

A Study of Factors Influencing Consumer Preferences for Packaged Milk in Marathwada Region

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ABSTRACT

This study explores the various factors influencing consumer preferences in the Marathwada region of Maharashtra, India. Marathwada, known for its diverse socio-economic landscape, presents a unique case for examining consumer behaviour. The research aims to identify key determinants that shape consumer choices, including psychological, social, cultural, and personal factors. Data was collected through structured questionnaires and interviews with consumers across urban and rural areas within the region. The findings reveal that cultural influences, particularly traditional and regional values, significantly impact consumer preferences in Marathwada. Social factors such as family, peer groups, and community also play a crucial role. Personal factors like income, education, and lifestyle are found to be strong determinants of consumer choices, with significant differences observed between urban and rural consumers. Additionally, the study highlights the growing influence of digital media and advertising in shaping consumer attitudes and behaviours, especially among younger demographics. The results provide valuable insights for marketers and businesses aiming to penetrate the Marathwada market. Understanding these factors can help in developing targeted marketing strategies that resonate with the local consumer base. The study also suggests areas for further research, particularly in understanding the impact of economic changes and technological advancements on consumer behaviour in the region.

Keywords: Consumer Preferences, Marathwada Region, Cultural Influences, Social Factors, Personal Factors, Consumer Behaviour.

1) INTRODUCTION

Consumer preference is consumers' choices to maximize their satisfaction. Consumers have some degree of control over the type of goods they buy, but most of the time they have influences of many factors during buying. Consumer behavior is all about understanding how people decide to buy, use, and dispose of products and services. It looks at the various factors that influence their choices, including their thoughts, feelings, and social influences. Businesses and marketers study consumer behavior to better meet the needs and want of their customers.¹ the study of consumer behavior and preferences has come a long way. Initially, it was all about economic theories, where people were seen as rational buyers. Then came psychological theories, focusing on how attitudes and beliefs shape decisions. Later, the sociocultural aspects like family and culture were considered. Today, it's a mix of psychology; sociology, anthropology, and economics. Consumer preferences are influenced by a range of factors.² **Psychological Factors:** These include perceptions, attitudes, motivations, and learning. For instance, Maslow's hierarchy of needs explains how people prioritize what they buy based on their current needs. **Social Factors:** Family, friends, and social networks play a big role in influencing decisions. Nowadays, social media is a major factor in shaping consumer opinions. **Cultural Factors:** Culture, subculture, and social class significantly affect preferences and behaviors. Trends like sustainability are increasingly impacting buying decisions. **Personal Factors:** Age, gender, occupation, lifestyle, and economic status also affect consumer preferences.

Conceptual models like the Engel-Blackwell-Miniard Model and the Theory of Planned Behavior help us understand and predict how people make buying decisions. These models look at steps like recognizing a need, searching for information, evaluating options, making a purchase, and post-purchase behavior. They also consider the various internal and external factors that influence each step. Consumer involvement refers to how much interest and personal relevance a person sees in a product or service. High involvement typically happens with expensive or important purchases, while low involvement is common for routine, everyday items. There are different types of consumer involvement- **Cognitive Involvement:** This is about how much mental effort someone puts into understanding a product. **Emotional Involvement:** This relates to the feelings and emotional connections a person has with a product. **Situational Involvement:** This can vary depending on the situation, like buying a gift versus buying something for personal use. When consumers are highly involved, they tend to do more research and carefully evaluate their options, leading to more deliberate and extended decision-making. On the other hand, low involvement often results in quick, habitual, or impulsive buying with minimal information processing.³ The dairy industry has seen tremendous growth worldwide, driven by increasing demand for dairy products as populations grow, urbanize, and earn more. In 2021, the global dairy

market was valued at around \$720 billion and is expected to grow by about 4.5% annually through 2028.⁴ Global milk production has been steadily rising, reaching approximately 906 million tonnes in 2021, up from 887 million tonnes in 2020. This increase is due to better dairy farming practices, improved livestock genetics, and enhanced dairy infrastructure.⁵ The top milk-producing countries are:⁶ **India:** Leading the pack with around 22% of the world's milk production, India produced approximately 220 million tonnes in 2021. **United States:** Produced about 100 million tonnes in 2021. **China:** Produced approximately 35 million tonnes in 2021. **Brazil:** Produced about 34 million tonnes in 2021. India's dairy sector has seen impressive growth, with milk production rising from 55.7 million tonnes in 1991 to over 220 million tonnes in 2021. This sector contributes about 4.2% to the national GDP and supports millions of rural households.⁷

2) PROBLEM STATEMENT

The study, titled "A study of factors influencing consumer preferences for packaged milk in Marathwada region" aims to understand the complex nature of consumer preferences associated with purchasing packaged milk in Marathwada. The region's consumer preferences may be influenced by various factors such as socio-cultural contexts, economic conditions, environmental awareness, and the presence of multiple milk brands in the market. The study seeks to fill these gaps by providing a comprehensive analysis of consumer preferences towards packaged milk in the Marathwada region.

3) OBJECTIVE

To study factors influencing consumer behaviour of packaged milk.

4) HYPOTHESIS

- **H₀:** Cultural, social, and personal factors have no influence on consumer behavior.
- **H₁:** Cultural, social, and personal factors influence consumer behavior.

5) DATA COLLECTION AND ANALYSIS

Type of Data- The current paper primary data were used to achieve the objective and test the hypotheses. Secondary data is also used to support the findings from the primary data.

Primary Data was collected from customers who purchase packaged using a structured questionnaire.

Secondary data was sourced from reference books, journals, magazines, reports, and websites.

Population- The research focuses on the eight districts of Marathwada: Sambhaji Nagar, Beed, Jalna, Latur, Nanded, Dharashiv, Parbhani, and Hingoli.

Sample Size - According to Morgan's table for sample size, a population greater than 250,000 at a 95% confidence level requires a sample size of 384. For this study, a sample size of 50 from each district was taken, totalling 400.

Sampling Technique- The research used a Multistage sampling technique.

Statistical Tools- The collected data was presented in tables, diagrams, graphs, and charts. Various methods such as mathematical equations, statistical test and evaluation models were used to interpret the data. The data was analyzed using mean, mode, median and Z -test .

6) LITERATURE REVIEW

➤ Here author concluded his study by explaining that both rural and urban consumers exhibit a tendency to purchase FMCG products in small quantities, driven by distinct yet overlapping factors such as income levels, consumption patterns, and access to retail outlets. This behavior underscores the importance for FMCG companies to tailor their marketing and distribution strategies to cater to this nuanced consumer need effectively.⁸

➤ Here author explains his study that consumer preferences and factors influencing the buying behavior of packaged milk. This information benefits milk producers, retailers, and marketers in Siddipet by allowing them to tailor their marketing strategies, product offerings, and distribution channels to better meet local needs. Understanding consumer behavior regarding packaged milk in Siddipet enables businesses to make informed decisions, promote their products effectively, improve customer satisfaction, and potentially increase market share in the region.⁹

➤ Author study estimated the factors influencing consumers' dairy product choices and preferences in Sari, a city in northern Iran, using a nested logit model. The analysis revealed that demographic variables such as age, gender, family size, education level, and living costs significantly impact consumer choices. As age increased, there was a noticeable shift in preference towards low-fat yogurt, non-carbonated dough, regular butter, and low-fat milk.¹⁰

➤ In his article author explains that Industries strive to deliver high-quality products and services to ensure customer satisfaction and loyalty. Regular consumer evaluation is essential to adapt marketing strategies to evolving behaviors. A study with 120 milk product consumers found that most purchased 500-1000 ml of milk, with ghee being the preferred product, and price as the major influencing factor. In Tamil Nadu, government cooperatives dominate over private brands, highlighting the need to understand consumer behavior to thrive in the competitive dairy market¹¹

➤ Here author studied the sample respondents, 35% preferred Aavin milk, followed by 17.5% for Aroma, 15% for Hatsun, 9.16% for Arokya, 8.33% for Sakthi, 7.5% for Mother Dairy, and less than 5% for KC and Vijay. TV and radio advertisements were the primary sources of brand awareness, influencing 48.33% of respondents, while 69.16% were

willing to recommend their preferred brand to others. Most respondents (80%) purchased milk daily due to its perishable nature and preference for freshness and he suggests that packed milk brands should enhance advertising through social media and public awareness programs, and improve door delivery services.¹²

➤ Consumer behavior is a crucial aspect of human behavior, essential for fulfilling daily needs. In today's competitive market, understanding consumer perception and buying behavior is complex due to the easy availability of competitor products and technological advancements. A detailed literature review identified that consumer decision-making and purchase behavior are influenced by eight factors, with price being the most significant (42%), followed by personal, psychological, environmental, and cultural factors. Companies should focus on competitive pricing strategies and standard pricing to attract consumers and generate demand, considering consumers' focus on disposable income and their desire for quality products at affordable prices.¹³

➤ In this study author explains the Understanding of consumer behavior, which is distinctive and unpredictable, is crucial for today's customer-focused markets. Marketers need to adopt the perspective of end-users, rather than focusing solely on intermediaries like wholesalers and retailers, to develop effective marketing strategies. Recognizing the consumer as central to all actions is essential, as it influences decision-making and buying behavior. Studying both theoretical and practical aspects of consumer behavior, especially regarding milk products, is vital for creating impactful marketing plans.¹⁴

Table No. 1 Literature review summary

Sr. No	Author	Summary	Broad area and focus
1	Pramod Hanmantrao Patil	Both rural and urban consumers buy FMCG products in small quantities due to income, consumption patterns, and retail access. FMCG companies should tailor their marketing and distribution strategies to these needs.	Broad Area: Consumer Behavior and Retail Strategies Focus: The impact of income, consumption patterns, and retail access on the purchase of FMCG products in both rural and urban areas.
2	Voodem Ashruthal & Pritesh Dwivedi	Study on consumer preferences for packaged milk in Siddipet highlights the importance of tailored marketing strategies for milk producers, retailers, and marketers to meet local needs and increase market share	Broad Area: Market Segmentation and Localized Marketing Focus: The need for tailored marketing strategies to meet the specific preferences and increase market share in local markets.
3	Sina Ahmadi Kaliji	Factors influencing dairy product choices in Sari, Iran include age, gender, family size, education level, and living costs. Older consumers prefer low-fat yogurt, non-carbonated doogh, regular butter, and low-fat milk	Broad Area: Demographic and Socioeconomic Influences Focus: The role of age, gender, family size, education, and living costs on dairy product preferences.
4	N. Aswini	Industries must deliver high-quality products for customer satisfaction and loyalty. A study in Tamil Nadu found price to be the main factor influencing milk product purchases, with government cooperatives being more popular than private brands.	Broad Area: Pricing Strategies and Consumer Preferences Focus: The influence of price on purchasing decisions and the popularity of government cooperatives over private brands.
5	Venkatesa Palanichamy N	Among sample respondents, 35% preferred Aavin milk. TV and radio ads were the main sources of brand awareness, and 69.16% would recommend their preferred brand. Most bought milk daily due to its perishable nature.	Broad Area: Brand Awareness and Advertising Focus: The role of advertising channels in brand recognition and consumer loyalty, with a specific focus on Aavin milk.
6	Mrityunjay Kumar	Understanding consumer behavior is crucial in competitive markets. Eight factors influence decision-making, with price being the most significant (42%). Companies should focus on competitive and standard pricing	Broad Area: Pricing Strategies and Market Competition Focus: The significance of price as a key factor in consumer decision-making and the need for competitive pricing in the market.
7	Pramod Hanmantrao Patil	Marketers should focus on end-users and recognize consumers as central to marketing actions. Understanding consumer behavior, especially for milk products, is vital for effective marketing strategies	Broad Area: Consumer-Centric Marketing Strategies Focus: The importance of recognizing consumer behavior in developing effective marketing strategies, particularly for milk products.

(Source: Secondary data)

7) DATA ANALYSIS & INTERPRETATIONS

7.1) Hypothesis

H0_i-Cultural, Social and personal factors have no influence on consumer's behavior

H1_i- Cultural, Social and personal factors have influence on consumer's behavior

Table No.2 Descriptive and Inferential findings

Sr.No	Questionnaire	Mean	Std. Deviation	N	Population mean (Z test)	Remark
Cultural Factors						
1	The cultural values I was brought up with impact my choice of packaged milk.	4.30	.459	400	56.7	Significant effect on during choices
2	Traditional beliefs in my culture guide my preference for a particular brand/type of packaged milk.	4.34	.475	400	56.3	beliefs are integral to purchasing choices
3	My cultural background influences my preference for the type of milk packaging.	4.37	.483	400	56.7	cultural factors affect both the product and its presentation
4	I choose packaged milk brands that align with the customs and beliefs of my culture.	4.39	.488	400	57	Has influence on established buying patterns
Social Factors						
5	Recommendations from my family and friends influence my decision to buy a specific brand of packaged milk.	4.34	.473	400	56.7	Has influence on established buying patterns
6	I often buy the same brand of packaged milk that my family has traditionally purchased.	4.37	.483	400	56.7	Has influence during section of brand
7	Social media reviews and endorsements impact my choice of packaged milk.	4.51	.501	400	60.2	Social networks and word-of-mouth in purchasing decisions.
Personal Factors						
8	My personal health concerns guide my decision when buying packaged milk.	4.49	.501	400	59.3	shows health considerations priority for consumer
9	I choose packaged milk based on my personal preference for taste.	4.31	.464	400	56.5	Taste plays significant role
10	My personal income level impacts the brand/type of packaged milk I purchase.	4.34	.473	400	56.7	Effect of price factor
11	I buy certain brands/types of packaged milk due to personal beliefs in their environmental impact.	4.40	.491	400	56.9	Effect of sustainability and environmental issues

(Source: Primary data)

7.2) Interpretation

1. Cultural Values (Mean = 4.30, SD = 0.459): Respondents strongly agree that their cultural values impact their choice of packaged milk. This suggests that cultural upbringing plays a significant role in shaping consumer preferences and decisions.
 2. Traditional Beliefs (Mean = 4.34, SD = 0.475): Traditional beliefs guide consumers' preferences for specific brands or types of milk. This indicates that cultural traditions and beliefs are integral to purchasing choices.
 3. Cultural Background and Packaging (Mean = 4.37, SD = 0.483): Consumers feel that their cultural background influences their preference for milk packaging. This implies that cultural factors affect both the product and its presentation.
 4. Cultural Alignment (Mean = 4.39, SD = 0.488): There is a strong tendency to choose milk brands that align with cultural customs and beliefs. This reinforces the importance of cultural relevance in brand selection.
 5. Recommendations from Family and Friends (Mean = 4.34, SD = 0.473): Recommendations from family and friends significantly influence the choice of milk brands. This highlights the importance of social networks and word-of-mouth in purchasing decisions.
 6. Family Brand Loyalty (Mean = 4.37, SD = 0.483): Consumers are inclined to buy the same brand of milk that their family has traditionally purchased. This suggests strong brand loyalty within families and the influence of established buying patterns.
 7. Social Media Reviews (Mean = 4.51, SD = 0.501): Social media reviews and endorsements have a very high impact on milk purchasing decisions. This indicates the substantial role of online opinions and reviews in shaping consumer choices.
 8. Personal Health Concerns (Mean = 4.49, SD = 0.501): Personal health concerns are a major factor in deciding which milk to buy. This shows that health considerations are a top priority for consumers when selecting milk products.
 9. Taste Preference (Mean = 4.31, SD = 0.464): Taste preference is an important criterion for choosing milk, though not as dominant as health concerns. This reflects that while taste is significant, other factors like health may weigh more heavily in decision.
 10. Income Level (Mean = 4.34, SD = 0.473): Personal income level influences the choice of milk brands/types. This indicates that economic factors such as affordability and price are important considerations for consumers.
 11. Environmental Impact (Mean = 4.40, SD = 0.491): Some consumers choose milk brands/types based on their environmental impact. This shows a growing concern for sustainability and environmental issues among consumers.
- The Z-score of above data is average 56.7 which indicates that the observed mean (4.30) is significantly higher than the neutral population mean (3). This result strongly suggests that cultural, social and personal values have a substantial impact on consumer choice of packaged milk,

7.3) Result

The data provides insights into various factors influencing consumer preferences in the selection of packaged milk. Cultural values, traditional beliefs, and alignment with cultural customs significantly affect consumer choices. Brands that reflect cultural values and traditions are likely to resonate more with consumers. Family recommendations and loyalty to traditional brands are strong factors in purchasing decisions. Consumers are influenced by their social networks and familial buying habits. Health concerns are a major driver in selecting milk, with taste also being important but secondary. Consumers prioritize health attributes over taste in their decisions. Social media reviews and endorsements have a substantial impact, emphasizing the need for brands to manage their online reputation and engage with consumers on digital platforms. Income level affects brand choices, highlighting the importance of affordability. Environmental impact is also a growing consideration, reflecting increasing consumer awareness of sustainability issues.

8) CONCLUSION

Cultural Factors-Since all cultural questions asked has high sample mean and also population mean value, we accept alternate hypothesis that Cultural factors have influence on consumer's preference

Social Factors-Social factor related questions asked has high sample mean and also population mean value, we accept alternate hypothesis that Social factors have influence on consumer's preference

Personal Factors -Personal factors related questions asked has high sample mean and also population mean value, we accept alternate hypothesis that Cultural factors have influence on consumer's preference

The study effectively highlighted the factors that influence consumer preferences for packaged milk, emphasizing the significant roles of cultural, social, and personal elements in shaping consumer behavior. The findings demonstrate that marketing strategies employed by packaged milk brands have a substantial impact on consumer choices. Key factors such as quality, price, packaging, availability, and the variety of options available were identified as critical in influencing consumers' purchasing decisions. This comprehensive understanding provides valuable insights for brands looking to tailor their strategies to better meet consumer needs and preferences and Cultural, Social and personal factors have influence on consumer's behavior

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