

A Case Study On Verka Products Demand Analysis of Consumer Perception Towards the Products of Verka

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Abstract

A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise. Dairy Cooperatives played an important role and one of the largest among the food industries. In the maintenance and promotion of the health of the people the very important role is playing by the modern dairy industry. The main purpose of dairy industry is to provide milk and milk products at reasonable cost that satisfy the consumer's needs and fulfils consumer's nutritional requirements. In 1973, MILKFED was set up in the Punjab state. This organisation has been working as Dairy cooperative Federations for more than 40 years. Various milk unions, milk plants, manufacture, process and sale the variety of milk products are operating by MILKFED like as VERKA.

The purpose of this paper is to study the marketing strategies, consumer awareness and the perception towards the products of VERKA. The performance of the Verka products on the basis of various physical indicators like number of functional societies, number of unions, number of members, plants, chilling centres, Average daily milk procurement, peak procurement of milk etc. The Primary data has been collected by making questionnaire and filling from the employees and the consumers. The secondary data has also been used and collected from the web sites of the selected federations and visited various offices of MILKFED. The period of study is 2013-14 to 2014-15. The study found that the products of Verka has good brand image. They provide good quality of the products so that people like the taste of the products and ready to buy.

Index Terms—Verka, Consumer perception, Products of Verka, MILKFED.

Introduction

A cooperative is based on certain values and principles of its own, which distinguish it from other forms of organizations. Cooperation has three dimensions, that is, economic, social and moral, which are equally crucial for its success. The very motto of cooperation, 'each for all and all for each', signifies loyalty, trust, faith and fellowship. A cooperative is a perfect democratic institution of the members, for the members, and by the members, and is based on the 'one member, one vote' system of decision making.

Dairy farming at Anand (Gujarat) was introduced and developed by Sardar Vallabh Bhai Patel, Mora Ji Desai and other leaders. This profession was developed on the basis of co-operation. Afterwards government took steps to develop co-operative sector in Punjab. Successive plans were made to develop the dairy profession in Punjab as it is in Gujarat.

This process was initiated and financed by National Co-operative Development Corporation. The Punjab State Cooperative Milk Producers' Federation Limited popularly known as MILKFED Punjab, came into existence in 1973 with a twin objective of providing remunerative milk market to the Milk Producers in the State by value addition and marketing of produce on one hand and to provide technical inputs to the milk producers for enhancement of milk production on the other hand. Today MILKFED has a strong network of over 5000 village milk producer's co-operatives and over 3000 milk producer's members. In 1980 MILKFED was declared as implementing agency for the implementation of operation flood programme of dairy development in Punjab. The state level co-operative dairy federation was to conduct business on co-operative lines i.e. organizing co-operative societies at the village level, forming milk unions at district level with State Dairy Federation as their apex body.

The federation came in its real sense in 1983 when all the milk plants of erstwhile Punjab Dairy Development Corporation Ltd. Were handed over to the co-operative sector. Now MILKFED has a strong base with its 11 Districts Co-operatives Milk Producers Unions. 10 milk plants and 2 cattle feed factories, where all milk products and milk is manufactured, processed and packed at milk plants. The products of MILKFED are sold in the market under the brand name VERKA.

Review Of Literature

1. John et al, (2000) compiled a questionnaire stating the taste of home-made and commercial dairy ice-cream between various participants. It was concluded that out of 100% participants 56% participants was in favour of homemade ice-cream due to superior taste, quality and proper knowledge of ingredients.
2. K.M.Millar et al, (2002) studied two dairy technologies, bovine somatotropin and automatic milking system to evaluate the consumer's attitude towards these 2 dairy technologies. It was concluded that automatic milking system served as an ethical and an acceptable dairy system as compared to bovine somatotropin which served as a minor side.
3. Andrew et al, (2003) studied consumer response to the dairy sector in the UK. Stress was paid on factors that affect consumer purchasing and consumption behavior across wide range of dairy products.
4. Elaine et al, (2005) studied determine the level of acceptance of a hypothetical genetically modified dairy spread in a particular country (Ireland). He concluded that genetically modified product was rejected by most of the mentioned countrymen. Such information provided immense knowledge to the existing market players and to company's considering opportunities in the market.
5. Jane et al, (2006) studied the consumption patterns of fresh milk. Among yogurt drinks and flavour of milk and milk products are the main area of consumer's satisfaction consumer. Who purchased larger quantities of milk and milk products are those who have relatively higher household incomes.
6. John et al, (2008) investigated various factors affecting of milk perception in a country (Scotland). He studied various marketing campaign and its effectiveness in portraying milk as an effective healthy product. He concluded that there was a high recognition and positive attitude towards the campaign health benefits from the milk was viewed – but they did not

appear to be instrumental.

Need Of The Study

The dairy industry plays an important role in the socio-economic development of India. The dairy industry in India is instrumental in providing cheap nutritional dairy products to its vast population and also generates huge employment opportunities for people in rural areas. Thus, the dairy cooperatives form an integral part of dairy industry in India. The state dairy cooperative federations play an important role in procurement and selling of milk and milk products. The Punjab State Cooperative Milk Producers' Federation Limited is playing important role in the development of dairy industry in the states of Punjab. Present study is an attempt to know about the marketing strategies, consumer awareness and perception towards the products of verka.

Objectives Of The Study

The main objective of the present study is to focus the attention of consumer perception and demand of the products of verka. The main objective is sought to be achieved by pursuing the following objectives in the present study.

- * To know the preferences of people of Verka products
- * To know why people prefer Dairy products of Verka
- * To study sales pattern followed by Verka.
- * To know the opinion of people about Verka products regarding its taste, packaging etc.
- * To study the marketing strategies of verka.

Scope Of The Study

The present study is concerned with trends and changes in demand of the verka products, with particular emphasis on employee and consumer, in Punjab. The study deals with trends, changes and differentials in consumer perception towards the products of verka.

Limitations Of Study

- * The study is limited in scope due to restraint of time and resources.
- * The study is based on primary data and the limitations of using primary data may affect the results due to sample size taken.
- * Certain suggestions of the study have been made on the basis of the researcher's observations and the discussions with the staff members of the selected federations. However, no systematic attempt was made to study this aspect in detail.
- * Restriction of sample size not to whole Punjab, so subsequent analysis could not be generated.
- * The attitude of respondents also posed as another limitation. The attitude of the respondents was not very helpful and I had faced many difficulties in the filling of questions in the questionnaire that took longer than the usual.

Research Methodology

The study is concerned with the dairy industry in Punjab. The purpose of this paper is to study the

marketing strategies, consumer awareness and the perception towards the products of VERKA.

Parameters Of The Study

The study attempts to accomplish its objectives by making cross sectional and inter-temporal analysis on the basis of 11 indicators. These indicators are as follows:

- * Awareness
- * Consuming/using
- * Consumption
- * Quality
- * Packing
- * Taste
- * Advertisement
- * Price
- * Easy to Carry
- * Plus Point
- * Problems

Marketing Mix Of Verka

The Product, Price, Place and Promotion are the core components of marketing objective. So it is essential to have complete knowledge of these aspects of an organization. So we discuss these 4 points of Verka's Marketing mix in detail.

a. Product Mix

There are 15 products of Verka Brand which are being manufactured at different Verka Plants. Milk, Ghee, Curd, Paneer, Kheer and Dry milk are being produced at Gurdaspur Milk Plant other milk products like table butter, Processed Cheese, SFM, Lassi, Mango Raseela, Ice Cream, etc. are being produced at sister concern plants of Mohali, Sangrur, Patiala and Jalandhar.

b. Price Mix

Pricing Policy The decision about the liquid milk pricing is taken by a Committee of the following persons:- Chairman of the Milk Union, One Board of Director, General Manager (Final Approval Authority), Manager (Finance & Accents) and In-charge Sales & Marketing. The main criteria for pricing are the price charged by neighbouring milk union & profitability of the concern. Price payable by market is also taken into consideration while fixing price is set in consonance.

c. Place Mix

Distribution channel: The Verka inspector and field sales representatives visit different routes every day and collect demand from the dealers. These inspector and field sales representative distribute the products directly to the dealer's and collection of payment for same are also their responsibility.

They are increasing its private dealership and sale through its own milk bar by providing good commission and competing with private dairies and other competitors and by motivating its field staff.

Transportations: Milk plants use private transporters as well as union's vehicle for supplying milk products to dealers to the city. They float a notice for hiring transportation. The tender which has least cost of transposition is accepted. Dealers generally use their own transportation for supplying the products to different retailers through Auto Rickshaw, Mini trucks etc.

d. Promotion Mix

Being Government sector organization advertising is usually given a limited budget, thus leading to low promotional activities. Some grant is given by National Dairy Development Board (NDDB) also verka dealers are provided with banners, sign boards and Retail shops are painted as Verka to advertise the Verka Milk Products.

Marketing Section

The market is of two types i.e. Urban & Rural Market. The urban market is operated by a separate Marketing Department that is headed by in-charge marketing under the overall Guidance of General Manager. He is assisted by Sales Supervisors, Milk Bar Manager, Managers, Milk Bar Attendants and Dairy Helper-cum-Cleaners. The Marketing starts with the product planning and ends with consumer's satisfaction. For this purpose, the Sales Supervisor regularly visits the Market to study market needs & supervise the sale under the different Market conditions. But in case of Rural Marketing, products are sold through societies. There is no any separate department for this purpose and the Rural Marketing is secondary function of milk procurement department which is headed by Manager Milk Procurement and works under the overall guidance of Managing Director. He is assisted by Deputy Manager Procurement, Officer, Milk Procurement, Supervisors and Milk Procurement Assistants.

Analysis of Data

For getting overall results of demand and consumer perception towards the products of verka, combined values will be calculated by converting the original variables of respective factors in to Standardized/Normal score. T-scale based on t-scores was used for to compute index for demand and consumer perception towards the products of verka.

1. Awareness Of Verka Products	
<i>Answer</i>	<i>Percentage</i>
Yes	93
No	7

This chart shows that 93% persons are aware from the Dairy products of Verka and remaining 7% persons are not aware about Verka.

2. Consuming Verka Products	
<i>Answer</i>	<i>Percentage</i>
Yes	60
No	40

This chart shows that 60% people consuming verka products and remaining 40% people did not use the verka products.

2. Consumption Of The Verka Products	
<i>Products</i>	<i>Percentage</i>
Milk	31.11
Ice-Cream	48.89
Lassi	4.45
Butter	6.67
Other Products	8.88

This chart shows that ice cream consumed more in these areas than any other products of verka.

4. Reasonable Price Of Verka Products	
<i>Answer</i>	<i>Percentage</i>
Yes	54.44
No	45.56

This pie chart shows that 46% persons said that price of verka products are not reasonable while 54% persons said verka products price are reasonable.

5. Quality Of Verka Products	
<i>Answer</i>	<i>Percentage</i>
Excellent	13.34
Good	51.12
Satisfy	28.09
Poor	6.67

This chart shows that 51 per cent persons said that quality of Verka products are good whereas 13 % said Excellent, 28% satisfied and 6% said poor quality

5. Packing Of Verka Products	
Answer	Percentage
Good	68.88
Ok	8.89
Satisfactory	8.89
Poor	13.34

This chart shows that 68% persons said packing is good where as 8% said OK and satisfied and 13% persons said Poor packing.

5. Taste Of Verka Products	
Answer	Percentage
Good	64.45
Average	8.88
Satisfactory	18.89
Poor	7.78

This chart shows that 64% persons said Taste is good where as 8% said average, 18% Satisfied and 7% persons said Poor Taste.

5. Advertisement Of The Verka Products	
Answer	Percentage
Yes	23.8
No	76.2

This pie chart shows 23% persons had seen advertisement of verka products where as 76% had not seen any Advertisement of verka products.

5. Plus Point Of The Verka Products	
Answer	Percentage
Its Taste	25.60
Its Freshness	18.90
Its Price	10.00
Its Packing	35.50
All Above	10.00

This chart shows 25% persons said the plus point of verka products is its taste whereas 18% said its freshness, 10% said its price, 35% said its packing and 10% said all above factors.

5. Like To Take Verka Products	
Answer	Percentage
During Traveling	25.45
For Break	35.55
As a Health Tonic	23.35
For Enjoy	15.65

This chart shows 25% persons likes verka products during Travelling, 35% persons said for break, 23% said as a health tonic while as 15% said for Enjoyment.

CONCLUSION

The main objectives of these federations are to provide remunerative milk market to the Milk Producers in the States by value addition and marketing of produce on one hand and to provide technical inputs to the milk producers for enhancement of milk production.

The study concludes that Verka is a Good brand in the state. Consumers prefer verka more than other brands because it is a local company. Ice cream was a used more than flavored lassi, and mango rasilla. It was consumed by more than 40% consumers.

Consumer were satisfied with price, quality, taste, availability and self-life of product consumers

were dissatisfied with the quantity. Only some citizens were not use Pio and lassi for the reason of less awareness, packing, quantity and availability

Good awareness of verka products found in Punjab. Advertisement is not appropriate and adequate to spread the extent of awareness. Especially many of consumers were not aware of it being even available in the market. There is a huge potential for verka products as the whole belt production mainly. Consumers are satisfying from the verka products.

After learning about consumer expectations about verka products in general and getting fair idea about the problem faced by Verka products. I think following points may help:-

1. Good and appropriate advertisement strategy should be followed through both print as well as electronic media.
2. Demonstration should be launched so as to spread more awareness.
3. Prices should be made more competitive than now's.
4. There shall be more interaction by verka company representatives with customers so they can exchange their views and ideas.

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