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**A Study on Consumer Preferences towards Edible Oil in Tirunelveli District**

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**Abstract**

Consumer behaviour is comparatively a new field of study which evolved just after the Second World War. The sellers' market has disappeared and buyers' market has come up. This has led to paradigm shift of the manufacturer's attention from product to consumer and specially focused on the consumer behaviour. The evaluation of marketing concept from mere selling concept to consumer-oriented marketing has resulted in buyer behaviour becoming an independent discipline. The growth of consumerism and consumer legislation emphasizes the importance that is given to the consumer. Consumer behaviour is a study of how individuals make decisions to spend their available resources (time, money and effort) or consumption related aspects (What they buy? When they buy? How they buy? where they buy? from whom they buy? Etc.). The present study is intended to enquire into the factors that influence the choice of edible oil users. The study tries to probe the behavior of consumers in selecting edible oil. Preferences vary on the basis of cost, fat content, brand, taste, seed and source of oil, advertisement and peer influence. This article also seeks to ascertain the degree to which consumer preferences vary with age, education, occupation and other factors. An interview schedule was constructed to elicit the opinions of consumers about edible oils. The primary data for analysis are collected from the sample respondents. 200 sample respondents are chosen by convenience sampling method. Edible oil companies would concentrate on certain age group of people for consuming their products, promotional activities, offers and other competitive consuming environment of the edible oil. The highly influential factors are good quality, price, health, and effective package, discount, less fat, agmark product and free gifts. Though the price is not an important factor while purchasing the products consumers are also conscious of the quality, availability and health aspects.

Keywords: Consumer behavior, Edible oil, Prices, Perception and Preference.

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**Introduction**

Oilseeds and edible oils are two most sensitive essential commodities in any economy. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy accounting for an estimated production of 28.21 million tones of nine types of oilseeds during the year 2016-17. India contributes about 6-7% oilseeds production of the world. Export of oil meals and oilseeds have increased from 5.06 million tons in the financial year 2015-16 to 7.3 million tons in 2016-17. In terms of value realization it has gone up from Rs. 5514 crores to Rs. 7997 crores during the same period. India accounted for about 6.4% of world oil meal export.

India consumes around 11 million tons of edible oil in a year, which includes imports of nearly 6 million tones. However, after China, India is the world's biggest buyer of vegetable oil. The country meets half of its edible oil requirements through import. To check the inflation, state-owned trading companies often increase their overseas purchases. The Government has reduced levy on vegetable oil four times last year and joined the club of China, Thailand and Malaysia in safeguarding food supplies.



## **Marketing of Edible Oils**

Marketing is rightly called the barometer of prosperity. No amount of labor, capital and organization can improve the state of a firm, unless its marketing efforts are effective. In other words, business success lies in getting the right product to the right market at the right time.

In the words of Peter F. Drucker, "It is in marketing that we satisfy individuals, and social values, needs and wants, be it through producing goods, supplying services, and fostering innovation for creating satisfaction. The end of all production is consumption and nothing happens in any economy until somebody sells something. Hence, the selling aspect becomes nerve center of all economic activity. Marketing is the kingpin that sets the economy revolving.

## **Significance of Study**

Edible oil is one of the most significant consumer products in India. Edible oil has a pivotal place in the Indian recipes and cooking. The demand for edible oil is growing not only because of increasing population but also improvement in standard of living of the people. Nowadays, owing to liberalization, the import of edible oil is also encouraged. In the era of liberalization small scale edible oil manufacturing units are unable to compete with the large scale organizations. Today, the problem in edible oil market is not only related to the production process, but also related to the marketing process. Therefore, it is important to study the nature of marketing strategies adopted by wholesalers of edible oil. It is also important to understand to what extent the existing Market Information System is helping the wholesalers in formulating marketing strategy. It is also important to highlight the problems and challenges being faced by wholesalers while formulating the marketing strategy and to highlight the major factors influencing the pricing decision

## **Scope of the Study**

Traditionally, the people of Tamil Nadu use groundnut oil, gingelly oil and coconut oil for cooking. In recent times, they have started using cottonseed oil, sunflower oil, rice bran oil and imported oils such as palmolein. In the area selected for the present study, edible oils such as groundnut oil, gingelly oil and coconut oil are produced largely in the districts of Tirunelveli by using seeds obtained from earlier harvest and those got from other states.

## **Statement of the Problem**

In the modern world, man is eager to lead a life without ill-health. Nowadays the taste of food is a major need in everyday's life. Because of the reduced fat content, branded oils have been used in the business places and households. Edible oil users can afford to choose their brand. To what extent manufacturers have been giving such products to edible oil users is the crucial question. The present study is intended to enquire into the factors that influence the choice of edible oil. The study tries to probe the behavior of customers in selecting edible oil. Preferences vary on the basis of cost, fat content, brand, taste, seed and source of oil, advertisement and peer influence. This article seeks to know the degree to which consumer preferences vary with age, education, occupation and other factors.

## **Objectives of the Study**

- (i) To analyse the demographic profile of consumers of edible oil in Tirunelveli district.
- (ii) To ascertain the factors that influence the consumers to choose edible oil in Tirunelveli district.
- (iii) To offer suitable suggestions to the edible oil manufacturers and consumers.

## **Methodology**

200 sample respondents have been selected by convenience sampling method. An interview schedule was constructed to elicit the opinion of the consumers about edible oils. The various dimensions are probed through the interview schedule. The primary data for analysis are collected from



the sample respondents. To ascertain the basic concepts regarding consumer preferences and attitudes, books and other relevant materials on consumer behavior are referred to.

**Data Collection**

**a. Primary Data**

Primary data are collected through an interview schedule. The interview schedule was divided into two broad divisions the first one related to personal information and the second one related to consumers' perception.

**b. Secondary data**

The primary data were supplemented with secondary data. The secondary data are gathered from the records published by various marketing agencies. Latest information are gathered from well-established libraries in Bangalore, Chennai, Coimbatore, and further secondary data are also collected from various journals, standard textbooks, and from the profiles of selected marketing and edible oil companies.

**Limitations**

The survey covers only Tirunelveli District, and hence, the findings and suggestions may not be fully applicable to other areas. The problems and perspectives of edible oil distribution are not similar in other districts of Tamilnadu. This may not be fully applicable to other districts of Tamilnadu. Due to time and cost constraints, it was not possible to cover the whole area of Tirunelveli District. The survey is confined to the selected edible oil products taken up for the study.

**Data Analysis and Interpretation**

**Table 1  
Demographic Profile**

Variables	Frequency	%	Cumulative %
<b>Gender</b>			
Male	47	23.5	23.5
Female	153	76.5	100.0
Total	200	100.0	
<b>Age</b>			
Below 30 years	34	17	17
31-40 years	44	22	39
41-50 years	86	43	82
51-60 years	20	10	92
Above 61 years	16	8	100.0
Total	200	100.0	
<b>Marital Status</b>			
Married	176	88	88
Unmarried	24	12	100.0
Total	200	100.0	
<b>Educational Qualification</b>			
Illiterate	26	13	13
Upto HSC	64	32	45
Graduates	60	30	75
Post Graduates	26	13	88
Diploma	24	12	100.0
Total	200	100.0	
<b>Occupation</b>			
Agriculture	40	20	20



Business	24	12	32
Government employees	20	10	42
Private employees	16	8	50
Others	100	50	100.0
Total	200	100.0	
<b>Types of family</b>			
Joint family	56	28	28
Nuclear family	144	72	100.0
Total	200	100.0	
<b>Monthly Income</b>			
Below Rs.10000	10	5	5
Rs.10001-15000	16	8	13
Rs.15001-20000	124	62	75
Rs.20001-25000	14	7	82
Above Rs.25001	36	18	100.0
Total	200	100.0	

Source: Primary Survey

Table 1 depicts that majority of 76.5 per cent of the respondents are female and the remaining 23.5 percent of the respondents are male. It is clear that the majority of customers are female. It is clear from the Table 1 that among the 200 respondents, 43 percent of the respondents are in the age group of 41 to 50 years, 22 percent of the respondents are in the age group of 31 to 40 years, 17 percent of the respondents are in the age group of below 30 years, 10 percent of the respondents are in the age group of 51-60 years and 8 percent are in the age group of above 61 years. It is clear that the majority of customers are in the age group of 41 to 50 years. It is clear from table that 88 percent of the respondents are married and the remaining 12 percent of the respondents are unmarried. Majority of the respondents who are married have been using edible oil. It is clear from Table 1 that among the consumers, those who are upto HSC formed the majority of the sample respondents (32 percent). They are followed by graduates (30 percent), 13 percent are post graduates, the other 13 percent are illiterates. It is obvious that from Table 1 that among the consumers, 50 respondents are others, 20 percent of the respondents are agriculturists, 12 percent of the respondents are businessmen, 10 percent of the respondents are government employees and 8 percent of the respondents are private employees and the rest 50 percent of the respondent are in other occupation. It is clear from Table 1 that among the consumers, 72 percent belong to nuclear family and the remaining 28 percent belong to joint family. It is evident from Table that majority of the consumers belong to nuclear family. Table 1 shows that among the consumers, 62 percent of the respondents belong to the monthly income of Rs.15, 001-20,000, 18 percent of the respondents belong to the monthly income of above Rs.25, 001, 8 percent of the respondents belong to the monthly income between Rs.10,001 to Rs.15,000, 7 percent of the respondents belong to the monthly income between Rs.20,001 to Rs.25,000 and 5 percent of the respondents belong to the monthly income of below Rs. 10,000.

**Table 2**  
**Factors influencing to choose edible oil – Ranking Analysis**

Sl. No	Factors	Total Scores	Average Score	Rank
1.	Good quality	13174	65.87	I
2.	Less fat	9060	45.30	VI
3.	Agmark product	11084	55.42	III
4.	Free gifts	7308	36.54	VIII
5.	Effective package	10434	52.17	IV
6.	Brand reputation	8226	41.13	VII
7.	Low price	12240	61.20	II
8.	Discount	9784	48.92	V

**Source: Primary data**

It is observed from the Table 2 that “Good quality” is ranked as the first important factor influencing to choose the edible oil; low price is ranked as second, agmark product placed in third position, effective package is ranked as the fourth factor influencing to choose the edible oil, discount is ranked as the fifth factor influencing to choose the edible oil and less fat is ranked as the sixth factor influencing to choose the edible oil, brand reputation is ranked as the seventh factor followed by free gifts ranked as eighth position.

**Table 3**  
**Preference of consumers towards the features of edible oil– Ranking Analysis**

Sl. No	Particulars	Total Scores	Average Score	Rank
1.	Appearance	8078	40.39	VII
2.	Quality	12050	60.25	I
3.	Health benefit	11638	58.19	II
4.	Oil taste	10260	51.30	IV
5.	Odour of oil	9792	48.96	V
6.	Quantity	10870	54.35	III
7.	Packing	8862	44.31	VI

**Source: Primary data**

It is observed from the Table 3 that “Quality” is ranked as the first important factor of preference towards purchase of edible oil; health benefit is ranked as second, quantity placed in third position, oil taste is ranked as the fourth preference towards factor of edible oil, smell of oil is ranked as the fifth preference factor of edible oil and packing is ranked as the sixth preference factor towards edible oil followed by appearance ranked in the seventh position.

**Table 4**  
**Preference of consumers towards price factors of edible oil– Ranking Analysis**

Sl. No	Particulars	Total Scores	Average Score	Rank
1.	Reasonable price	12950	64.75	I
2.	Gift coupon	8590	42.95	IV
3.	Offers	10138	50.69	III
4.	Discount	11280	56.40	II

**Source: Primary data**



It is observed from the Table 4 that “Reasonable price” is ranked as the first important preference towards price factors of edible oil; discount is ranked as second, offers placed in third position and gift coupon is ranked in the fourth preference towards price factors of edible oil.

**Table 5**  
**Preference of consumers towards promotional factors of edible oil– Ranking Analysis**

Sl. No	Particulars	Total Scores	Average Score	Rank
1.	Attractive advertisement	12716	63.58	I
2.	Word of mouth promotion	9740	48.70	V
3.	Celebrity	10660	53.30	IV
4.	Retailers window display	11344	56.72	III
5.	Free samples	12254	61.27	II
6.	Prompt response	8450	42.25	VI

Source: Primary data

It is observed from the Table 5 that “Attractive advertisement” is ranked as the first important preference towards promotional factors of edible oil; free samples is ranked as second, retailers window display placed in third position, celebrity is ranked as the fourth preference towards promotional factors of edible oil, word of mouth promotion is ranked as the fifth preference factor towards promotion of edible oil and prompt response is ranked as the sixth preference factor towards promotion of edible oil.

**Suggestions**

- There is increasing number of diseases among the human beings every day owing to oil and oil products. Adults are less resistant to more diseases and they suffer from blood pressure of various forms. Therefore the oil manufacturer should be cautious while producing their oil keeping in mind about the health problems of the consumers.
- During the survey it is found that the consumers face the problem of adulteration. Sometimes, they had to purchase adulterated oil which is very harmful to their health. Therefore, it is suggested that necessary steps should be taken towards elimination of adulterated oil products.
- It would be better, if the oil manufacturers sell the same oil product with different product line on the basis of color, size, flavor and utility. It can be on the basis of usage.
- Each and every oil manufacturer should adopt “green marketing”. This implies that the oil container should no way be harmful to the environment
- Oil companies can adopt “Contract Farming” which means the pooling of all the resources while producing oil products which leads to low cost of production to the oil manufacturing companies and so that oil products would be available to the consumers at cheaper price.
- The edible oil manufacturer should target the housewives through door to door canvassing to market the oil products. Sponsoring events like women’s day and mother’s day and children’s day can also create awareness regarding the product. They can also target the restaurants and hotels to capture the market.
- Since edible oil is a food product, consumers attach more importance to the quality. The edible oil manufacturer should communicate the consumers about the quality standards adhered in manufacturing the product. This will lead to the creation of a positive image towards edible oil in the consumers’ mind. The company can follow informative advertising to create brand awareness for the edible oil like sunflower oil, gingili oil, and castor oil.
- Management of quality is of the utmost importance, especially the creaminess of edible oil, which is the main constituent of taste. Besides these factors causing odour needs urgent care. This is a technical and important issue from the qualitative point of view and it invites expert’s advice and suggestions for the improvement of the quality.



## Conclusion

Health is considered to be an important parameter for the selection of edible oils. Healthy edible oils are on priority for selection. Though the price is not an important factor while purchasing edible oil, the consumers are more conscious of the quality and the aspects.

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