

Consumers Perception on Select Fmcg Products: A Special Reference to Edible Oil

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ABSTRACT

India is one of the largest producers of oil seeds in the world. The nine major oil seeds cultured in India are groundnut, mustard/rapeseed, sesame, safflower, linseed, Niger seed, castor seed, soybean and sunflower. Coconut is the most important source of edible oil among staple plantation crops, while in unconventional oils, rice bran oil and cottonseed oil are the most important. Groundnut, soybean and mustard together contribute about 85 per cent of the country's oil seeds production. Consumer behaviour is the action and decision process or people who purchase goods and services for personal consumption. In the present days' world, people are highly depending fast foods as majorities are job goers. The consumers are purchasing edible oils based on various advertisements. Some of the consumers purchase their edible oil based on the recommendation given by the shopkeepers. Oil plays a major role in everybody's health. As the rates of cardio and diabetic problems are in the rising trend, this research is very pertinent to the present context. This study focuses the awareness level of consumers about various brands of edible oil, the amount spent for the purchase per month, factors influencing the consumers to choose a particular brand of edible oil and the source of awareness. For the purpose of analysis, statistical tools such as ANOVA, percentage analysis and Garret Ranking Analysis have been used. The study gives suitable measures in the creation of awareness about edible oils in the minds of consumers.

KEYWORDS: edible oil, awareness, brand preference, frequency of purchase.

I. INTRODUCTION

Edible oil is one of the important constituents of Indian food. A majority of the dishes are prepared by using oil in the process. Different oils are used in different states according to their availability and custom-oriented food habits. Major Edible oils manufactured in Tamil Nadu are groundnut oil,

gingili oil, coconut oil and sunflower oil. Edible oils are a major source of nutrition for the human beings. It is an important item of consumption, as it constitutes 20 percent of monthly grocery budget. Edible oils are used in the form of raw oils, refined oils and Vanaspati. Edible oil is one of the important consumer items which impact the health of consumers. As a major source of energy requirements for the human body, consumers use Edible oils in the preparation of everyday meal. Due to technology innovations and scientific experiments different types of oil seeds have been identified and made fit for consumption. Consumer needs are the foundation for the economic development of a country. The production and distribution process depends on the consumers and on which the total industrial and agricultural activity depends. It is a known fact that business makes profit only when goods are consumed. This presupposes the consumer's existence. Business is entirely dependent on the consumer not only for its survival, but also for its growth.

A consumer is usually thought of as a person who buys a product or service for monetary consideration on prices, at places convenient to him, in order to satisfy his needs. In the present study the term "consumers" in the above mentioned sense, is applied to Edible oil buyers as well as users. In identifying the consumer, this sort of information, derived from observable consumer behaviour data is very important as far as locating total market share is concerned. But in as much as factual information forms the rational basis for all decision making, it follows that, to be useful, the information must be both comprehensive and reliable.

The informational needs of those practicing, marketing, especially in the creative field of product development and brand promotion require more qualitative, dynamic knowledge about the consumer than his income, age and family status.

II. REVIEW OF LITERATURE

Mehra, Yash.P, Petersen and John.D (2005), ascertained that cooking oil price increase have a

negative effect on spending, whereas oil price declines have no effect. They found that the estimated oil price coefficients in the consumption equation do not show parameter instability during the 1980s when oil prices moved widely for the first time in both directions. **N. Mtimet (2008)** found that a high price level, Olive oil is considered by Japanese consumers as a luxury product of high quality. Concerning the sensory attributes like olive oil taste and olive oil color, it was found that Japanese consumers prefer a green olive oil with a bland taste. **Oguomal (2010)** study revealed that the demand for palm Kernel oil is price-elastic. It may not be a close substitute for groundnut Oil as a prior

expected since its gross price elasticity is less than unity and negative. **Shawna McLain (2011)** identified the most important consumer attributes active in purchasing cooking oils. The product attributes were price, novelty certification and familiarity. They also find that consumers value a product with social cause attributes. Consumers are even willing to pay a premium for such products. **Manash Pratim Kashyap and Dibyojyoti Bhattacharjee (2011)** found that urban consumers have more responsive towards new product and the modes of influence greater impact on the urban market segment.

III. STATEMENT OF THE PROBLEM

Edible oil is used by people to cook food and delicious fast food. This is extracted by crushing and processing oil seeds. This forms an important ingredient in the process of food preparation. Edible oil provides necessary fat, aroma and flavour which is highly essential to increase the palatability of food. It enhances the quality of food items. At most, all the people in the world use edible oil in their cooking. The above statement underlines the importance of edible oil. Different families prefer different varieties of edible oil to cook their food items. Some families still use non-brand traditional oil made out of groundnut, gingili and mustard. Purchase of cooking oil also depends on factors like culture, preferences, taste, flavour and health. Many attempts have been made to study the behavior and perception of consumer products like, toothpaste and soaps. It will be interesting to study the consumer behavior and perception concept among users regarding the cooking oil they use in food preparation, especially after the arrival of new brand names in edible oil like Paranoia, Saffola, Harvest, Sundrop, Flora, Idhayam, Anandam etc.

IV. OBJECTIVES OF THE STUDY

1. To know the awareness level of consumers about various types of edible Oil and their brands available in the market.
2. To assess the factors influencing the consumer to choose a particular brand of edible Oil.

V. METHODOLOGY AND TOOLS

The present study is confined to Karur District keeping in view that this district ranks first in geographical area and eleventh among the female population districts in the State. Then a Multi-Stage sampling has been adopted for the study. The Karur district consists of six taluks. Among six, Karur Town has been purposefully chosen. In order to select a representative sample, the consumers are met with the researcher and the enumerators for the purpose of collection of data. With the help of the shop owners and references provided by the kith and kin of the respondents, data were collected from 200 respondents by using purposive sampling technique. Primary data have been collected with the help of structured and non-disguised close ended questionnaire. The data collected from the primary source are analyzed with various statistical tools. The influence of various personal, socioeconomic and other variables related to the awareness of consumers about Edible oil products in Karur Town is analyzed with the help of Analysis of Variance (ANOVA). The factors influencing the consumers to choose the particular brand of edible oil are analysed with Garret Ranking technique.

VI. RESULTS AND FINDINGS

In order to analyze the level of awareness of the consumers about edible oils, sample respondents have been asked to answer ten brands of Edible Oils. When a respondent is aware with a brand of edible oil, a score of 2 has been allotted and 1 for unaware. As such, the maximum score that assigned by a respondent for all the ten brands would be 20 and a minimum score of 10. Analysis of variance has been applied in this regard to analyze the relationship between socioeconomic characteristics and the level of awareness about various brands of edible oils available in the market. The identified demographic variables, which might influence the level of awareness about various brands of Edible oils, are Gender, Age, Marital status, Educational status, Occupation, Monthly income, Family size, Nature of Family and Number of earning members in the family.

TABLE NO.1: AWARENESS LEVEL OF CONSUMERS ABOUT VARIOUS BRANDS OF EDIBLE OIL: ANALYSIS OF VARIANCE

Demographic Factors	Category	No. of Respondents	F-Value	Level of Significance
Gender	Male	67	5.500	Significant at 5%
	Female	133		
Age	Upto 30 Years	72	1.381	Insignificant
	31 – 50 Years	111		
	Above 50 Years	17		
Marital status	Married	164	0.235	Insignificant
	Unmarried	36		
Educational Status	Illiterate	34	11.245	Significant at 1%
	School level	45		
	College level	121		
Occupation	Agriculturist	33	8.096	Significant at 1%
	Private employee	72		
	Business/Profession	40		
	Government employee	14		
	Others	41		
Monthly income	Below Rs. 10,000	11	3.391	Significant at 5%
	Rs. 10,001 to 20,000	76		
	Above Rs. 20,000	113		
Family size	Upto 3 members	52	6.705	Significant at 1%
	Above 3 members	148		
Nature of family	Joint family	72	0.498	Insignificant
	Nuclear family	128		
Earning members in the family	Only one	73	23.085	Significant at 1%
	Two and above	127		

Source: Computed Value.

Table 1 reveals that level of awareness of the consumers about various brands of edible oil is significantly associated with the demographic factors of gender, educational status, occupation, monthly income, family size and earning members in the family. Therefore, these factors play a major role in the purchase of edible oil.

TABLE NO.2: SOURCE OF AWARENESS ABOUT EDIBLE OILS

Source	No. of Respondents	Percentage
Advertisement	69	34.50
Friends/Relatives	63	31.50
Distributor/Retailer	39	19.50
Doctor's Recommendation	17	8.50
Other sources	12	6.00
Total	200	100.00

Source: Primary data

The table 2 shows that the majority (34.50 percent) of the sample respondents has come to know about Edible oils through advertisements followed by Friends/Relatives, Distributor/Retailer, Doctor's recommendation and other sources.

TABLE NO.3:MONTHLYSPENDINGFORTHE PURCHASE OF EDIBLEOILS

Spendingamount (in Rs.)	No.ofRespondents	Percentage
LessthanRs.500	26	13.00
FromRs.500toRs.1,000	76	38.00
AboveRs. 1,000	98	49.00
Total	200	100.00

Source:Primary data

The table 3 indicates that the majority (49 per cent) of the sample respondents spends above Rs. 1,000 per month for purchase edible oils, followed by Rs. 500 toRs.1,000 inamonthandlessthanRs.500inamonth.

TABLENO. 4:FACTORS INFLUENCINGTHECONSUMERS TOPURCHASE EDIBLEOILS:GARRETT RANKINGANALYSIS

S.No.	Factors	Totalscore	Meanscores	Rank
1	Nutrition	1259	6.30	IV
2	Quality	1354	6.77	II
3	Price	1449	7.25	I
4	Brand	1256	6.28	V
5	Availability	1313	6.57	III
6	Healthbenefits	1123	5.62	VI
7	Aroma	864	4.32	VII
8	Fatcontent	848	4.24	VIII
9	Packaging	802	4.01	IX
10	Income	732	3.66	X

Source:ComputedValue.

The Table 4 indicates that Price is considered as the most important factor with the Garret mean score of 7.25 followed by quality, availability, nutrition, brand,healthbenefits, aroma,fatcontent,packagingandincome.

VII. SUGGESTIONS

A college level education group of respondents has more awareness about various brands of Edible Oils. Hence, it is suggested that edible oil manufacturingcompanies should take special initiatives to create awareness in the minds of the school level education group of people and illiterates. The respondents belongto above Rs. 20,000 monthly income have more awareness about various brands of edible oils than the other groups. Hence, it is suggested that manufacturershave to provide sufficient information in the form of advertisements to create awareness about their products. The awareness level of the sample respondentsbelongs to two and above earning member's family is higher. Hence, it is suggested that manufacturers may focus their attention on improving the awarenesslevel of consumes in all

the income groups. Price is the important consideration for the purchase of edible oil. Hence, it is suggested that the manufacturers havetoconsider thepricefixationoftheEdibleOil.

VIII. CONCLUSION

The modern market is a highly competitive and transitional one. A company must first decide what it can sell, how much it can sell and what approaches must beused to entice the vary consumers. The consumer today does not accept any product, which does not give them complete satisfaction, and many products do notfind a place in the market. It can be said that the modern market is consumer oriented and only the consumer determines the product a success or a failure. Aconsumer always considers various factors before the purchasing of Edible oil. Consumers have specific preferences or choice. Consumers analyze the price,quality, packaging aspects etc. Before they buy the product and hence, it is up to the different brands of edible oil manufacturers to concentrate on those aspectsand work out better strategies to attract more consumers for their

brands. Hence, manufacturers should feel the pulse of the consumers. They should plan their production and distribution activities as per the needs and convenience of the consumers.

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