CHAPTER-3

REVIEW OF LITERATURE

The area of consumer behaviour and demand, and thereby, the literature on the subject is vast. It is proposed to survey the literature on various major components of the broad area in different sections. Section I deals with the historical evolution of the general concept of consumer behaviour from the point of view of traditional economics, which concerned itself with 'quantity demanded' aspect of the consumer behaviour only. This section reviews the broad conceptual literature on the topic. In the following sections, aspects of consumer behaviour for milk products and related products, viz., consumption pattern, consumer preference, consumer motivation, consumer buying process and shopping behaviour, have been taken up.

I. HISTORICAL PERSPECTIVE

Consumer behaviour, that is, who, what, when, why, and how people buy a product and consume it, has been implicit in marketing since its inception. The emergence and recognition of consumer behaviour, explicitly, is, primarily, a phenomenon of the 1960's. Concern with consumer
can, however, be traced back through the literature of marketing and economics to the earliest writers. Adam Smith at the end of the 18th century, represents the attitude of early scholars towards consumers. He says:

"Consumption is the sole end and purpose of all production; and the interests of the producer ought to be attended to, only so far as it may be necessary for promoting that of the consumer" (Smith, 1937, p.625).

It was considered enough by early scholars, like Smith, Marx, Ricardo, Malthus and Keynes, to determine the aggregate demand for specific products. The problem with demand analysis is what it answers only the question of that people want, not why they buy (Walters, 1979, p.274).

Marketing, as a discipline, began its break with economics about 1900, but early marketers tended to follow the lead of the economists in dealing with consumers. Arch Shaw, in an 1912 article, where he is given credit for developing the functional approach to marketing, speaks of the importance of consumers.

The break with the traditional view of consumers started in 1929 by Paul Nystrom, when he introduced motivational aspects of consumer behaviour in his book, entitled 'Economics of Consumption'.

It was Fred Borch who set the stage for a new era in consumer research when he took the consumer orientation.
of the early economists and related it to business decision making. Borch states the marketers dual core task as:

(i) focussing the business on consumer needs and desires, and (ii) applying advertising and sales effort to convince these customers to purchase.

It is difficult to identify, exactly, the major thrusts that led to the burst of interest and research in consumer behaviour which emerged in the 1960s. Nicosia (1969) is inclined to give more credit to the Katona and Lazarsfeld schools of thought, although, he also extends some credit to Bauer. Katona and his colleagues, at the University of Michigan Survey Research Centre, emphasized the importance of expectations and attitudes on the consumption function (Katona, 1960).

He put forward the suggestion that consumer purchase decisions could be better understood if concepts of psychology and economics were combined. The basic principle of his psychological economic theory was the dimension of 'Willingness to buy' as a determinant of purchase action. Discretionary demand is a function of both ability to buy and willingness to buy (Katona, 1960, p.25). His explanation of this basic concept stated that income, previously accumulated financial assets, and, access to credit, constituted ability to buy without which inclination to buy cannot be transformed into demand. Willingness to buy is represented by psychological
prédispositions in the individual who makes the purchase (Katona, 1964, p.28).

Lazarsfeld and his colleagues, at Columbia University's Bureau of Applied Social Research, focussed on information dissemination and the particular role of interpersonal influence (Katz and Lazarsfeld, 1955). The contributions of Bauer, at Harvard, were focussed on theories of communication and on consumer response under conditions of uncertainty (Bauer and Bauer, 1960).

Another major precursor of consumer behaviour was motivation research during the 1940s and 1950s. This research was frequently rooted in Freudian concepts and attempted to fathom the "real reasons" why people buy. Its most famous founder was Ernest Dichter, and its major research techniques were depth interview and projective tests (Robertson and Ward, 1973, p.10).

"Motivation research represents a period in which consumers were thought to show the least amount of rationality in their buying decisions. But it fell out of favour in academic circles because it failed to provide useful generalisations beyond the basic observation that consumers were sometimes motivated by factors that they either could not or would not report directly", (Horton, 1984, p.10).

A particularly significant development in consumer behaviour research has been the emergence of models. Some
models focussed on relatively limited aspects of market and consumer behaviour, such as those posited by Kuehn (1962) and Frank (1962), whereas others such as Nicosia (1966), Engel-Kollat-Blackwell (1968), and Howard and Sheth (1969) were more comprehensive, dealing with broad ranges of buyer behaviour. Their approaches are worth mentioning in integrating the behavioural sciences and buying behaviour. These models have provided the general framework of the determinants of consumer behaviour. Nicosia and Engel-Kollat-Blackwell models have identified the determinant variables of attitude, motivation, and experience for buyer behaviour. The decision-making-process-model of Engel and his associates indicates perception, values, attitudes, personality, and past experience as major input variables. Irrespective of the differences that exist among these models, "each borrows concepts and factors from the behavioural disciplines, and attempts to relate them to the decision-making-process of the individual consumer" (Holloway, et al., 1971, p.2)

These models represented a significant departure from the traditional practice of building an area of research on the basis of specific behavioural concepts, such as, social class or reference groups. These models represented a new way of viewing consumer problems, as well as demonstrated fresh methodology for approaching behavioural phenomena.
Sheth (1974) developed a model of family decision making that is a variant of the Howard-Sheth model of buyer behaviour. Sheth suggests that conflict, when it arises, may be resolved by one of four strategies: problem solving, persuasion, bargaining, and politics.

Between 1965 and 1978, consumer research had been primarily concerned with explaining consumer behaviour rather than applying it to business. Some consumer subjects received more attention than others. The most popular area of investigation was the consumer decision process, with 118 articles published between 1965-1978; second in popularity was model building and consumer research which inspired 77 articles. Family, reference groups, and cultural interactions together were third most popular issues with 70 articles offering their exposition, followed by consumerism attracting 37 articles (Walters, 1979, p.280).

In spite of these accomplishments, many marketers today feel that consumer behaviour has not lived up to the great expectations of the mid 1960's as the most rewarding and fertile research area. The application of consumer information to business problems has yet to receive its due and proper emphasis from the researchers (Walters, 1979, p.282).

To date, the field of consumer behaviour has apparently had mixed success. In terms of the objectives
of marketers, they being the prime beneficiaries of consumer behaviour research, the field has yet to offer consistent, decisive rules. In fact, some marketers are almost cavalier in their dismissal of consumer research as "too academic" (Robertson and Ward, 1973).

The crux of the problem lies in the fact that although consumer research can indeed contribute to effective problem solution, academic researchers may occasionally lose sight of marketing problems in their quest for abstract, general knowledge, and theory construction. On the other hand, there is a lack of understanding about the nature and priorities of consumer behaviour research among marketers, who continually face demands-for-here-and-now applications of knowledge.

In India, from the research viewpoint, consumer behaviour is an area which is quite new and unexplored. A few studies conducted so far have confined themselves to broad commodity groups, mainly aimed at estimating expenditure and income elasticities for food and non-food items, or studying only consumption patterns of milk products.

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1 However, some studies on textiles and other consumer products have been conducted in India. For example, see, Neelamegham (1970), Mehta (1972)

2 See, Section II of this chapter under the head 'Consumption Patterns'.
Talking of milk products, although this industry has developed adequately in India and many brands of different milk products are being marketed, yet the specific studies on consumer behaviour and demand for milk products have received little attention on the part of the researchers. There is hardly any study available on consumers' purchase behaviour that deals exclusively with milk products. So in reviewing the literature, interest is perforce focussed on studies conducted, in India and abroad, dealing not only with milk products but also on such investigations as offer findings related to milk products and/or directly deals with allied products, to generate some understanding of analogous nature.

We have grouped these studies under different heads of consumer behaviour which we have chosen for analysis in our study. They are:

- Consumption pattern;
- Consumers' preference;
- Consumers' motivation;
- Consumers' buying process;
- Consumers' shopping behaviour;

Conceptual framework, followed by review of empirical studies on each of the above dimensions, has been discussed in the following pages.
II. CONSUMPTION PATTERNS

Consumption pattern is one of the aspects of our study. The ratio of different commodities in which the consumer consumes them, is called consumption pattern. What is the consumption pattern of the consumers belonging to different socio-economic categories? How does this pattern change with respect to time, income, education, and other variables? Can future consumption pattern be projected? These are some of the questions which are sought to be answered in the course of our study of consumption patterns. The study of demand, is indeed included in the broad conceptualization of consumption patterns.

The available studies on consumption patterns for milk products and other related products, worked out by different individuals and organizations, are reviewed as under:

Waite (1932) computed changes in demand for butter, cheese and condensed milk in the United States, from the price and quality data. Analysing the effect of business depression on the demand for the period 1921-31, it was seen that demand for butter showed a high correlation with changes in business activity which was not found to be true for cheese. In contrast, the demand for evaporated and condensed milk appears to have
remained strong, and even to have increased during the early depression period.

Bose (1960) fitted the linear consumption function for studying the expenditure elasticities of milk and milk products at various levels of expenditures, with the help of NSS data. The expenditure elasticities were found to decrease with the rise in expenditure levels.

Based on NSS data in the 7th round for 662 rural households in Uttar Pradesh, Ganguli (1960) studied the consumption pattern for milk and milk products and other "food" items for three occupation groups, viz. farmers and cultivators, agricultural labourers and other occupations excluding share-croppers. The graphical approach was adopted and it was observed that the pattern of consumption in different occupation groups was different in almost all the cases.

Rudra and Roy (1960) studied the factors determining the consumption of milk and milk products in addition to other commodities by using the NSS data 4th, 6th and 7th rounds. All India Rural consumers were found to consume more of food items than their all India urban counterparts. While the demand for non-food items were more for urban consumers. Quantity and value elasticity was estimated by using Engel curve of double log form. The quantity elasticity of milk was estimated to be 1.45 and 1.86 respectively and the value elasticity of milk was
estimated to be 1.68 and 1.73 respectively for urban and rural areas.

Roy and Laha (1960) used the NSS data of 4th round to estimate the expected increase in expenditure on different items of expenditure. The relationship between the average expenditure per household on a particular item and the income of the household was found to be approximately linear in the double log arithmetic scale for most of the items of expenditure.

Pollock (1960) interviewed approximately 300 households in Ohio (USA) on milk purchasing habits. He found that per capita milk purchase was not affected by changes in households size, but declined where the household income decreased. It appeared that milk was highly inelastic commodity with regard to price and household income, and changes in the consumption were related to non-economic factors.

Johnston (1963) analysed the domestic expenditure on use of liquid milk, cream, evaporated and dried milk in the metropolitan areas of Canada. He observed that liquid milk accounted for 85 per cent of the outlay on these products. The number of children in the family was the main factor in deciding the amount of milk bought.

Frank, Massy and Boyd (1967) studied the relationship between the standard socio-economic and demographic variables and total household consumption in 57 grocery
product categories. The investigation was based on data from the Chicago Tribune consumer panel of 1960 and 1961, including purchase histories for 491 households. The socio-economic and demographic characteristics were found to be poor predictors of consumption for a wide range of specific grocery products.

National Council of Applied Economic Research (1967) conducted a survey to study the effects of development on household consumption. The income elasticity of demand for milk for non-developmental areas (0.82) was higher than for the developmental areas (0.62). The consumption of milk and milk products was found to increase sharply with income.

Based on data obtained from a report on Middle Class Family Living Survey published by the Central Statistical Organisation of the Government of India, Sinha (1968) studied the significance of social and economic factors other than price and family income which are presumed to bear influence on the pattern and level of family expenditure on food. A number of explanatory variables were directly included in the inter-city regressions. On examination of the statistical significance of partial elasticities, the general conclusion drawn was that the level of family expenditure (or income) alone did not provide adequate explanation of food consumption behaviour of households; other factors need to be taken into account.
Iyengar and Jain (1969) projected the demand for a large number of items of consumer expenditure relating to the year 1970-71 and 1975-76 separately for rural and urban sectors. All projections were worked out on per head basis at the constant prices of 1960-61. The projected average monthly per capita expenditure for milk and milk products in 1975-76 for rural and urban India was estimated at Rs. 4.95 and Rs. 6.60 respectively.

Jonas (1971) analysed the inter-temporal and intermetropolitan variations of milk and milk products expenditure. He used cross sectional data provided by NSS. Elasticity for rural India was observed to be relatively higher than the four metropolitan areas, viz. Bombay, Delhi, Calcutta and Madras. Among four metropolitan centres, Delhi was observed to be the area of highest per capita consumption of milk and its products and lowest expenditure elasticity, that is 1.08.

Gardner and Walker (1972) used a combination of reasoning and simple regression equation to examine some aspects of UK dairy industry since IIInd World War. Attention was drawn to some of the pitfalls in attempting to quantify dairy demand and supply relationships. Price elasticity of demand for liquid milk, cheese and imported butter were confirmed to be low. But the elasticity for fresh cream appeared to be well in excess of unity and there was considerable elasticity for UK butter.
Ratnam and Spielmann (1972) found that regression analysis indicates that in the Honolulu metropolitan area, consumption of regular milk per household tends to increase with an increase in the number of persons in the household. Skim milk consumption, on the other hand, is correlated to the income level but the coefficient is not significant at the 5 per cent level of significance. Filled milk consumption, like regular milk, is also positively correlated to the number of persons in the household.

Patel et al. (1974) made a study of 352 urban households in Karnal (Haryana) which indicated that per capita expenditure on milk and milk products generally rose with increase in income and for business families. There were greater inequalities in milk consumption among in-service and business families. For service and business families, the concentration ratio was worked out 0.3276 and 0.2464 respectively. The expenditure elasticity of milk was higher for small and lower medium income groups than for upper income groups.

UK Ministry of Agriculture, Fisheries and Food (1974) estimated household expenditure on dairy products. In 1973, it was 25.72 pense/head/week on liquid milk, 2.73 pense/head/week on other milk, 7.93 pense/head/week on cheese, 6.92 pense/head/week on butter and 2.69 pense/head/week on margarine. The figures were analysed by
weekly income of the head of household as well as by composition of household (number of family members as well as age).

Boehm (1975) made a study to identify and analyse consumption pattern and structure of demand for 13 major dairy products. Data were taken from market Research Corporation of America, National Consumer Panel. Results indicated that consumption pattern for dairy products is not only different from national average but also the southern consumers are more responsive to change in price of the products and income of consumers.

National Dairy Development Board (1975) conducted a survey to study the domestic consumption pattern of liquid milk and its products in Calcutta. The whole population was classified into four groups, viz., very poor, poor, middle and high income group. The high income group consisting 30 per cent households purchased 45 per cent of total quantity of milk for domestic consumption. The percentage share of milk market claimed by very poor, poor and middle class was 8.2, 14.4 and 24.5 respectively, and they spent nearly 10 per cent of income on milk and milk products. The higher income households spent only 8 per cent of their income on milk and milk products.

McDonald (1975) presented an empirical analysis of the demand structure for 9 dairy products in the United
States for period 1955-69 using quarterly data. The dairy products included fresh fluid whole milk, fluid low fat milk, cream, butter, cheese, evaporated milk, ice cream, dried whole milk and dried skim milk. To estimate average price elasticity of demand, one set of demand function was estimated for each product. The price elasticity for butter, evaporated milk, ice cream, dried skim milk and margarine was found to be relatively inelastic but for dried whole milk was relatively elastic.

Hassan and Sahi (1976) examined the nature of consumer demand for dairy products in Canada. They employed Zellner's seemingly unrelated regressions (ZSUR) and ordinary least squares (OLS) to estimate the demand equations for fluid milk, butter, cheese, and skim milk powder in Canada. The positive income elasticities for fluid milk (0.6074), butter (0.6123) and cheese (0.9809) indicated that consumption of these products will increase with increased income but the negative elasticity of -0.2944 for skim milk powder suggested a drop in its consumption with an increase in income. Butter showed the greatest response to its price while skim milk powder was least responsive.

Mehta and Gupta (1976) attempted to analyse the consumption pattern in rural Rajasthan utilizing the NSS data for 24th round covering the period 1969-70. By using
Lorenz and Concentration curves, it was revealed that there are large inequalities in consumption of not only non-food items but also food items like sugar and gur, milk and milk products. Rao (1976) studied the consumption pattern of milk and ghee supplied by local milk plant factory in Vijayawada Town (A.P.). It was observed that income elasticity of 1.367 for non-food items to be higher than of food items (0.6619). Among the food items, the maximum elasticity was observed for meat, fish and eggs (0.9125) followed by milk and milk products (0.7488) and minimum for cereals (0.23).

Patel et al. (1978) analysed the consumption pattern of milk and milk products and beef in South Kerala. The demand for milk and milk products was found to be price elastic in general and highly elastic in the case of weaker sections of the society. The expenditure elasticities for milk and milk products were found to be higher in the rural area than in the urban area. Prabaharan (1978) studied the consumption pattern for milk and milk products in Madras city. The income elasticity for milk and milk products were estimated to be 0.7368. The inequalities in expenditure of milk and milk products were quite low.

Singh (1979) analysed the consumption pattern of milk and milk products in Muzaffar Nagar (U.P.), and observed
that the average per capita monthly expenditure on both total 'food' and 'non-food' commodity groups was lower in rural areas as compared to urban sector. However, proportionate expenditure on non-food groups was relatively higher in rural areas compared to urban areas. Expenditure elasticities for milk and its products and non-food items were found to be higher, in rural areas compared to urban areas, whereas the elasticity for total food item was higher in case of urban areas.

Inder Mohini (1981) studied the consumers' consumption pattern of milk and milk products sold by NDRI, Karnal. It was found that per capita consumption increased with the increase in per capita income.

Swaran Lata (1981) found a wide disparity in consumption pattern of milk and milk products between urban and rural areas and within various socio-economic groups in the Karnal district of Haryana. It was observed that with the increase in income, consumption of milk products increased in urban area. Income elasticity for all food items (0.8393) was comparatively more than non-food items (0.7368) in rural areas. While in urban areas all non-food items (0.9704) had relatively more elasticity than all food items (0.8039). Total per capita monthly expenditure and family size had a positive and significant effect on per capita monthly expenditure on milk and its
products in rural areas and in urban areas; only per capita monthly expenditure was found to have positive and significant effect.

Kesavan (1982) investigated the consumption pattern of milk and milk products for Kerala State by using cross-section data collected in year 1973-74 on 1150 households. Projections of consumption of liquid milk and expenditure on milk products revealed that at different rates of growth in per capita income, the demand for milk and milk products would increase considerably by the end of the current decade. Also it was found that per capita total expenditure (income) has positive relation with consumption of milk products. Education and household size were found to exert no significant influence on milk and its products consumption in general.

III. CONSUMER PREFERENCES

Preferences are identified as one of the outcome of experience, that is, a consumer does not have a preference prior to experiencing alternatives from which choices are available. As a result of experiences, the consumer forms expectations and the possible consequences of his expectations are represented in his attitude. If a person can make a choice between two or more courses leading to as many possible outcomes, then this person is said to have a preference (Woods, 1981, pp.268-69).
When one considers the subject of consumer preferences one is struck with the many alternatives relating purchases of goods and services. Preferences may be manifested in such categories as the generic product, the brand, the size of package, the store, as well as the price.

"Attitudes towards features which are most closely related to preference, or to actual purchase decisions, are said to be determinants" (Myers and Alpert, 1968, p.13). There are three major approaches identifying determinant attitudes which affect consumer preferences, direct questioning, indirect questioning and experimentation/observation (For details, see, Myers and Alpert, 1968).

Different approaches have been adopted by different authors, depending on their preference and the empirical situation under study.

The contributions of different authors to the study of consumer preferences of milk products and related products, have been reviewed in the chronological order in what follows.

**Empirical Studies on Consumer Preferences**

An intensive study was conducted by Hobson and Schaars (1935) to investigate consumer preferences for cheese. A canvass of 4,293 consumers of Madison and
Milwaukee, Wisconsin; Atlanta, Georgia; Charlotte, North Carolina; Cleveland, Ohio; and Pittsburgh, Pennsylvania was made to determine their preferences for different varieties and ages of cheese. It was found that 34 per cent of the respondents preferred natural mild cheese and 66 per cent preferred processed cheese. When the comparison between samples of natural mild and naturally aged American cheese was made, it was found that 48 per cent respondents exercised preference for the mild cheese, whereas 52 per cent preferred the aged cheese. Between naturally aged cheese and processed American cheese, 39 per cent expressed a preference in favour of natural aged cheese, and 61 per cent preferred the processed cheese.

Another comprehensive survey was carried out in eleven North-eastern Ohio counties, by Wolfe (1942) to determine the interconnection between brand consciousness and brand usage for fourteen household products which included food products such as, coffee, canned soup, dry cereal, cooking cereal, etc. He found that users of the products showed higher brand consciousness than non-users, and radio advertisements were more influential than other advertising media.

Banks (1950) investigated the relationships between preference and purchases, by a panel of Chicago housewives of brands of scouring cleanser, coffee, ice-cream,
peanut butter, potato chips, mayonnaise, and salad dressing and catsup. It was found that there was a direct and close relationship between existing levels of preference for brands of seven product classes and household products and their relative purchase by housewives.

Engle (1956) studied the bread buying habits of 500 households in a western city. Freshness, flavour, toasting quality, advertising were found to be highly important in consumers' brand preference and motivation. Monotony, brand not handled by favourite store, advertisement of new brand were found to be the reasons which accounted for the shift in brands by the consumers.

Padberg, Walker and Kepner (1967) presented a model which quantified the brand preference motivating consumer purchases for supermarket display as laboratory for conducting control experiment, in Ohio metropolitan area. The factors which affected consumers' purchases for fluid milk, were relative brand price, the proportion of display space allocated to each brand, the quality of display space, sales promotion and advertising for consumers' brand preferences.

Frank, Douglas and Polli (1967) analysed the relationship between how much a household concentrates its purchase on small package sizes of grocery products and socio-economic and purchase characteristics of the households. The purchasing histories of 491 households
were drawn from the Chicago Tribune consumer panel for 1961. It was found that number of adults in the family, building size, housewife status and average price paid per unit purchases, were positively correlated with package-size proneness, while number of persons in the family, income, occupation, education of head of household, total consumption, and brand loyalty were found to be negatively correlated.

Frank, Massy and Lodahl (1968) analysed the correlation of household purchasing behaviour with socio-economic and demographic characteristics by using data from J.Walter Thompson Consumer panel for three frequently purchased grocery products, beer, coffee and tea. The degree of association between socio-economic demographic, and personality variables with household purchasing behaviour was found to be extremely modest.

Angus and Stull (1969) analysed different characteristics of consumers and non-users, of Phoenix area, that may explain the acceptance of filled milk in terms of consumer attitudes. They found that the low evaluation for caloric content of imitation milk and "good" and "wholesome" image of regular whole milk were the factors which might have led families to adopt a favourable attitude for regular whole milk. Education of homemaker and number of persons in the household were found to be significantly related to the use of filled milk. No significant differences
were found between the users and non-users with respect to disposable family income and the age of the homemaker.

Gustafson (1969) conducted a taste test at three grocery stores in Carbonadale, Illinois, to determine the consumers' preferences of whole milk, filled milk and synthetic milk. It was found that on the basis of taste, there appeared to be no difference in preference for whole milk or filled milk. However, consumers did have a preference for filled and whole milk over synthetic milk.

Seggev (1970) studied the brand choice behaviour by using the Chicago Tribune panel data for 1960-61 in nine product categories such as vegetable shortening, frozen fish sticks, floor wax and polish, cooking oils, frozen vegetables, cleansing tissue, margarine, frozen dinners, and toilet soap. It was found that on the average, 31 per cent of the households had stable brand assortments over the nine product categories. It was seen that consumers rarely limit their choice to only one brand, when brand-choice processes are investigated in a time perspective.

In the United Kingdom, survey of 1500 housewives throughout England and Wales was conducted by the Consumer Committee (1972). It was found that there had been a slight increase in the number of homes with door step delivery of milk. Majority of the housewives preferred to buy imported butter and real fruit yogurt.
Ratnam and Spielmann (1972) studied consumer attitude relating to taste, acceptability and personal preferences of 250 households in the Honolulu metropolitan area, for regular milk, skim milk and filled milk. It was found that acceptability factors for skim milk and filled milk represented attitudes that adversely affect regular milk consumption through substitution. Nutritional value, stylish drink, societal factor and health considerations were found to be the main factors significantly favouring the consumption of regular milk. Consumption of filled milk, however, depended more on economic factors. Income had a low impact on the consumption of skim milk.

Rockseisen (1973) observed that German consumers esteem highly the freshness of dairy products which they measured by the date stamped on the package, even though they had little knowledge about the real shelf-life of the various dairy products. Further, the product, with its nutritional value had to match the changing environment, demographic changes and attitude of the consumers. Taste was found to be one of the important factor of consumers' preferences.

With a view to evolve better marketing policy, the Marketing Research Corporation of India (1973) ascertained consumer reaction and preference relating to quality and packaging of dairy milk in Madras city. Over 65 per cent of households rated the quality of dairy milk as
'average' indicating the need to improve quality. Nearly 60 per cent of the respondents indicated their preferences for getting their supplies of milk delivered at home, preferably, at the same price or only with a normal increase.

Rao (1976) studied the consumers' opinion on milk and ghee supplied by local milk plant in Vijayawada Town (A.P.). According to his study, about 2/3rd of households were not satisfied with the quality of milk due to its low level of fat contents and high price. The consumers were, however, satisfied with the distribution system of milk adopted by the dairy mainly due to timely supply and cash and carry system. 'Vijaya' ghee supplied by the dairy was more popular with the higher income group.

Prabaharan (1978) studied the consumer preferences for milk and its products in Madras city. He found that quality, taste, flavour and keeping quality were the important factors for preferring organised sector products. It was also observed that the preference of a package-size is positively related to the income of a family.

Anand (1979) analysed consumers' opinion for milk and its products, of Milk Plant, Ambala (Haryana), on the basis of data collected by personally interviewing consumers. It was found that consumers were satisfied with packaging and distribution of milk products. High price of all the products supplied by the plant was the general complaint.
Vijaysarathy (1980) studied the consumers' attitude towards ghee and butter manufactured by a State Government owned Dairy in Bangalore. It was seen that there was a high level of awareness of State Government Dairy ghee and low level of awareness for its butter in the target market when compared to the other competitive brands in the market.

Dhunna (1984) studied the consumers' preference for soft drinks by taking a sample of 100 persons in Rohtak city (Haryana). 'Taste' and 'refreshing ability' were found to be major factors for preferring a particular brand. Non-availability of the most preferred brand resulted in their shift of brand loyalty.

IV. CONSUMER MOTIVATION

Consumer motivation is concerned with the factors which motivate people in making choices or purchasing products/brands. The consumer is always influenced in his/her purchasing activities by some considerations which leads him to select a particular product, a particular brand of a product, or a particular retail store in preference to others.

The concept of motivation can be thought of as "behaviour that is instigated by needs within the individual as is directed towards goals that can satisfy these needs" (Pratt, Jr. 1965, p.110).
Graphically, the process appears as shown below:

Need
\[\downarrow\]
Behaviour (Drive)
\[\downarrow\]
Goal
\[\downarrow\]
Relief

The consumer motivations are caused by many complex factors: emotional, social, biological and physical (Leonhard, 1967, p.56). The consumer purchases products and services to satisfy the basic drives, and for comfort, pleasure, recreation and happiness. Every individual has physiological factors such as hunger, shelter, thirst which must be satisfied for survival. Some psychological factors like status, prestige, etc., also influenced the buying behaviour of the consumer. Lastly, the social factors like the company of friends, relatives, and neighbours influence a person in his/her purchasing activities.

Those considerations or influences which motivate the consumer and finally lead him/her to select the product or brands, are of great significance to modern marketing.
systems. An important facet of motivation research is the determination of motives. The term 'motive' refers to one of the more compelling determinants of a person's action.

There are at present three different schools of thought among motivation research practitioners. One school led by Earnest Dichter relies heavily on psycho-analytical interpretation based on "depth interviews" and "projective tests". The second school includes psychologists and social scientists like Paul Lazarsfeld who place major emphasis on group behaviour and impact of cultural environment on the opinion and behaviour of consumers. The third school combines both questionnaire and survey techniques and motivation research techniques in studying consumer behaviour, and is led by Herta Herzog (See, Bliss, 1963; Sheth, 1967; Britt, 1966; Neelamegham, 1970).

Some studies relating to the motivation aspects of consumer behaviour have been reviewed in the last section of consumer preferences as those were appropriate there also. A few more studies are reviewed as under:

Brown (1950) studied the factors considered in brand choice for coffee, in Los Angeles, by employing the qualitative or "depth" interview technique. Prestige, advertising, habit and acceptable experience in use again, constituted the important factors in influencing brand choice.
Based on a consumer enquiry in Germany, Metzdorf (1951) analysed the economic and non-economic factors determining the demand for fluid whole milk. It was concluded that psychological factors were relatively more important, as compared to price and income, in influencing the consumption of milk. In his view, better quality and service, along with a widely spread supply system, may help in increasing the consumption of milk.

Trier, Smith and Shaffer (1960) conducted an exploratory study of decision-making in food buying, by selecting a sample of 242 Lansing, Michigan, housewives. The influential factors such as cost of food, friends, parents, husbands, food preparation time, food value, food quality, and mass media were analysed in relation to socio-economic variables such as size of family, type of family, age of wife, education of wife, number of working members in the family, occupation of husband, income of family and percentage of income spent on food. None of the food buying attitudes had any significant relationship to family income. However, higher income wives were found to have stronger preferences for certain foods than lower income wives. The well educated and dominating housewives were seen to be more open to suggestions about food buying from their friends, husbands, or mass media.

Tauber (1972) undertook an exploratory study to determine some reasons why people shop. Individual in-dept
interviews were conducted in the Los Angeles area with a convenient sample of 30 people. It was found that if the shopping motive is a function of only the buying motive, the decision to shop will occur when a person's need for particular goods becomes sufficiently stronger for him to allocate time, money and effort to visit a store. However, the multiplicity of hypothesized shopping motives suggest that a person may also go shopping when he needs attention, wants to be with his equals, desires to meet people with similar interests, feels a need to exercise, or has leisure time.

Subrahmanyam et al. (1982) studied the consumer behaviour of 300 families of Visakhapatnam city for grocery products. Motives for buying groceries were examined and it was found that consumers considered 'need' as the 'most important' motive leading to purchase of grocery items. 'Quality' and 'price' were considered most important by a few families.

V. CONSUMER BUYING PROCESS

Buying process is a complex phenomenon including buying decisions and shopping behaviour. The buying process is only an act in a larger process that begins before, and ends after the decision. The customer is seen as going
through different stages in buying process indicated below (Kotler, 1976, p.87):

Need → Pre-purchase activity → Purchase decision → Use behaviour → Post-purchase feelings

Information search
Evaluation behaviour

In a buying process, two factors are of immense importance. First, we should know who decides about the product/brand to be bought, and who actually buys it? Second, it is important to know the shopping behaviour of the consumer, i.e. where does the consumer buy and what are his/her main considerations in store selection (Neelamegham, 1970)

Who within a family usually makes purchase decisions? This is an important aspect of consumer's decision making, and is being considered by such advertisers as want to select the most effective media, and also by such social scientists as want to learn how families function as organisations. Marketing men and economists are also
interested to know the decision maker within a family, for it concerns identification of the 'most influential' or the 'best informed respondent of an average household'.

A number of studies have been conducted to identify patterns of dominance for family buying decisions and circumstances that foster such dominance. Some of the studies related to buying process of consumer products which may have direct or indirect bearing on the buying process for milk products are mentioned below:

Based on the replies of marketing students, in seven universities about their parents' behaviour, Converse and Crawford (1949), under the auspices of Illinois, estimated the per cent of purchases made by various family members as well as the per cent of purchases influenced by women, men and children, according to category of products. In case of groceries, it was seen that among the low-income families there were somewhat less shopping together by husband and wife. The wife bought a slightly larger proportion of groceries. In middle income families husband and wife shopped together for groceries somewhat more frequently than they did in upper-and lower-income families.

Three of the earliest studies of male versus female influence were conducted for the magazine True (Male Vs Female Influence, 1948, 1950 and Starch, 1958). These
studies were undertaken to dispel the "myth" that 85 per cent of every family dollar is spent by women. In the surveys of 1948 and 1950, it was observed that less than 40 per cent of the products studied were mainly husband or wife dominated (defined by 80% or more of the respondents in either category). The remainder had substantial proportions in at least two of the categories, that is, husband, wife, or both. The percentage of respondents reporting 'both' was consistently lower in response to "who went shopping" than "who decided on the brand".

Ferber (1955) examined the purchase influence by interviewing adult members of 237 randomly selected families in Champaign-Urbana, Illinois, separately and simultaneously. In case of breakfast cereal purchase, wives were found to have relatively more influence (45.7%) than husbands. Further, Ferber presented some empirical generalisations, some of which are as follows:

(i) Joint decision making is characteristic of young, middle class families, costly expenditures, satisfied marriage, families with social network, families whose members have shared interest in, or use of, the product, and families where members have nearly equal resources to make the decision.

(ii) Wife dominated financial decisions are characteristic of lower income families, older families, rural families,
and decisions for which the wife has special competence or interest.

(iii) Husband dominated financial decisions are characteristic of higher income families, and decisions for which the husband has special competence or interest.

Sharp and Mott (1956) analysed the family role structures of 749 wives of Greater Detroit, for the allocation of the family's weekly food expenditures. It was seen that the wife did not completely dominate family decisions with respect to food expenditures. Not more than a bare majority of wives (54%) usually bought the groceries on their own. Only infrequently was the husband primarily responsible for the food budget; but in almost one-half of the households in Detroit area, men had at least equal share in decisions related to grocery shopping. The handling of the food budget was allocated among the spouses in about the same manner in every income level.

The report by Starch and Staff (1958) remains one of the most thorough studies of male versus female influence in buying decisions. It was found that based on cultural attitudes and patterns of consumption, respondents viewed the nondurable products as predominantly masculine. In these cases, wives expressed few brand preferences and purchased only those brands that their husbands requested. A high level of within family agreement regarding who
influenced the choice of brand, was found, that is, an average of only 8 per cent of the couples did not verify each other's answers for the **nondurables**.

Wolgast (1958) has stated that in the American family, economic decisions are most commonly made jointly by husbands and wives. She has also noted that joint decisions on the purchase of household goods were reported only 54 per cent of the time. With advancing age, and increased length of marriage, reports of joint decisions decline; and one member or another is increasingly likely to decide alone.

Komarovsky (1961), based on examination of various empirical studies, arrived at conclusions that wives in the lower socio-economic classes seemed to have greater influence in decision-making relating to expenditures. She found that among the younger couples, a higher rate of joint decision of both husband and wife was found in all the social classes.

Silk and Davis (1974) reported that housewives frequently bought the brands that their husbands requested. In one survey, more than half the housewives reported doing so for convenience products, while in another survey the percentage of wives who reported that their husbands' brand comments were very important to them in making brand decisions ranged from 26 per cent for peanut butter to 98 per cent for dog food. Also of interest in their
findings is that the husbands in their interviews consistently underestimated the importance of their comments on brands to the wives.

Green and Cunningham (1975) examined the potential impact which changes in the female role will have upon family purchasing patterns. The sample employed in the study consisted of 257 randomly selected married women from Houston, Texas. It was found that purchase decisions related to groceries are wife-dominated. Budgeting decisions were found to be made generally joint by both husband and wife.

Jaffe Associates (n.d.) conducted a series of pilot studies for Life magazine in 301 households. The 11 products studied included coffee, frozen orange juice, toothpaste, pet food, and seven durable goods. It was seen that for frequently purchased products, husbands' involvement varied by stage. For example, the percentage of husbands who actually purchased coffee (29%) was considerably less than the percentage who initiated the purchase or suggested a particular brand (41%). Only 16 per cent of husbands initiated the purchase of pet food, while 40 per cent of them suggested what brand of pet food to buy.

Haley, Overhoiser and Associates (1975) studied the relative influence of husbands and wives for buying 87 packaged products including beverages, cereals, frozen
specialities, soups, etc. It was found that husband involvement was lowest in actual shopping, with men having made an average of 23 per cent of all purchases during the preceding month. At the same time, husbands directly influenced an average of 32 per cent of the brand and product decisions. Husband's indirect influence (taking their preferences into account) was even higher; they accounted for an average frequency of 38 per cent of indirect influence for the 87 product and brand decisions.

Subrahmanyam et al. (1982) found that the housewife played a vital role in taking purchasing decisions for groceries. The survey also showed that shopping for groceries is an activity of housewife alone.

VI. SHOPPING BEHAVIOUR

Shopping behaviour is a very important aspect of buying process and deserves a separate treatment. The term "shopping behaviour" includes all consumer interactions with retailers with respect to (1) obtaining information about available alternatives, their characteristics, and transaction details such as services provided by the retailer; and (2) actually acquiring goods and services (Granbois, 1977, p.259).

What type of stores consumers prefer to shop in? How do consumers choose stores in which to shop? Do consumers
buy from a particular store or from different stores? How do consumers react when the brand they prefer is not available? At what frequency consumers visit a store? These are the questions which must be answered to understand shopping behaviour.

Shopping behaviour studies have yet to become an attraction for researchers in India although their various aspects have been the subject of intense exploration and analysis in other countries. The related studies to some aspects of shopping behaviour are reviewed below:

McDermott (1936) conducted a survey of customer reactions to buying at departmental stores in the city of Chicago. On the basis of interviews with 6,334 housewives, it was found that people preferred one store over another because of price, convenience, service, quality of goods, attitude of clerks, brands, selection goods and credit.

By interviewing a random sample of 2,800 consumers in New York, Bader (1939) found that in case of foodstuffs consumers were more inclined to buy foodstuffs from independent food stores. The reasons for favouring various types of stores were the location of store, as most important, with price as the second important factor, and personal attention third. Consumers were found to offer resistance to price fixed items.

Bennett (1944) attempted a study to ascertain what determines trends in out-of-town buying habits of
consumers of Laurel, Maryland, a town located midway between Washington and Baltimore, two large cities of about the same size. Personal interviews were obtained from 240 housewives. The most important reason among those who chose Baltimore was shown to be the habit, and greater familiarity with the city followed by price. Those who chose Washington gave habit and more familiarity with the city, and convenience for shopping as the important reasons for shopping there.

Heidingsfield (1949) studied the factors which motivate customers to purchase from a particular store, by interviewing 500 families living within Philadelphia city limits. The nature of the merchandise was found to be the principal reason for preferring a particular store followed by prices, convenient location and service.

By considering a sample of 124 adult female residents of the area surrounding the business district on Chicago's Northwest side, Stone (1954) found that only 33 per cent of consumers were economical, that is, they appraised the store merchandise in terms of price, quality, variety, efficient distribution. The remaining two-thirds selected stores for other reasons including 17 per cent that shopped at the most convenient place to minimise the shopping task.

Tate (1961) analysed data collected by the Market Research Corporation of America for 1959 and found that
10 per cent of the reporting families visited only one store, and 16 per cent visited two stores during the year. 33 per cent visited five or more stores. He also found that the amount spent in a store was closely related to how often it was visited.

Cunningham (1961) studied the food purchasing records of 50 families selected from the Chicago Tribune Panel for seven product categories. He found no significant relations between store and brand loyalty; and that more store loyalty was generated towards chain stores than towards speciality stores or independents.

Peckham (1963) analysed the shopping behaviour of 1,173 supermarket shoppers outside supermarkets selected from the Nielsen Food Index Cross-Section of grocery stores, for 15 different product classifications such as margarine, instant coffee, ready to eat cereals, etc. It was found that 18 per cent of the shoppers were male, a little less than 1/3 of all shoppers shopped once a week, about 1/3 shopped twice a week, and a little more than 1/3 shopped three or more times a week. In case of the non-availability of a preferred brand, 58 per cent shoppers were found to buy a substitute brand and 42 per cent did not buy.

Wells and LoSciuto (1966) studied the supermarket behaviour of 1500 families. They estimated that for consumers approaching the cereal, candy and detergent
counters, 30, 18 and 12 per cent respectively, appeared to have no clear intention to purchase specific brands but, nonetheless, made a purchase. They further observed that 22 per cent of cereal and detergent buyers spent considerable time inspecting packages. These findings suggest that considerable in-store-information processing occurs.

Thompson (1967) in research on 144 Worcester, Massachusetts, shoppers discovered three distinct shopping strategies in terms of the number of stores visited per shopping trip. It was found that 54 per cent of the respondents did their weekly shopping at one store only, while 37 per cent visited two or more stores and 9 per cent shopped around extensively, for specials with little consistent pattern. No correlates of these patterns were presented. Price and quality were more important than nearby location as patronage motives.

Goodman (1968) conducted a survey of food purchasing practices of 520 residents of low income area in Philadelphia and also studied food prices prevailing in 12 stores used by these consumers. Respondents were asked about their major stores, and other stores patronised, to determine their perceptions of store services, quality, and prices. Prices of 72 items from super markets, medium sized independents, and small independents were collected from stores within the survey area, stores in a band
one-half mile out from the area, and stores over one-half mile from the area. Despite the large number of small stores within the area, 92 per cent of the respondents were found to go outside their immediate vicinity for their principal food shopping. With few exceptions, they go to super markets (81%) or to competitively priced, moderately-sized stores (8%). The second store chosen is more likely to be another super market or competitively priced independent shops outside the residence area than a local convenience store, price, quality and location were the reasons most frequently stated for patronizing a particular store. It was concluded that shoppers' perceptions of the relative levels of prices are generally good, not only as between stores of different types but also as among stores of a given type.

Rao (1969) analysed three year period (1960-62) purchase histories of housewives from the Chicago Tribune diary panel for three consumer products - toothpaste, a paper product, and coffee. In this study, he emphasized the inter-relationships among the various selected elements of the consumer's purchase decision, store visited, brand purchased and the size of purchase. The two main components of store effect are found to be availability of the brand and the in-store promotional environment of the brand. It was also found that store switching increases brand switching.
Frank, Massy and Lodahl (1969) analysed the purchasing behaviour for three frequently purchased grocery products - beer, coffee and tea by using J. Walter Thompson Consumer Panel data from July 1956 to June 1957. It was found that market size and income were associated with low store loyalties, and husband's endurance score was strongly and consistently related to high store loyalty.

Skinner (1969) identified that defined the basic consumer motives in selecting a supermarket for food industry. A random sample of 300 consumers from the north-centre part of Franklin county (Columbus), Ohio, was selected. The internal (within the store) factors which influence the consumers in store selection were identified as: a pleasant shopping experience, prices, convenience. Similarly, external (outside the store) factors, such as, advertising location, near other services, and social influences were identified in influencing the store selection.

Carman (1970) studied a relationship between personal characteristics, the shopping process, and loyalty for regular ground coffee, canned fruit and frozen orange juice. Using the data from the Berkeley Food Panel, it was concluded that store loyalty is the most important predictor of brand loyalty; and, personal characteristics of consumers will explain differences in store loyalty.
Seggev (1970), by using the records of the Chicago Tribune Panel for 1960-61 in nine product categories, including cooking oils, margarine, frozen fish sticks and frozen vegetables, found that consumer usually shopped at more than one store, but between 52 per cent and 74 per cent of households were seen to have non-stable store assortments, that is, the stores at which they shop vary significantly among the five time-periods studied. It was also found that the households that have stable brand assortments also have stable store assortments of relatively small size. Moreover, the larger the size of the brand assortment, the larger the number of stores shopped. Stability of price assortment was found to be associated with shopping at few stores in all product categories.

Enis and Paul (1970) explored correlates of food shopping loyalty among 108 panel members in a small city, based on a percentage index composed of a geometric mean of percentage of purchases in a store, the number of stores patronized, and the number of switches or changes in a favourite store during the survey period. No association, was found between loyalty and spending patterns and it was concluded that the more loyal consumers allocated much larger percentages of their budgets to their first choice stores than did less loyal consumers; stores with the largest number of loyal customers have the largest market share; and the loyal customers are no more expensive to
serve than less loyal customers. The consumers' level of educational attainment and the occupation of the head of the consumer's household were significantly related to degree of store loyalty exhibited. Degree of loyalty exhibited was independent of the consumer's stage in family life cycle, religious preference, total annual household income, number of automobiles owned, and number of inter/city relocations of the household in the last ten years.

Dixon and McLaughlin, Jr. (1971) studied the shopping behaviour of 39 families, 21 Negro and 18 Puerto Rican, resided in the Spring Garden section of North Philadelphia. About 95 per cent of the food shopping trips reported, involved walking to neighbourhood stores. Shopping convenience, availability of credit, delivery service were found to be some of the reasons for store preferences. It was concluded that cultural and behavioural variables within a low-income group may contribute significantly to shopping behaviour and, therefore, to prices actually paid.

Dardis and Sandler (1971) studied the shopping behaviour patterns of 1,131 store entrants of a discount store in a New York state college. Lower prices, convenient hours and parking facilities were found to be the main reasons for store patronage. The type of the stores which customers mentioned for patronization were national chain department store (75%), independent department store (58%),
variety stores (50%), specialty stores (47%), and other discount stores (47%).

Aaker and Jones (1971) found that the linear learning model was viable in representing store choice for paper products, toothpaste and coffee purchases of Chicago Tribune Panel members.

Using an entropy measure of multistore food shopping based on both the number of different stores and the distribution of expenditures among stores, Prasad (1972) found life-cycle stage and multiple-auto availability to be significant correlates in a study of 335 Lansing, Michigan, households. Homemakers over age 35 with no children or preschool children and families with three or more cars were highest on the multistore shopping measure. Families who had higher food budgets, made more frequent shopping trips, spent more time in grocery stores per week, and combined 'non-food' and 'food' purchasing on food shopping trips were significantly higher in multistore food shopping

Lessig (1973) tried to determine whether an association of potential predictive value existed between the images which consumers have of retail stores and their store loyalties. By analysing the data from a panel of 91 households conducted over a fifteen-week period in Berkeley, California, he showed that loyalty to certain stores appeared to be related negatively to patronage of others, and, similarly, loyalty to a store was related not only to its image but to the image of other stores as well.
Kunreuther (1973) measured the relative importance of store and size effects on purchasing decisions, by interviewing 78 low-income and 81 middle-income households in New Haven, Connecticut. He compared the prices charged by 11 chain and large independent stores with 11 small neighbourhood stores for three to five package sizes for each of the eight food products. It was found that the low-income respondents were more likely than the middle-income ones to shop in a local store as their primary store (64 versus 14%), to visit their store on foot (42 versus 5%), and to travel a shorter distance (1.9 versus 3.6 miles, on the average). So the costs associated with travelling to and from a store played an important role in the selection of a store. Due to more stringent budget and storage constraints, the low-income family tends to purchase a smaller-size package than does a middle-income family.

Sitamber and Murli Manohar (1980) studied the shopping behaviour of 120 consumers of Warangal town. It was found that credit facilities, nearness of the store, quality supply and courteous and reasonable service, are the important reasons for store preference.

Subrahmanyam et al. (1982) found that a large number of respondents in Visakhapatnam city generally purchased the consumer products including groceries from
the private retail shops followed by super bazar and consumer co-operative stores. People preferred to buy from a single shop.

The foregoing review of existing literature on the subject reveals that though many researchers have directed their efforts to investigate the consumer behaviour related to the products of our study yet there has been no comprehensive study devoted to consumer behaviour and demand for milk products. At most, studies have been made on liquid milk and on examining the consumption pattern of 'food' and 'non-food' items as broad commodity groups, and that too not on the individual items of milk products separately. A few researchers in the past, however, have tried to study the consumption pattern of milk and its products taking them together but based on NSS data at the national and state level and not on the ultimate consumers of these products.

Milk products being unique component of diet and natural resources endowments differing widely between regions, a regional approach to consumer behaviour has great practical implications. Therefore, the study of consumer behaviour and demand for various milk products separately at regional level with different dimensions of consumer behaviour such as consumption pattern, consumer preference and motivation, buying process and shopping
would be of immense help for providing a realistic background to the marketers. Accordingly, the present study is an attempt to analyse the different dimensions of consumer behaviour for milk products in Chandigarh City.