

## Bulk Vended Milk: A Descriptive Study on concerning Consumers

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**Abstract:** This study presents the descriptive study regarding the sale of Bulk Vended Milk among the consumers and non-consumers of Mother Dairy. The main aim of this study is to know the reasons about low sale of Bulk Vended Milk in East Delhi. The central focus of this study is to find out the consumer perception towards Bulk Vended Milk and study the purchasing pattern of Mother Dairy consumers. The purpose of this paper is to assess the milk market and to understand the position of Mother Dairy in comparison to other brands. The study was carried out among consumers and non-consumers of Mother Dairy products to ascertain the consumer behaviour with regards to the Bulk Vended Milk across the East Delhi Region.

**Keywords:** Bulk vended milk, dairy industry, poly packed milk, consumer perception, purchasing pattern

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### I. Introduction

Today, India is 'The Oyster' of the global dairy industry. It offers opportunities galore to entrepreneurs worldwide, who wish to capitalize on one of the world's largest and fastest growing markets for milk and milk products. A bagful of 'pearls' awaits the international dairy processor in India. The Indian dairy industry is rapidly growing, trying to keep pace with the galloping progress around the world. As he expands his overseas operations to India many profitable options await him. He may transfer technology, sign joint ventures or use India as a sourcing center for regional exports. The liberalization of the Indian economy beckons to MNC's and foreign investors alike.

Prior to the 1850s most milk was necessarily produced within a short distance of the place of consumption because of lack of suitable means of transportation and refrigeration.

The Indian dairy industry has made rapid progress since independence. A large number of modern milk plants and product factories have since been established. These organized dairies have been successfully engaged in the routine commercial production of pasteurized bottled milk and various western and Indian dairy products. With modern knowledge of the protection of milk during transportation, it became possible to locate dairies where land was less expensive and crops could be grown more economically.

While world milk production declined by 2 per cent in the last three years, according to FAO estimates, Indian production has increased by 4 per cent. The milk production in India accounts for more than 13% of the total world output and 57% of total Asia's production. The top five milk-producing nations in the world are India, USA, Russia, Germany and France.

Indian dairy sector is still mainly an unorganized sector as barely 10% of our total milk production undergoes organized handling.

### II. Statement of Problem

There is tough competition among the various brands i.e. Amul, Paras, Mother Dairy, Saras, Verka Sweet etc. and each brand is trying to capture the market by providing better products than its competitors. Mother Dairy is providing milk products which suits the customer's requirements better but for the last 3- 4 year, Mother Dairy has been facing tough competition and the sale of bulk vended milk is low. This study helps the company to handle competition in diary market.

### III. Objective

Fixing the objective is like identifying the star. The objective decides where we want to go, what we want to achieve and what is our goal or destination. Every study is carried out for the achievement of certain objectives. The objective of this study is:

To assess the milk market and the Mother diary's position in comparison to other brands.

To study the current purchasing pattern of mother diary consumers.

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To find out the consumer perception towards Bulk Vended Milk.

To know the reasons about low sale of Bulk Vended Milk of Mother Dairy in some area.

#### IV. Scope Of The Study

The focus of this study is on increasing the sale of Bulk Vended Milk. Company can design its milk products as per the needs of the customer and earn customer satisfaction by serve better than competitors. Mother Dairy can work on product differentiation and can differentiate its product with the competitor's product. Company can measure its performance into diary industry.

#### V. Literature Review

*Table 1: Related Studies*

Year	Author	Publisher/ Journal/ Book/ University/ Proceeding	Topic
2003	David A. Hennsey and JuttaRoosen	A Journal of Agricultural Economics	Cost-Based Model of Seasonal Production, with Application to Milk Policy
2003	AshutoshShrivastava	A Journal of Agricultural Economics	Impact of Milk Processing on Small Farms: Case Study
2009	Dhanabalan. M	Indian Journal of Marketing	Productive Efficiency of Milk Production in Tamil Nadu
2014	Prof. Nizamuddin Khan and Ashish Kumar Parashari	Journal of International Academic Research For Multidisciplinary	Development of Indian Dairy and Challenges: An Overview
2015	Ashish Jain	Anand Agricultural University	Study on Customer Preferences for Bulk Vended toned Milk (BVM) of Mother Dairy in selected areas of Ghaziabad City

**David A. Hennsey and JuttaRoosen (2003)** developed a Cost- Based Model of Seasonal Production with application to milk policy. Production of milk is seasonal in many European countries and a European Union policy goal is to reduce price seasonality. The effects of three E.U. policies on the production decisions were studied after developing a model of endogenous seasonality. It has been found that there are private storage subsidies, production removals, and production quotas. Arbitrage opportunities interact with storage subsidies when cost functions are seasonal to reduce both price and consumption seasonality. Production seasonality increases because storage subsidies promote temporal market integration and the conditions were identified under which product market interventions increase quantity seasonality. [1]

**AshutoshShrivastava (2003)** studied the impact of milk processing on income and employment of small farms of Damoh district, Madhya Pradesh and examined the problems faced by the small milk processing farms. Twenty small milk processing farms and twenty non-milk processing farms were selected. It has been found that the processing of milk definitely increased the income and employment of the small milk processing units. Non-availability of good quality of milch animals, inefficient management of feeding and breeding of animals, lack of proper organized market system, lack of storage facilities, technical and infrastructure support system and packaging facilities are the major problems faced by the processing farms. As the processing units are looked after by household workers, good training programmes should be developed for manufacturing low cost packaging material and diary feed formulations at the village level. [2]

**Dhanabalan. M (2009)** studied the production efficiency of milk production in Tamil Nadu. Agriculture has always been the backbone of the Indian economy and provides employment to around 60 percent of the total work force. Agricultural growth has direct impact on poverty eradication and the change in the agricultural sector will have a multiplier effect on the entire economy. Allied sector like horticulture, animal husbandry, diary and fisheries have an important role in improving the overall economic conditions of rural India. There is a need for sustainable and balanced development of agriculture and allied sectors to maintain the ecological balance. Dairy farming is described as a small industry which provides gainful opportunities and comprises of about six percent of the national income. [3]

**Prof. Nizamuddin Khan and Ashish Kumar Parashari (2014)** analysed the growth and development of Indian diary industry and the various challenges faced by it. India is the largest producer of milk in the world and dairy industry in India is one of the important contributors in the India GDP. The study suggests that various diary development programs such Key Villages Scheme, Intensive Cattle Development Program and Operation Flood have written the success story of Indian diary development and played important role in becoming self-

reliant in diary production. Small size of herds, lack of investment, prevention of disease in animals, inefficiency of organized sector etc. are the challenges faced by dairy industry. [4]

**Ashish Jaint (2015)** studied the customer preferences for Bulk Vended Toned Milk (BVM) of Mother Dairy in selected areas of Ghaziabad city. Primary data were collected with the help of Questionnaire and secondary data were collected from different institution’s website, Newspapers, Govt. institutions etc. The results were analysed with respect to the response of customers. It has been found that most of the customers drink milk daily and were purchasing toned milk followed by cheese. Study reveals that the customers prefer booths to purchase milk and milk products followed by home delivery. 100 percent customers were aware about bulk vended toned milk of Mother Dairy. Factors influencing the customers to purchase the bulk vended toned milk is price followed by quality. Problem of carrying vessel, followed by problem of not matching quality expectations and taste were major problems faced by customers. Mother dairy is at top among all brands followed by Amul. [5]

**VI. Methodology**

This research is based on mixed methodology in research where sources of information are collected from questionnaires. Quantitative research is being used to find the statistical differences between data and qualitative research is used to examine feelings, attitudes and motivation behind respondents. To achieve the objectives of the survey, a structured questionnaire was designed to gather primary data from respondents. This study is interested in describing the characteristics of population or phenomenon, thus the study is descriptive study.

**Data Collection Method:**

The data were collected from the major areas in East Delhi region. The methods of collecting data were being used in study are primary and secondary sources. A structured questionnaire was designed and face to face interviews with consumers and non-consumers of Mother Dairy products were conducted to gather primary data from respondents. Accounting Records, Sales Reports, Publication of Individual Note, Internet etc. were the secondary sources of data collection. A face to face survey was conducted across 350 consumers and 150 non consumers of Mother Dairy products. The techniques used for conducting the study were convenience sampling technique as sample of respondents was chosen according to convenience. Consumers were chosen who purchase milk of the Mother Dairy brand in respective booths and non-consumers were selected who purchase milk of other brands in the nearby area of booths.

**VII. Data Analysis and Interpretation**

**Category I**

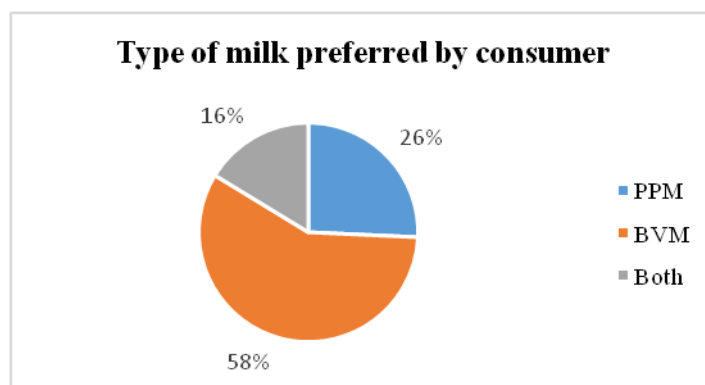
The sample size of the following data is 350 consumers of Mother Dairy products in the EastDelhi region.

**1. Preference of milk by consumer**

The following data shows the number of consumers who are preferring bulk vended milk (BVM) over poly packed milk (PPM).

*Table 2: Preference of milk by the consumer*

Type of Milk	Total N(%)
PPM	90(25.7)
BVM	203(58.0)
Both	57(16.3)



*Fig.1. Type of milk preferred by consumer*

In Table 2, N depicts the total number of consumers of Mother Dairy products.(N=350).

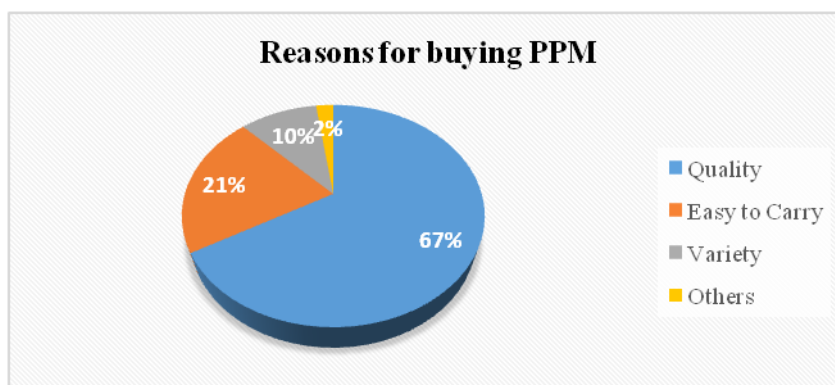
**Interpretation:** This data clearly shows that 58% of consumers are preferring BVM as compared to 25.7% of consumers preferring PPM. This data also shows that a small segment of consumers prefer both BVM and PPM and it is about 16.3% of the total consumers.

**2. Reasons for buying Poly Packed Milk (PPM)**

The following data shows the number of consumers who buy Poly Packed Milk (PPM) because of various reasons i.e. Quality, Easy to Carry, Variety and others.

*Table 3: Reasons for buying Poly Packed Milk (PPM)*

Reasons	Total N(%)
Quality	60(66.7)
Easy to Carry	19(21.1)
Variety	9(10.0)
Others	2(2.2)



*Fig.2. Reasons for buying Poly Packed Milk (PPM)*

In Table 3, N depicts the total number of consumers of Mother Dairy products who buy Poly Packed Milk (N=90).

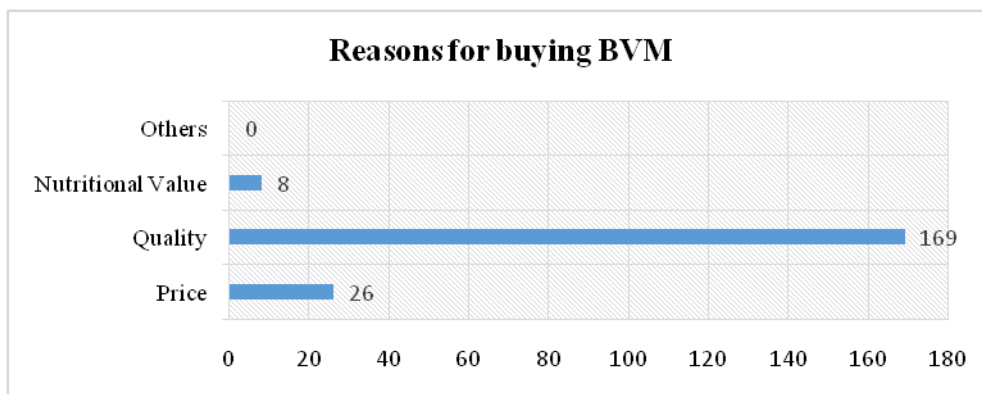
**Interpretation:** The major reason for purchasing PPM over BVM is quality of PPM is far more better than BVM, it is much superior in quality.

**3. Reasons for buying Bulk Vended Milk (BVM)**

The following data shows the number of consumers who buy Bulk Vended Milk because of various reasons i.e. Quality, Price, Nutritional Value and others.

*Table 4: Reasons for buying Bulk Vended Milk (BVM)*

Reasons	Total N(%)
Price	26(12.8)
Quality	169(83.2)
Nutritional Value	8(4.0)
Others	0(0)



*Fig.3. Reasons for buying Bulk Vended Milk (BVM)*

In Table 4, N depicts the total number of consumers of Mother Dairy products who buy Bulk Vended Milk (N=203).

**Interpretation:** The major reason for purchasing BVM is the quality of BVM milk and the customers are satisfied with the taste. The quality of BVM milk is very good for making tea andahi.

**Category II**

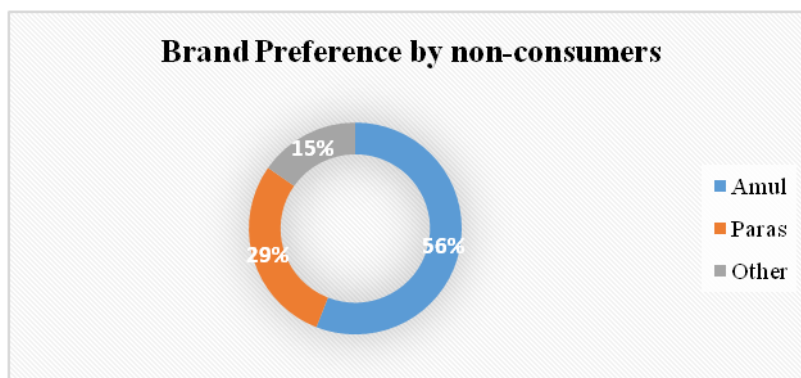
The sample size of the following data is 150 non-consumers of Mother Dairy products who purchase milk of other brands in the nearby area of booths.

**1. Preference of brand by non-consumers of Mother Dairy products**

The following data shows the various brands that are preferred by the non-consumers of the Mother Dairy products.

*Table 5: Preference of brands*

Brand	Total N(%)
Amul	84(56.0)
Paras	43(28.8)
Other	23(15.2)



*Fig.4. Preference of brands by non-consumers*

In Table 5, N depicts total number of non-consumers of Mother Dairy products (N=150).

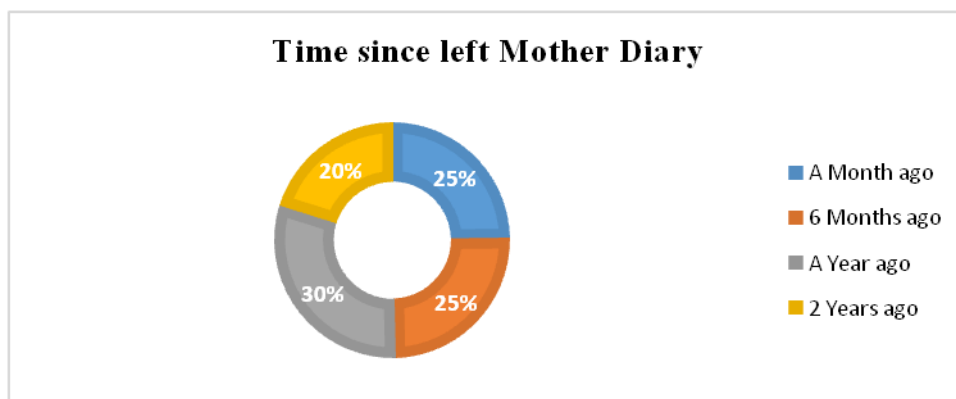
**Interpretation:** Majority of the non-consumers of Mother Dairy products prefer Amul brand and people also prefer paras.

**2. Last Trial of Mother Dairy Product by non-consumers of Mother Dairy products**

The following data shows the time since the non-consumers of Mother Dairy has used its products.

*Table 6: Last trial of Mother Dairy Product*

Time	Total N(%)
A Month ago	37(24.8)
6 Months ago	37(24.8)
A Year ago	45(30.2)
2 Years ago	30(20.2)



*Fig.5. Time since left Mother Dairy products*

In Table 6, N depicts the total number of non-consumers of Mother Dairy Products who had tried Mother Dairy Products in the past.

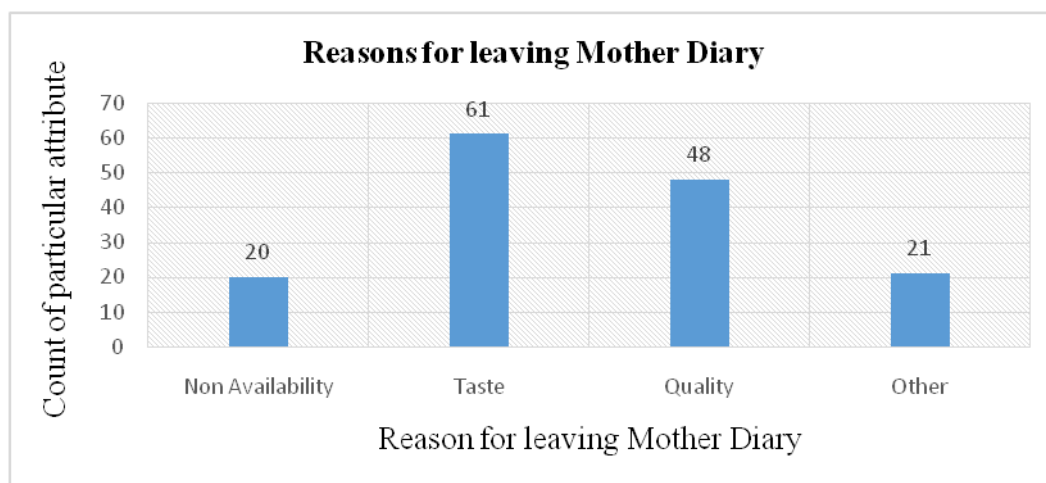
**Interpretation:** Majority of the people answered around one year or more about the time since they last used mother dairy.

### 3. Reasons for Leaving Mother Dairy

The following data shows the reasons of which the non-consumers of Mother Dairy products has left using its products.

**Table 7:** Reasons for leaving Mother Dairy

Reason	Total N(%)
Non Availability	20(13.3)
Taste	61(41.0)
Quality	48(32.2)
Other	21(13.5)



**Fig.6.** Reasons for leaving the Mother Dairy

In Table 7, N depicts total number of non-consumers of Mother Dairy products (N=150).

**Interpretation:** Most of the non-consumers gave taste as the reason for leaving mother dairy. Apart from taste, quality was another big reason for leaving mother dairy.

## VIII. Findings

A majority of the consumers prefer to purchase BVM (58%) over PPM (25.7%) and a small proportion of people prefer to buy both (16.3%).

A majority of the consumers purchase BVM because of its quality (83.2%) followed by price (12.8%).

The reason given by the consumers to purchase PPM is quality (66.7%) followed by easy to carry (21.1%) and a small proportion of people also purchase because of variety (10%).

Many or majority of the non-consumers prefer to purchase AMUL milk (55.7%) followed by paras (28.8%).

The reasons given by the non-consumers of mother dairy for leaving the milk brand is taste (41%) followed by quality (32.2%) and non-availability of milk and other reasons comprise of (13.4%) each.

The time period since when last tried mother dairy is maximum in case of a year ago (30.2%) followed by a month ago and 6 months ago of which both stand at (24.8%) of the total data.

## IX. Suggestions

Company should aware about its products through different mode of advertisement especially for the newly introduced products.

In order to know the changing demand of the customers, there should be regular visit for getting the customer feedback about the Mother Dairy products.

Company should try to increase the production to fulfill the increasing demand of the milk.

Communication barriers and misconceptions between the institutions and distributors should be removed by effective communication with institutions time to time.

Advertisement for the brand awareness for the various products should be provided in the rural areas.

Company should focus on the value addition of the product and position the product in the right way that we are No. 1.

## **X. Conclusion**

The purpose of current research was to find out the reasons of low sale of the Bulk Vended Milk at major areas in East Delhi. The study concludes that majority of the consumers prefer to purchase BVMover PPM. Based on the analysis, majority of the consumers purchase BVM because of its quality followed by price and reason given by the consumers to purchase PPM is quality followed by easy to carry. The research established that majority of the non-consumers prefer to purchase AMUL milk followed by paras. The study concludes that reasons for leaving the milk brand of Mother Dairy by the ex-consumers is taste followed by quality. The study further concludes that time period since when last tried mother dairy is maximum in case of a year ago.

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