CONSUMER SATISFACTION: COMBINED EFFECT OF INCOME AND CONSUMER PERCEPTION

[1]Nivedhiga B, [2]Dr. M. Iswarya

[1]Student, [2]Assistant Professor
[1]Department of Business Administration,
[1]Avinashilingam Institute for Home Science and Higher Education for Women, Coimbatore, India

Abstract: Dairy Industries all over the world are focused on sustaining and excelling in the market. Profit maximization is the main aim of the company. The study was carried out to identify the major factors that satisfy the Customers. The primary objective is to study the impact of study variables such as Price Perception, Quality Perception and Packaging of the Coimbatore people on Dairy Product. The descriptive research type was adopted for this study. Primary data was collected using an online survey questionnaire method. The study was conducted during the period of January 2022 to April 2022. The questionnaire captured the Demographic factors, Customer Satisfaction and Customer Perception – Price, Quality and Packaging of the respondents. Snowball sampling method is used to collect data from the respondents. The sample size consists of 402 respondents.
Statistical tools like Frequency analysis, T-test, ANOVA test and Regression analysis is done using SPSS software and Moderator analysis is done using Interaction Software. This study provides empirical evidence on the significant relationship between the determinants of the conceptual model. Mostly the consumers prefer to buy the products which have high quality, low price and attractive packaging.

I. INTRODUCTION

India has a strong human resource to meet the multi-sectorial requirement of the dairy industry. It has generated a very valuable experience and competence in dairying field. Dairy Industry survives in the market by selling various kinds of products. It is very important for the industries to pay special attention to their consumers. Consumers continuously evaluate all the information they know about a company to come to a conclusion about whether that company offers value or not. The consumers, who have positive data about a dairy product, will frequently buy the product.

The dairy industries produce various dairy products which contribute to the national income. The dairy products are considered to be the integral component of food from the olden days. The white revolution (milk production) had attained the great success with the support and help of small scale producers. To benefit from the growth of their own domestic markets, companies will have to raise product quality and efficiency to be able to withstand foreign competition.

Scope of the study

The major purpose of this study is to find the impact of consumer perception on consumer satisfaction and the influence of monthly income and consumer perception on consumer satisfaction. This present study will be helpful to understand the consumer perception among the different strata of people in Coimbatore. So, if there are any new suggestions it helps the organization to take measures to increase the satisfaction level of the consumer and take action to fulfill the expectations of the consumer.

Need for the Study

- This study is needed because expectation of the consumer changes with time and the company needs to be updated with the expectations of the consumer.
- This study is done to develop or improve their products and to make the organization to meet its profitability

Research Objectives

- To analyse the demographic profile of the consumers in the Coimbatore region
- To find out the difference in the consumer satisfaction based on occupation
- To study the impact of quality perception on consumer satisfaction

- To study the impact of price perception on consumer satisfaction
- To study the impact of packaging on consumer satisfaction
- To examine the impact of consumer perception (quality, price and packaging) on consumer satisfaction
- To check the influence of monthly income and consumer perception (quality, price and packaging) on consumer satisfaction

II. REVIEW OF LITERATURE

Koduru and Krishna (2021) conducted a study on Perception of Consumers towards Dairy Products in Guntur District. The study mainly focused on analyzing the impact of identified socio-economic factors on the perception level of the satisfaction level of respondents towards various dairy products in the market. The study admits descriptive research design and both primary and secondary data has be utilized. Selective Random sampling technique was applied and the sample size selected for the study was 160. The data is analysed by the use of statistical tools like frequency, percentage, mean, standard deviation, Chi-square test and Kruskal Wallis test. The study shows that there is a significant difference between the age of the respondents and there is no significant relationship between the monthly income of the respondents and their satisfaction level towards various dairy products in the Guntur region.

Dhamija (2020) performed a descriptive analysis on the Customer Satisfaction on Dairy Products. The main objectives of this study is to identify the motivating factors of the consumer that influence the choice of products, analyse the channels of distribution of dairy products of company, the consumer's opinion regarding quality, price and packaging of company products dairy products and also analyse the satisfaction level of consumers with regard to products of company products dairy. Both primary data and secondary data are used for this customer satisafction study. Questionnaire was circulated among the people of Mangalagiri town and 180 responses were collected. From the study, it is found that some of the consumers were facing leakage problem and advertising should be increased to upgrade the image of company dairy in the changing environment.

Singhal (2019) conducted a study of Customer Satisfaction towards Amul Dairy products in Noida. The study focuses on the study of the consumer preferences, the competitive edge of the Amul company over other dairy competitors in Noida, the distribution channel of Amul and the factors responsible for increase in number of outlets of Amul dairy products. Both primary and secondary data were used for this customer satisafaction study. The sample size is 59. The results from the study showed that most of the customers use dairy products for self use only. They are satisfied as they receive the product within the expected time, desired quantity and quality of the products. They were dissatisfied with the packaging of the product.

Harish and Asokan (2019) studied Consumer Perception towards Nandini Dairy Products in Chamarajanagar District of Karnataka. The study focuses on identifying the awareness level of customers of Nandini dairy product, their perceptions toward Nandini dairy product with respect to price and quality, their relationship with demographic characters such as income and gander and the level of satisfaction and attributes performance of milk, ghee, buttermilk and curd. Structured questionnaire was used to collect the data from 200 respondents and the study is based on descriptive research. The respondents were selected based on non-probability sampling and purposive sampling technique. The statistical tools used in this research study are Percentage Method & Weighted Average Method. The study helped to identify the customers' preferences which will pave the way for the development of the products helping in creating customers' demand.

Divya and Kaur (2019) conducted a study on Consumer Perception towards Branded Dairy Products in Ludhiana. A probability sampling method and purposive sampling method has been adopted for the study. Data is collected from the journals, magazines and websites (Secondary data) and through structured questionnaire (Primary data) from 120 consumers. The statistical tools such as factor analysis and one-way ANOVA were used to test the hypothesis. The findings of the study showed that there is no significant relationship between income, quality of product and brand experience. This study suggested that the branded dairy companies should adopt certain practices to attract the people and provide them with knowledge, so that they will be willing to buy branded dairy products.

III. RESEARCH METHODOLOGY

Table 3.1. Research Methodology

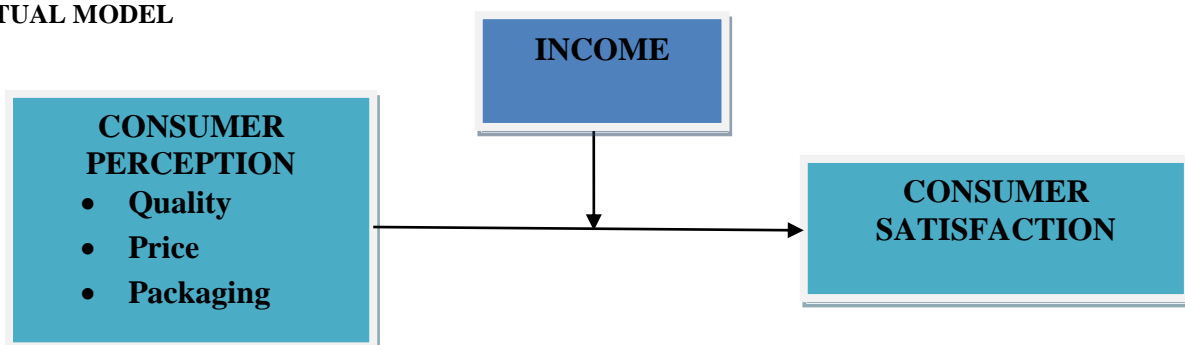| Research design	Descriptive research
Research method	Survey method
Research instrument	Structured questionnaire
Sample size	402
Sample area	Coimbatore district, Tamil Nadu
Tools used	SPSS and Interaction software

CONCEPTUAL MODEL

Figure 1 – Conceptual Model

IV. ANALYSIS AND DISCUSSION

4.1. Demographic factors

Table 4.1. Demographic factors

Demographic factors	Particulars	Frequency (n)	Percent (%)
Location of the respondent (3)	Rural	76	18.9
	Semi-Urban	79	19.7
	Urban	247	61.4
	Total	**402**	**100.0**
Educational qualification (4)	School	50	12.4
	Diploma	22	5.5
	Undergraduate	203	50.5
	Post graduate	110	27.4
	Doctorate	17	4.2
	Total	**402**	**100.0**
Occupation (6)	Student	116	28.9
	Business	37	9.2
	Service in Private sector	105	26.1
	Service in Government sector	39	9.7
	Home-maker	55	13.7
	Others	50	12.4
	Total	**402**	**100.0**
Monthly Income in rupees (4)	Below 25,000	154	38.3
	25,000 - 50,000	139	34.6
	50,000 - 75,000	53	13.2
	Above 75,000	56	13.9
	Total	**402**	**100.0**
No. of members in the family (4)	Below 3 members	37	9.2
	3 members	181	45.0
	4 members	92	22.9
	Above 5 members	92	22.9
	Total	**402**	**100.0**

• **Location of the respondent:** It is interpreted that, the majority of the respondents belong to Urban location (61.4%), followed by semi – urban location (19.7%) and rural location (18.9%) within Coimbatore region

• **Educational qualification:** Majority of the respondents have the highest educational qualification as Undergraduate (50.5%), followed by postgraduate (27.4%). 12.4% of the respondent has the highest educational qualification as schooling, 5.5% of the respondent has the highest educational qualification as diploma and 4.2% of the respondent has the highest educational qualification as doctorate.

• **Occupation of the respondents:** Majority of the respondents are students which accounts for 28.9%. Occupation of the respondents in Private sector accounts for 26.1%, 13.7 % of the respondents are home-makers, 9.7% of the respondents are serving in Government sector and 9.2% of the respondents are business oriented. 12.4% of the respondents are either agriculturist or the people who seek job.

• **Monthly Income in rupees:** Monthly incomes of the majority of the respondents are below 25,000 which accounts for 38.3%, followed by the respondents who has a monthly income of 25,000 – 50,000 which accounts for 34.6%. it is interpreted that 13.9% of the respondents has a monthly income of above 75,000 and 13.2% of the respondents has a monthly income of 50,000 - 75,000.

• **No. of members in the family:** It is interpreted that the 45% of the family has 3 members, 22.9 % of the family has 4 members, 22.9 % of the family has above 5 members and very less family has family members below 3 members (9.2%)

4.2. Consumer Satisfaction and Occupation

H_0: There is no significant difference in the consumer satisfaction based on occupation

Table 4.2. Consumer Satisfaction and occupation

Occupation	N	Mean	F	Sig.
Student	116	28.7845	1.936	.087
Business	37	28.7027		
Service in Private sector	105	27.5048		
Service in Government sector	39	28.9487		
Home-maker	55	29.6909		
Others	50	28.2000		
Total	402	28.5100		

The mean value of the consumer satisfaction of home-maker is higher than the other occupational group respondents. The ANOVA Test gives F-value of 1.936 with the significance value of 0.087. The significance value is found to be greater than the value 0.05. So, the null hypothesis is accepted. Therefore, there is no significant difference in the consumer satisfaction based on occupation.

4.3. Regression analysis

H_0: There is no significant impact of consumer perception on consumer satisfaction

Table 4.3. Consumer Perception on Consumer Satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.808	.769		3.651	.000
	Quality	.103	.043	.111	2.406	.017
	Price	.230	.054	.204	4.296	.000
	Packaging	.171	.058	.139	2.940	.003

a. Dependent Variable: Consumer Satisfaction

In terms of quality, the T- value is 2.406 with the significance value of 0.017, which is less than 0.05. Hence the null hypothesis is rejected. Therefore, there is a significant impact of quality on consumer satisfaction. In terms of price, the T- value is 4.296 with the significance value lesser than 0.05. Hence the null hypothesis is rejected. Therefore, there is a significant impact of price on consumer satisfaction. In terms of packaging, the T- value is 2.940 with the significance value of 0.003, which is less than 0.05. Hence the null hypothesis is rejected. Therefore, there is a significant impact of packaging on consumer satisfaction.

4.4. Interaction analysis

H_0: There is no significant influence of monthly income and consumer perception (quality, price and packaging) on consumer satisfaction

Table 4.4. Interaction analysis of monthly income and consumer perception on consumer satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.543	.859		4.127	.000
	Consumer Perception	.325	.011	.832	29.716	.000
	Monthly Income in rupees	-.007	.125	-.001	-.052	.958
2	R	.832				
3	R Square	.692				
4	Adjusted R Square	.690				
5	T	447.559				
6	Sig. value	0.000				

a. Dependent Variable: Consumer Satisfaction

This interaction effect indicates that the relationship between dependent variable - consumer satisfaction and independent variable - consumer perception which includes quality, price and packaging. Interaction effects indicate that a third variable income influences the relationship between an independent variable and dependent variable. The combined effect of monthly income and consumer perception (quality, price and packaging) on consumer satisfaction indicates high interaction effect.

V. FINDINGS

The demographic factors like location, educational qualification, occupation, monthly income in rupees and no. of members in the family are interpreted in this study.

• **Location of the respondent:** It is interpreted that, the majority of the respondents belong to Urban location (61.4%), followed by semi – urban location (19.7%) and rural location (18.9%) within Coimbatore region

• **Educational qualification:** Majority of the respondents have the highest educational qualification as Undergraduate (50.5%), followed by postgraduate (27.4%). 12.4% of the respondent has the highest educational qualification as schooling, 5.5% of the respondent has the highest educational qualification as diploma and 4.2% of the respondent has the highest educational qualification as doctorate.

• **Occupation of the respondents:** Majority of the respondents are students which accounts for 28.9%. Occupation of the respondents in Private sector accounts for 26.1%, 13.7 % of the respondents are home-makers, 9.7% of the respondents are serving in Government sector and 9.2% of the respondents are business oriented. 12.4% of the respondents are either agriculturist or the people who seek job.

• **Monthly Income in rupees:** Monthly incomes of the majority of the respondents are below 25,000 which accounts for 38.3%, followed by the respondents who has a monthly income of 25,000 – 50,000 which accounts for 34.6%. it is interpreted that 13.9% of the respondents has a monthly income of above 75,000 and 13.2% of the respondents has a monthly income of 50,000 - 75,000.

• **No. of members in the family:** It is interpreted that the 45% of the family has 3 members, 22.9 % of the family has 4 members, 22.9 % of the family has above 5 members and very less family has family members below 3 members (9.2%)

Table 5.1. Findings of Regression analysis

Hypothesis	Significance value	Result	Findings
H_0: There is no significant impact of quality perception on consumer satisfaction	0.000	Null hypothesis is rejected	There is a significant impact of quality perception on consumer satisfaction
H_0: There is no significant impact of price perception on consumer satisfaction	0.000	Null hypothesis is rejected	There is a significant impact of price perception on consumer satisfaction
H_0: There is no significant impact of packaging on consumer satisfaction	0.000	Null hypothesis is rejected	There is a significant impact of packaging on consumer satisfaction
H_0: There is no significant impact of consumer perception on consumer satisfaction	0.000	Null hypothesis is rejected	There is a significant impact of consumer perception on consumer satisfaction

VI. CONCLUSION

The project entitled "Consumer Satisfaction: Combined Effect of Income and Consumer Perception" was carried out to know the consumers' perceptions for dairy products. The finding for this research shows that customer satisfaction act as a variable in the overall relationship of the product perceived quality. All hypotheses are accepted on the basis of above results as product perceived quality has direct positive relation with customer satisfaction. The finding of positive relationship among these variables has confirmed that the people of Coimbatore region are quality, price and package material conscious. They give preference to quality product with reasonable price and attractive packaging among the consumers.

REFERENCES

[1] Dhamija, S. 2020. A descriptive Analysis on the Customer Satisfaction on Dairy Products. European Journal of Molecular & Clinical Medicine, 7(4).

[2] Divya and Kaur, N. 2019. Consumer Perception towards Branded Dairy Products in Ludhiana. Indian Management Studies Journal, 23, 213-223

[3] Harish, D. and Asokan, P. 2019. A Study on Consumer Perception towards Nandini Dairy Products in Chamarajanagar District of Karnataka, International Journal of Advanced Research (IJAR), 7(3), 903-910.

[4] Koduru, K. and Krishna, T. S. 2021. Perception of Consumers towards Dairy Products In Guntur District. NVEO-Natural Volatiles & Essential Oils Journal, 321-329.

[5] Singhal, R. 2020. Study of Customer Satisfaction towards Amul Dairy Products in Noida.