavin and 10% prefers other .we can analyse that which products was mostly used by the customers.

**TABLE NO. 8 : CUSTOMERS OPINION ON TASTE**

Attributes	No: of respondents	Percentage
Very good	39	65
Good	7	11.67
Average	5	8.33
Poor	6	10
Very poor	3	5
<b>Total</b>	<b>60</b>	<b>100</b>

**INTERPRETATION**

According to the research the result though analyzed is 65% of customers say that AAVIN products tastes very good and 11.67% was supporting with products are good and 8.33 % average. While 10% stands with poor and 5% very poor. So we can analyze that AAVIN products tastes are good.

**CHI-SQUARE**

Chi square test is a test which explains the magnitude of difference between observed frequencies and the theoretical or expected frequencies under certain assumptions. This test was first used by Karl Pearson.

A measurement of how expectations compare to result. The data used in calculating a chi square statistic must random, raw, mutually exclusive, drawn from independent variables and be drawn from a large enough sample.

Goodness of fit test based on frequency of occurrence and used in determining how well the data obtained from an experiment matches the expected data. Applicable both to quantitative attribute and quantitative variable, it helps ensure the experimental results are statistically significant and has not been caused by chance events. **Test of Level of satisfaction among different gender**

$H_0$ : There is no significant difference in satisfaction level with respect to gender.

$H_1$ : There is significant difference in satisfaction level with respect to gender.

**TABLE NO. 9**

	Gender		Total
	Male	Female	
Satisfied	18	30	48
Not satisfied	5	7	12
Total	23	37	60

Calculation of Chi square:

O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
18	18.4	-0.4	0.16	0.009
30	29.6	0.4	0.16	0.005
5	4.6	0.4	0.16	0.034
7	7.4	-0.4	0.16	0.022
<b>Total</b>				0.07

Degree of Freedom (C-1) (r-1) = (2-1) (2-1) =1 Level of significance is 5%

Table value is 3.841

### Interpretation

Calculated value is less than the table value. So, we accept the null hypothesis. So, there is no significant difference in satisfaction level with respect to gender.

### FINDINGS

- The quality of the AAVIN products is highly satisfied among the 68.33% of the customers.
- There is not much difference in satisfaction level of AAVIN products with respect to gender.
- The study observe that the customers show satisfaction on the quality parameters of the Aavin.
- The communication in price changes by Aavin creates a satisfaction among the customers around 18% of the customers are satisfied.
- The service offered by Aavin is satisfied among the customers.
- The opinion towards the response of Aavin in significant changes creates dissatisfaction among the customers. 1.67 % of customers are dissatisfied.
- Most of the customers given priority to the milk, curd and ghee respectively.
- AAVIN products was mostly used by customers given priority to the milk, curd, ghee and sambharam.
- 58.33% of customers are responds milk is commonly seen the market.
- The prices of AAVIN products is satisfied by 35% of customers.
- 30% of customers are Agree with the availability of AAVIN products at the right time.
- The services offered by Aavin is Neither/nor satisfied among the 11.67% of the



customers.

- 11.67% customers agree that Aavin tastes good.
- The promotional tool simple mented by Aavin is strong enough to promote the products of Aavin 38.44% of customers agree on this.
- The distribution channel of AAVIN products is satisfied among the customers 36.67% of customers are Wholesalers on this.
- Professional approache maintained by Aavin on meeting needs is satisfied by the customers 36.67%.
- The brand assurance of Aavin creates a satisfaction of 25 % among the customers.
- A Aavin product is cheap in its rate while comparing to other products.

### **SUGGESTIONS**

- Aavin should modify their products according to the customers opinion
- The promotional policies issued by Aavin should be reviewed increase the scope.
- The quality parameters especially thickness should be increased
- The service offered by Aavin is to be increased so as to promote products.
- More attention should be given to handle the grievances of the customers
- Professional approach maintained by the Aavin is to be increased
- The brand assurance is comparatively low, so necessary step should be taken to increase.

### **CONCLUSION**

In the era of globalization and liberalization ,foreign milk products are also available in Indian market. So this industry is in the stream to compete with the multinational companies. At present there is a competition between other states because the production cost is high in Tirupur and leads to higher price, but in other states as lower cost of production makes them to enter into Tirupur market easily. One of the main threats to milk industry of Tirupur is that this affects the source of regular income to farmers.

However with the activities of the Aavin , the milk production in Tirupur is growing fast, cattle rearing also help to solve unemployment in villages partially. .Through the study of market techniques it only included the customer perceptions of the Aavin product and promotional tools are identified and studied. Still there are many areas such as overall marketing strategies, product innovation strategies and many other areas have been left out from the preview of the study. These areas can be further explored as a scope for further research.

### **BIBLIOGRAPHY**

- <http://kcmmf.in>
- <http://www.nrAavin.com/page/ourunits>
- <http://m.economictimes.com/topic/AAVIN>
- Marketing Management Test Book
- Aavin.com