CUSTOMERS AND DEALERS SATISFACTION OF MILK PRODUCTS A CASE STUDY OF SHRI HANUMAN MILK CO-OPERATIVE SOCIETY LTD. YALGUD

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Abstract

Dairy business gathers importance for the countries India, because it generates employment to the producers, milk collection and processing organizations, and fulfill the wants of the customers of milk and milk products. Dairy business establishes the forward and backward linkage in the linkage which results in generation of employment and use of available resource for the productive purpose and ultimately fulfills the need of the customers. Customer satisfaction reflects a person’s comparative judgment of a product’s perceived performance in relation expectation. The study is concerned with the customer and dealer satisfaction of milk product. The hypothesis, customers and dealers are satisfied with the services provided by the society is tested by using the statistical tool. The calculated $X^2$ value is greater than the critical, therefore hypothesis is accepted.

Keywords: Customer satisfaction, milk products, dairy industry.

1. Introduction

Dairy industry in India is an important part of agriculture enterprise but in large extent it is subsidiary business of agriculture. Dairy development made remarkable progress with establishment dairy co-operatives. This dairy co-operative business is generally established, managed and organized by its members. Today dairy co-operative business became a model of rural development because number of dairy co-operative societies are established in rural areas and are helping economic developments of rural people.

India is the world’s largest producer of dairy products by volume and has the world largest dairy herd. The country accounts for more than 13% of worlds total milk production and is also the world largest consumer of dairy products consuming almost all of its own milk production. Dairying has been regarded as one of the activities that could contribute to alleviating the poverty and unemployment especially in the drought-prone and rain-fed areas. In India about three-fourth of the population live in rural areas and about 38 of them are poor. Therefore among these people as well as the large vegetarian segment of the country’s...
population dairy products provide a critical source of nutrition and animal protein to millions of people in India.

**Dairy industry in India**

Dairy is a place where handling of milk and milk products is done technology refers to the application of scientific knowledge for practical purposes. More than 2,445 million people economically active in agriculture in the world, probably 2/3 or even more $3/4$ of them are wholly or partly dependent on livestock farming. India is endowed with rich flora & fauna and continues to be vital avenue for employment and income generation especially in rural areas. ‘India, where 66% of economically active population, engaged in agriculture, derives 31% of gross domestic product GDP from agriculture. The share of livestock product is estimated at 21% of total agricultural sector.

**Customer Satisfaction:** Customer satisfaction reflects a person’s comparative judgment of a product’s perceived performance or outcome on relation to expectations. If product performance falls short of expectations, the customer is dissatisfied and disappointed. If it matches expectations, the customer is satisfied - ad it exceeds expectations, the customer is delighted.

**2. Statement of the Problem**

Dairy business in India is one of the important businesses concerned with agriculture, industry and service sector because it establishes forward and backward linkages. The condition of dairy factories is not very well, Co-operative dairy factories facing many problems and challenges in working of the dairy industry. The management, shareholders, members and other beneficiaries always seek answer about the performance of dairy industry. Considering overall situation of dairy industry, the researcher has come across following investigative questions.

1. Is the customers are satisfied with the service provided by the society?
2. Is the dealers are satisfied with the services provided by the society?

To understand the customer satisfaction and dealer’s satisfaction, it is necessary to undertake research on this problem; therefore the statement of the research problem is selected as, “customers and dealers satisfaction of milk products- a case study of Shri Hanuman Milk Co-operative Society Ltd., Yalgud, Dist. Kolhapur (SHMCS Ltd. Yalgud).

**3. Objectives of the Study:**

1. To study the customer satisfaction of selected society.
2. To know the dealers are satisfied with the services provided by the society.
4. To Give Suggestion For the best performance of the society.
4. Hypothesis of the Study:-
During the course of the study the following Hypothesis may be revised on the basis of result thereof.
1. Customer and Dealers are satisfied with service provided by Shri Hanuman Milk Co-operative Society Ltd., Yalgud, Dist. Kolhapur.

5. Scope of the Study:-
   a) Topical scope: - “customers and dealers satisfaction of milk and bakery products: - a case study of shri hanuman milk co-operative society ltd yalgud.
   b) Analytical scope:-
For the analysis of present research topic the researcher has been used chi square test and appropriate statistical test for testing the hypothesis.
   c) Geographical scope:-
The Present Research work on Co-Operative Dairy Society has Been Selected from the Kolhapur District. This is located at Yalgud Village, Taluka Hatkanagle, Dist. Kolhapur.
   d) Periodical scope:-
The Study of Marketing Strategy of Milk and Bakery Products has been study for the period of last seven years from 2009-10 to 2015-16.

6. Significance of the Study:
Now a day’s co-operative dairy industry play an important role in Indian economy. It also play important role in the development of the rural and urban sector in India. The dairy industry provides employments to many peoples in rural as well as urban area. Co-operative dairy industry facing various problems relating to marketing of their products. So the researcher conducted study on the “customers and dealers satisfaction of milk and bakery products: - a case study of shri hanuman milk co-operative society ltd yalgud.

7. Research Methodology
A] Data Collection: The researcher has used primary and secondary sources for collection of data as given below:
   I] Primary data: The researcher has been collect Primary data regarding research problems from dealers and customers of the SHMCS Ltd. Yalgud.
   II] Secondary Data:
The researcher has been collected necessary information from the Annual Report, Books, M.Phil and Ph.D research work, Magazines, Internet, Different Websites, Newspapers and Articles etc.
B) Sample Design:
For the selection of sample researcher has used the convenient stratified random sampling method. The researcher has selected 150 customer respondents and 49 dealer respondents for the present study.

C) Data Analysis:
Researcher has used appropriate statistical techniques for data Analysis and Interpretation.

Customer Satisfaction:-
The customers are classified base on their satisfaction.

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Table No- 1 Customer satisfaction

<table>
<thead>
<tr>
<th>Satisfaction</th>
<th>No of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>120</td>
<td>80</td>
</tr>
<tr>
<td>No</td>
<td>30</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100</td>
</tr>
</tbody>
</table>
```
(Source: Compiled by Researcher)

The above table & figure shows that customer satisfaction in this table it is indicate that out 150 respondents, 120 respondents are satisfied with this brand, 30 respondents are not satisfied in other words, 80% of respondents are satisfied and 20% are not satisfied because of less warranty of products and packing quantity is not good.

Classifications of respondents’ according to are you satisfied with present sales or service provided by society.
The respondents are classified according to satisfaction of them with present sales. The respondent’s classification according to satisfaction is given in the table below.

```
Table No. 2

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Particular</th>
<th>No. respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yes</td>
<td>32</td>
<td>65.31</td>
</tr>
<tr>
<td>2</td>
<td>No</td>
<td>17</td>
<td>34.69</td>
</tr>
<tr>
<td></td>
<td>Totals</td>
<td>49</td>
<td>100</td>
</tr>
</tbody>
</table>
```

(SOURCE: Compiled by Researcher)
The above table & figure shows the classification of respondents according to they are satisfied with present sales. In the above table it was shows that out of 49 respondents 32 (65.31) respondents are satisfied with present sales and 17 (34.69%) respondents are not satisfied with the present sales because they want to increase their sales.

8. Hypothesis Testing
In the present research study the researcher has used the che square test for testing the hypothesis. He used the 0.05 level of significant for the testing of hypothesis. It means there is 5% risk of rejecting the null hypothesis when it is true. In the present study the researcher has calculated chi square test by using the SPSS. If the calculated ‘p’ value is less than the level of significance (0.05) we reject the null hypothesis (P value < 0.05) and if the calculated ‘p’ value is greater than the level of significant (0.05) we accept the null hypothesis (P value > 0.05).

Hypothesis
Ha: Customer and Dealers are satisfied with service provided by Yalgud Society.
Ho: Customer and Dealers are not satisfied with service provided by Yalgud Society.

1. Applicable formula is the chi-square test formula:
   \[ X^2 = \sum \frac{(o-e)^2}{e} \]
   Where; \( o \) = observed frequencies
   \( e \) = expected frequencies

2. From the observed frequencies, in table 4.36 the expected frequencies were calculated using the formula
   \( e = \frac{\text{(row total)} \times \text{(Column total)}}{\text{Overall total}} \)
### Table No. 3 Satisfaction of Customer and Dealers

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Satisfied Observed frequencies</th>
<th>Expected frequencies</th>
<th>Not Satisfied Observed frequencies</th>
<th>Expected frequencies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>120</td>
<td>114</td>
<td>30</td>
<td>36</td>
<td>150</td>
</tr>
<tr>
<td>Dealers</td>
<td>32</td>
<td>37</td>
<td>17</td>
<td>12</td>
<td>49</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>152</strong></td>
<td><strong>151</strong></td>
<td><strong>47</strong></td>
<td><strong>48</strong></td>
<td><strong>199</strong></td>
</tr>
</tbody>
</table>

(Source: Compiled by Researcher)

### Figure No. 3

3. Chosen level of significance = 0.05
4. Degree of freedom for 2 x 2
   Contingency table given as (k - 1) (r – 1)
   Where; k = number of columns
   r = number of rows
   Degree of freedom = (2-1) (2-1) = 1
5. Critical value for 1 degree of freedom at 0.05 level of significant.
   $X^2 (0.05) = 3.841$

**Test Statistics**

$$X^2 = \Sigma \frac{(o-e)^2}{e}$$

$$= \frac{(120 - 114)^2}{114} + \frac{(30 - 36)^2}{36} + \frac{(32-37)^2}{37} + \frac{(17 - 12)^2}{12}$$

$$= 0.316 + 1.0 + 0.677 + 2.084$$

$$= 4.077$$
Decision: Calculated $X^2$ is greater than the critical value ($4.077 > 3.841$) therefore, we reject the Null hypothesis and ultimately; accept the alternative hypothesis. So, the Customer and Dealers are satisfied with service provided by Yalgud Society.

9. Findings
1. From the current research it is observed that customers are not fully satisfied because of less variety of products. Out of total respondents 80% respondents are satisfied and 20% are not satisfied.
2. During the research it is found that variety of products is less as compared to the other producer.
3. From the current research it is found that dealers are not fully satisfied with present sales. Some (65.31%) dealers are satisfied with present sales and some (34.69%) are not satisfied with present sales.
4. Research researcher has found that dealers have expected additional facilities from the society mostly to increase commission (83.68%) followed by advertisement (81.63%) credit facility (22.44%) and profit margin facility (10.20%).

10. Suggestions
1. For the fully satisfaction of customer society should increase the variety of products and improve the quality of products.
2. From the researcher point of view it is to be suggested that there should be increase in commission rate and give credit facility to authorized dealers.
3. From the research study it is to be suggested that make timely supply of products to dealers in a morning as per order.
4. From research study it is to be suggested that reach our products in rural areas and products are also available in proper quantity and quality in festival season.
11. Increase the variety of products to remain our existence in competitive world.

11. Conclusion
The current research has studied the marketing strategies for milk and bakery products a case study of SHMCS Ltd. Yalgud. For the study researcher used 4 p’s of marketing, and marketing strategy, and appropriate statistical test for testing the hypothesis. The researcher also makes a study of impact of marketing strategy on profitability and sales performance. From the study it was found that profitability and sales performance of society has increasing trend but there is a fluctuation in the increasement. It is also found that advertisement of product is not effective. And packing quality of products is low. It is found that society should earn profit every year and increasing their sales performance. Society got ‘A’ grade in
audit process continuously from the inception. The society is working well in their area. From the current research researcher give suggestions based on findings for improvement of their marketing performance, and also overall performance of society. These suggestions may help the society to improve their sales performance, profitability, marketing strategies and overall performance of the society.

12. References

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