Introduction, Design and Execution of the Study
CHAPTER I
INTRODUCTION, DESIGN AND EXECUTION
OF THE STUDY

INTRODUCTION

Marketing is an important functional area of business. It is one of the important live activities of a business organization. Marketing is a process or a system of business designed to plan, price, promote and distribute product and services to satisfy the wants of the present and potential consumers i.e. industrial users or ultimate consumers. The success of any firm is largely determined by its success in selling goods to larger group of people. In this context the importance of marketing function cannot be ignored.

"Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user."

- American Marketing Association.
The consumer market is the sum of all goods and services purchased in a given period by all the inhabitants of a given country or a section thereof the satisfaction of their consumption needs.

Consumer satisfaction is determined by the overall feelings or attitude a person has about a product after it has been purchased. Consumers are engaged in a constant process of evaluating the things they buy as these products are integrated into their daily consumption activities.

Consumer satisfaction depends on a product perceived performance in delivering value relative to a buyer's expectation. If the product's performance falls short of the customer's expectation, the buyer is satisfied. If performance matches expectations, the buyer is Satisfied customer makes repeat purchases and he or she tell others about his or her good experience with the product the key is to match customer expectation with company performance. Customer satisfaction is closely linked to quality. Quality has a direct impact on product performance and hence on consumer satisfaction.

Consumer's use a number of cues to, interrelate quality, including brand name, price and even their own estimates of how much money has been put into a new product's advertising campaign. A few alternative philosophies can guide organization in carrying out the marketing activities.

The product concept means that the consumers favour products that offer the most quality, performance and at reasonable price and therefore, the promotional effort is required.
The marketing concept holds that achieving organizational goods depends on determining the needs and wants of target markets and delivering the desired satisfaction more effectively and efficiently than competitors do.

**STATEMENT OF THE PROBLEM**

Milk and milk products are necessary for good health of the people from the infants to the old aged. Erode District Co-operative Milk Producers' Union Limited is supplying milk and milk products to the people in Erode District and other parts of Tamil Nadu. In this context a need arises for the study of consumers' satisfaction of milk supplied by the union in the brand name of Aavin.

In this genuine attempt the following questions arise,

1. What is organizational set-up of Erode District Co-Operative Milk Producers' Union Limited and its functioning?
2. How far the consumers are satisfied with the milk supplied by Erode District Co-Operative Milk Producers' Union Limited?
3. What are the factors influencing the respondents in buying the milk supplied by the Union?
SCOPE OF THE STUDY

The study mainly has elicited views from consumers about price, quality, package, availability, sales promotion and energy of Aavin milk and enabled to ascertain the respondents' level regarding the product. The study has been conducted among consumers at different places of Erode town where Aavin milk is marketed.

OBJECTIVES OF THE STUDY

The following were set as objectives of the study;

1. To study about the organizational set-up and amenities functioning of Erode District co-operative milk producers' Union Limited.
2. To give a profile of the respondents.
3. To analyze the major factors influencing the respondents in buying Aavin milk, and measure the satisfaction of the respondents in relation to the consumption of Aavin milk in Erode town.
4. To recapitulate the findings made from the study and offer valuable suggestions to improve the quality of the milk and milk products supplied by Aavin and its functioning.
RESEARCH METHODOLOGY

Methodology is a way to systematically solve a research problem. It explains the various steps that are generally adopted by a researcher to solve a research problem.

RESEARCH DESIGN

A research design is purely and simply a basic framework or plan for a study that guides the collection of data & analysis of the data. In this study we have adopted descriptive research design in collecting and analyzing the data.

DESCRIPTIVE RESEARCH DESIGN

Descriptive research design is one that simply describes something such as demographic characteristic of respondents who use the product and also how two variables vary with each other. The descriptive study is typically concerned with determining the frequency with which something occurs. The study is typically guided by an initial hypothesis.

PERIOD OF STUDY

For the purpose of study only 3 months viz., August, September and October in the year 2005 alone were considered.

DATA SOURCE

Both the primary and secondary sources of data were employed for the study.
i) PRIMARY DATA

Primary data were collected with the help of questionnaire cum schedule, in which the researcher had taken down the answers given by consumers. The questions are structured and undisguised.

ii) SECONDARY DATA

Secondary data were collected from the company booklets and other books with regard to this study.

iii) SAMPLING TECHNIQUE

A selection of 200 consumers was made for collecting primary data using judgment sampling. In this method of sampling the choice of sample items depends exclusively on the judgment of the investigator. In other words, the investigator exercises his judgment in the choice and includes those items in the sample which he thinks are most typical of the universe with regard to the characteristics under investigation.

TOOLS OF ANALYSIS

i) Percentage method

Percentage refers to a special kind of ratio. Percentages are used in making comparison between two or more series of data. Percentages are used to describe relationship, since the percentage reduces everything to a common base and thereby allows meaningful comparisons to be made.
ii) Chi-square test

Chi-square ($\chi^2$) describes the magnitude of discrepancy between theory and observation that is with the help of ($\chi^2$) test we are in a position to know whether a given discrepancy between theory and observation may be attributed to change its result from inadequacy of the theory to fix the observed fact.

HYPOTHESES

The following are the hypotheses set and tested using chi-square test for the study.

Age and level of satisfaction

$H_0$ : There is no significant relationship between the respondent's age and satisfaction regarding Aavin Milk.

Gender and level of Satisfaction

$H_0$ : There is no significant relationship between the respondents's gender and satisfaction regarding Aavin milk.

Level of Education and Level of Satisfaction

$H_0$ : There is no significant relationship between the respondents's level of education and satisfaction regarding Aavin milk.

Occupation and Level of Satisfaction

$H_0$ : There is no significant relationship between the respondents's occupation and satisfaction regarding Aavin milk.
Marital Status and Level of Satisfaction
Ho : There is no significant relationship between the respondents's marital status and satisfaction regarding Aavin milk.

Size of Family and Level of Satisfaction
Ho : There is no significant relationship between the respondents's family size and satisfaction regarding Aavin milk.

Family Monthly Income and Level of Satisfaction
Ho : There is no significant relationship between the respondents's family monthly income and satisfaction regarding Aavin milk.

Daily Purchase of Aavin Milk and Level of Satisfaction
Ho : There is no significant relationship between the respondents's daily purchase of Aavin milk and satisfaction regarding Aavin milk.

Duration of Buying Aavin Milk and Level of Satisfaction
Ho : There is no significant relationship between the respondents's duration of buying Aavin milk and satisfaction regarding Aavin milk.

Sources of Buying Aavin Milk and Level of Satisfaction
Ho : There is no significant relationship between the respondents's source of buying and satisfaction regarding Aavin milk.
Type of Aavin Milk Purchased and Level of Satisfaction

Ho : There is no significant relationship between the type of Aavin milk purchased by the respondents and their satisfaction regarding Aavin milk.

Time of Availability of Aavin Milk and Level of Satisfaction

Ho : There is no significant relationship between the time of availability of Aavin milk to the respondents and their satisfaction regarding Aavin milk.

Motivating Factors to Buy Milk and Level of Satisfaction

Ho : There is no significant relationship between the respondents' motivating factors to purchase Aavin milk and their satisfaction regarding Aavin milk.

Purpose of Using Aavin Milk and Level of Satisfaction

Ho : There is no significant relationship between the respondents' Purpose of Using Aavin milk and satisfaction regarding Aavin milk.

Reason for Buying Aavin Milk and Level of Satisfaction

Ho : There is no significant relationship between the respondents' reason for buying Aavin milk satisfaction regarding Aavin milk.
LIMITATIONS OF THE STUDY

- The observation may not be applicable to the areas other than the surveyed field.

- The accuracy of the figures and data is subject to the respondent's view.

- Owing to short period of 3 months and limited resources available, the study has been limited to surveying only 200 respondents.

- The number of questions to the respondents on account of constraints of time.
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