

AN EMPIRICAL STUDY ON IMPACT OF RECOMMENDATION BY KITH ON PURCHASE BEHAVIOR OF GREEN MILK PRODUCTS IN AHMEDNAGAR DISTRICT

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ABSTRACT

Global Warming had been in news since last decade. Scientists are working vigorously to reduce the effect of global warming. Consumers are also aware of the ecological and environmental problems created by various organizations. They demand products and services that not only safe for them but also environmentally safe. Thus there is a need for Green Marketing Practices.

Dairy products come under essential commodity and related to health. In Maharashtra due to economic growth and disposable income resulted in milk consumption and production of milk.

This paper examines green marketing practices adopted by dairy industries located in Ahmednagar District of Maharashtra. The objective of this paper is to investigate green marketing practices and its impact on dairy Industry. Paper is descriptive in nature and empirical data is analyzed to statistically to generalize findings.

Keywords: - Green Marketing, Customers, Friends, Relatives, Purchase Behavior, Green Milk Products etc.

INTRODUCTION

Most of the customers are transforming their purchasing willingness for green products, which are eco-friendly, and healthy for society, human being and family members. Green Marketing is the marketing of products that are presumed to be environmentally safe, that means it refers to the process of selling products and services based on their environmental benefits.

Now a day's purchase behaviour also depends upon the sales promotion strategies. Customers are attracted by various companies by glamorous advertisements, policies provided by seller, discount policies etc. In the case of milk and milk product customers are believes in positive responses by their friend and relatives, because kiths opinion is helping to reduce bias thinking of existing as well as new customers.

RESEARCH PURPOSE

There are needs of Green Products consumption especially in fast-moving consumer goods, like vegetables, grocery, milk etc. Most of the times friends and relatives suggest that green products are healthy and environmentally safe, secured for the family but another side indicates that customers are not ready to pay a premium for green products.

The present study will focus on analyzing existing green marketing customers & impact of friend circle and relatives' recommendation on purchase behaviour of new and existing customers. The study will be beneficial to the milk industry and society because it helps to create awareness about the concept of green milk products and green marketing.

Statement of the research problem

The expansion requires the involvement of microfinance to these industries. Most of the milk is still being sold in the informal sector as raw milk and it poses public health risks this is an indication of a high opportunity of exploitation in this industry. Also, previous studies have focused on description only while this study was analytical to look at relationships between variables. It is in this view that this study aimed to assess the influence of consumer perceptions by their friend and relatives on green products in Ahmednagar District of Maharashtra State.

OBJECTIVES OF THE STUDY

1. To analyse the impact of recommendation by Kith on Purchase Behavior of Green Milk Products in Ahmednagar district.
2. To study the influence of consumer preferences for Green milk products with a special focus on Ahmednagar District.

RESEARCH METHODOLOGY

Research Design

The research design is descriptive. The major purpose of descriptive research is a description of the state of affairs as it exists at present. The study involved describing the current practise which is adopted by milk processing units and to identify consumer attributes, factors of buying decision making, consumers' market awareness of milk processing units.

Data Collection: - Appropriate Date was collected at three different levels.

- 1) Domestic Milk processing units
- 2) Distribution Network
- 3) Customers

Secondary data was collected from the publications, articles, previous study done by the researcher, internet search, and concerned

research institutions of Milk processing Industry. Various books on marketing strategies were referred for studying the contents of the subjects. Government rules regarding waste management and recycling norms for sustainable development from the website were referred to understand green management.

Apart from these, an unstructured interview of the knowledgeable people in the industry was conducted to know more about relatively unknown aspects of Green marketing in the milk industry.

Research Area: - The study is related to milk processing units in Ahmednagar district in Maharashtra state. Ahmednagar was selected as it is the biggest district geographical area wise having most of the milk processing units in operations in Maharashtra state.

Sample Size				
Ahmednagar District	Talukas	Milk processing units	Dealers	Consumers
	14	20	80	336

Sampling method: - Non-Probability convenience sampling opted for the survey.

This method attempts to obtain a sample of the convenient end-user of milk products, Manufacture & sellers of milk products who are ready to give information.

Statistical tools

In the present study, Ratios are calculated. The simple statistical tools like frequencies, tabulation, percentages, averages etc were used as per the requirement of the data for analyzing the data. Central Tendency also opted like mean mode and, median. The collected data have been processed both manually and with the help of computers. Suitable statistical tools have been used to draw inferences using Statistical Package for Social Sciences (SPSS).

The statistical test used for testing hypothesis

- **Spearman's rank correlation coefficient Rho test**

Significance of the Study

This study is relevant to the owners of the companies that deal with milk processing units. The study also highlights on impact of recommendation by friends and relatives on purchase behaviour of other customers, new or existing customers in Ahmednagar District. The Ahmednagar Dairy Board stands to gain from the research study as it identifies the weaknesses as well as the strengths of the Milk processing companies and customers, which will be able to come up with suitable policies for milk processing units and new or existing customers also.

SCOPE OF THE STUDY

Temporal Scope: For data collection and study, mainly the duration of 2014-2019 (i.e. 5 years) was considered.

Geographical Scope:- For data collection, all the companies in the field of milk processing units active in Ahmednagar district in the state of Maharashtra were considered.

Functional Scope:- The purpose of the study was to go into depth strategies adopted by Milk processing units and study the impact of green marketing. To obtain a guideline for the future development of green marketing in the milk industry Ahmednagar district by accurately analyzing the data on the past and present situation of the industrial trends

HYPOTHESIS

H₀: There is no correlation between the recommendation of friends and relatives and Quality of Green Milk Products

H₁: Recommendation of friends & relatives and quality of Green Milk Products are positively correlated.

The researcher was interested in finding out whether there exists a correlation between the recommendation of friends & relatives and quality of Green Milk Products. This hypothesis would be beneficial to understand the role of friends and relatives as the major influencers towards recommending for green

products. This would also be useful for the Milk processing units to formulate their strategies concerning branding efforts vis-a-vis influencing the opinion leaders (friends and relatives).

To validate this hypothesis researcher had identified variable Question no. 8 “recommending to friends and relatives” and variable ‘Quality of green milk products’ Question no. 6_5

As both these variables were categorical variables measured on an ordinal scale therefore Spearman's' rank correlation co-efficient Rho was thought to be the most appropriate test.

Test Statistic: - Spearman's rank correlation co-efficient Rho test.

Correlations				
Spearman's Rho	I recommen ed this to friends and relatives		I recommen ed this I to friends and relatives	Quality of Green products
		Coefficient	1.000	.329(**)
		Sig(2- Tailed)		.000
		N	336	336
		Correlation Coefficient	.329(**)	1.000
		Sig(2- Tailed)	.000	
		N	336	336
** Correlation is significant at the 0.01 level (2-tailed)				

Observation

N=336

Rho=0.329, p value=0.001

Inference:- Since Rho is positive with p value= 0.001 there is a positive correlation with

$\alpha=0.001$ therefore H_0 is rejected and H_1 is accepted.

Summary of Major Findings

Green marketing mode of Outdoor advertisements such as boards on shops, brochures and newspapers advertisement is preferred by dealers which influence the promotion and buying pattern of consumers. A cash discount is mostly preferred for green products for promotion along with a discount on MRP.

Respondents purchased regularly from retail outlets followed by outlets, grocery shops, railway station and bus stand. Their level of awareness regarding green products was on a higher note.

Perception of respondents towards green products was for environmental factor followed by health. Their purchase depends on the quality of the green product, not on price. Some respondents lack confidence in the performance of green products.

Factors influencing the purchase of green milk products were identified as shielding environmental responsibility, Family Health, Availability and Affordability of green products. Design and promotion by dealers by display also influence the purchase of a green product. Staff providing information regarding the benefits of green products also creates an impact on purchase behaviour.

Consumer's knowledge regarding eco-friendly products is the most environmentally friendly

& Recyclable. They consider that are green colour is the indicator of eco friendly.

The respondents expressed their willingness for recommending the use of green milk products to their friends and relatives.

SUGGESTIONS

Based on the findings the research study has suggested suitable strategies for Green marketing of Milk Products.

1) As most of the milk products are sold through a distribution channel of local retail outlets so more retail outlets and tie-ups with local grocery shops, bakeries involved in selling milk products can help companies to increase their market presence and visibility. The consumption of Green products at authorized outlets can be increased by offerings schemes to customers coming to the outlets which will increase the sale of milk products to authorized retail outlets.

2) As in many case customers are not aware of the facts and figures about the benefit of consuming green products so some educative campaigns can help the customers to understand the usage and importance of the green products.

3) Advertisement in Local newspapers, Regional television channels, Radio channel along with pasting stickers on local auto-rickshaws, banners on railway stations, and Bus stands in regional language should be considered.

5) Improving general public awareness, affordability and availability through activities such as educational programme, exhibitions and screening camps in the rural bazaar, mela and rural villages.

LIMITATIONS OF RESEARCH

1. The present study is conducted in Ahmednagar district parts of Maharashtra state only; result and conclusion may not be the same in another district of the same state.

2. The study is confined to the manufacturer of milk products only; results may not be fit suitable for another commodity group.

3. Outcomes and results may not apply to other areas of the country

4. Findings of the research may change due to area, demographic changes & changes in Government /Global policies, company policies etc.

CONCLUSION:

Friends and relatives play a major role in the decision making of consumers. Emphasis should be given by encouraging dealers to promote green products. Thus hypotheses Recommendation of friends and relatives and the importance of quality of Green product are positively correlated is tested and validated

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