



### Short communication

## Consumer choice of branded agro-processed products in Kannur municipality of Kerala state

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### Abstract

A survey was conducted among 150 household consumers of Kannur municipality in northern Kerala to identify the factors influencing purchase decision/consumer choice of branded agro-processed products (BAPs) manufactured by private and cooperative sector organizations. Results reveal that product features (taste, freshness, and shelf life) and advertisement determine the consumer choice of BAPs such as *sambar* powder, meat *masala*, *rasam* powder, pickle, and jam. There was, however, no significant difference between the brands made by the cooperatives and private sector organizations in this regard.

**Keywords:** Consumer choice, Cooperatives, Product features, Purchase decision.

Agro-processing industry in Kerala has made rapid strides in the recent past, especially in view of the changing needs and lifestyle of the consumers who prefer comfort and convenience. Although many branded agro-processed products (BAPs) both from the private and cooperative sector organizations are marketed in Kerala, there is little information on the consumer preference of these products. Buying behaviour is generally dependent on taste, price, convenience, variety, and quality (Kramer, 1988). Brand preference also depends on quality, retailer influence, reasonable price and brand image (Gaur and Vaheed, 2002), besides recommendation of the family members (Giran and Sivakumar, 2004). But such information on BAPs especially those made by the cooperative sector in Kerala is not available. Hence, a study was conducted to identify the factors influencing purchase decision/consumer choice of BAPs sourced from private and cooperative sectors.

The study was conducted in the Kannur municipality of

Kerala state for five locally important BAPs viz., *sambar* powder, meat *masala*, *rasam* powder, pickle, and jam. Kannur was purposively selected as the locale of the study to get sufficient number of consumers of BAPs from both cooperative and private sectors. Out of the 38 wards in Kannur municipality, six were selected at random. From each of the selected wards, 25 household consumers of the chosen BAPs (covering both categories) were taken by judgement sampling (total sample size: 150). A structured interview schedule, prepared after literature review and in consultation with experts, was administered to 30 non-sample respondents of the study area in a pilot survey. Nine factors viz. influence of family members, product features, advertisements, dealers' influence, availability, price, brand loyalty, shop loyalty, and packing, as well as eight product features viz. freshness, colour, flavour, texture, taste, shelf life, nutritional factors, and economy, which might influence the purchase decision and consumer choice were finally selected. To identify the factors influencing purchase decision, the respondents were asked to rank each factor based on their

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influence (for ranks 1 to 9, scores of 9 to 1 respectively were given) and the factor ranks were computed based on total scores. Product features influencing consumer choice were also determined by the same procedure (scores 8 to 1). Statistical tools used were Kendall's coefficient of concordance and Friedman test.

The Kendall's coefficients of concordance (W) for testing the agreement between respondents in ranking the factors that influenced the purchase decision were significant ( $p=0.01$ ) for all selected BAPs from both cooperative and private sector (table value: 20.1) organizations. The calculated  $\chi^2$  values for *sambar* powder, meat *masala*, *rasam* powder, pickle, and jam were 104, 104, 111, 139, and 115 respectively for the cooperatives, and 198, 223, 500, 208, and 235 respectively for the private sector. Table 1 further shows that product features, advertisement, and dealers' influence are the major determinants of the consumer's decision making process. While family members and price influenced the purchase decision of BAPs from the cooperatives, availability and dealers' influence were prominent for the privately produced BAPs. Product-wise comparison of factors influencing purchase decisions revealed that dealers' influence and brand loyalty played major role in the purchase of *sambar* powder and meat *masala*. However, influence of the family members and dealers was paramount in the case of *rasam* powder. Again, it was the dealers' influence and availability of the products, in addition to product features and advertisement that influenced the consumers more in purchasing pickle and jam.

As regards to the factors influencing purchase decision of BAPs from the cooperative vs. private organizations, the calculated Friedman values for *sambar* powder, meat *masala*, *rasam* powder, pickle and jam (11.6, 11.1, 12.4, 14.1, and 12.2 respectively as against a table value of 15.51 for  $\chi^2$  0.05,8 ) were not significant. It means that the consumers decide on a certain product after analyzing a complex mix of product attributes and marketing strategies adopted by the firms rather than considering whether it is a product manufactured by cooperative or private sector organizations.

The Kendall's coefficient of concordance (W) values in ranking the product features influencing the consumers' choice of *sambar* powder, meat *masala*, *rasam* powder, pickle and jam were significant ( $p=0.01$ ) with calculated  $\chi^2$  values of 234, 215, 219, 201, and 118 respectively for cooperatives and 444, 425, 359, 406 and 376 for privately produced BAPs (table value: 18.48). Implicit in this is a perfect agreement among the respondents in determining the product features that influenced purchase decisions. Table 2 further reveals that taste and freshness are the major product features that influence the consumers' choice. Flavour, colour, and nutritional factors were less important in this respect. Economy was considered important by the consumers of the products of cooperatives, while texture favoured the purchases of private sector products.

Overall, product features such as taste, freshness, and shelf life are the most important determinants that shape

Table 1. Rank position of the factors that influenced the purchase decision.

Factors	Aggregate rank	Rank position	
		Cooperative	Private
Product features	1	1	2
Advertisement	2	2	1
Dealers influence	3	5	4
Availability	4	7	3
Influence of family members	5	3	8
Brand loyalty	6	6	5
Price	7	4	9
Shop loyalty	8	8	6
Packing	9	9	7

Table 2. Rank position of the product features that influenced the consumer choice.

Product features	Aggregate rank	Rank position of the product features	
		Cooperative	Private
Taste	1	1	1
Freshness	2	2	2
Shelf life	3	4	4
Texture	4	5	3
Economy	5	3	8
Nutritional factor	6	6	7
Colour	7	7	5
Flavour	8	8	6

the purchase behaviour of the selected BAPs. Therefore, if the marketers in a given area provide quality products and their strategy is based on product features that influence the purchase decision of the consumers, it may lead to a major market share for such agro-processed products, thereby contributing to agricultural development in the locality.

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