CHAPTER - IX

SUMMARY OF CONCLUSIONS AND SUGGESTIONS
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9.1. Agriculture had been a primary source of livelihood for majority of the people in India. The growth of agriculture products gives the greatest hope for improving the living standard of people. The development of agriculture plays a major role in the Indian economy. The growth of this sector totally depend on the quality of inputs and the subsidy offered by the government. Since the land available is limited, the only way out to improve is by quality inputs.

Fertilizer is the major input of the agriculture related outputs. The green revolution has boosted the increased use of fertilizer 33 times more than what it was in 1950-51. This has brought a considerable increase in the growth of fertilizer industries and also competition in the market. Thus marketing of fertilizer needed research studies for the promotion of their product. In this, the fertilizer and allied industries have several agencies in conducting research on the marketing of their brands. Since, marketing depends on the behaviour of the consumers, this study was initiated to know the causes which make the respondents to always prefer a particular brand for their use. With this in mind, the study has been
undertaken in Kanyakumari and Tirunelveli districts, on a comparative basis, under the title, “Brand Loyalty for Fertilizers – A Comparative study of Kanyakumari and Tirunelveli districts”.

The present study has been undertaken in Kanyakumari and Tirunelveli districts with the following specific objectives.

1. To analyse the fertilizer brand preference of farmers and dealers.
2. To identify the factors influencing the preference for the use of a particular brand.
3. To study the effectiveness of promotional activities carried out by the manufactures for their different brands.

Tirunelveli and Kanyakumari districts have been purposely selected, because of the familiarity of the researcher with the area. Prior knowledge revealed that there had been continuous use of chemical fertilizer in these districts. In each district 50 farmers and 50 dealers have been chosen and the total sample comes to 200. Pilot study conducted to test the validity of the questionnaires and accordingly, modifications have been made after the pilot study.
Two types of schedules have been prepared, one for the dealers and another one for the farmers. The data has been collected directly by the researcher by visiting to the individual shops of the dealers and also to the farmers. After creating proper rapport, the questionnaire was administered. The data collected have been checked every day, tabulated entered in the computer, for analysis.

9.2. Summary of Conclusion

Profile characters of the respondents and dealers have been analysed separately. Except on the personal characters like age, education, and family background, the respondents in Tirunelveli and Kanyakumari district have expressed identical views in all the factors involving various aspects of the fertilizers, namely, reasons for choosing branded fertilizers; sources of information about the brand loyalty towards dealer; and loyalty towards brand.

The use of Kendall’s coefficient of concordance, has shown that the farmers on the whole have almost identical view with respect to the reasons for dealer preference and brand preference.
Profile characteristics of the dealers in both the districts analysed and not much of difference is observed in any of the factors, except in the ‘years of experience’.

Linear multiple regression has been used to find the cause and effect relationship of brand loyalty with: price, quality of the product, amount spent on advertisement, average number of contacts with the peer group and good package. Separate equations estimated by using the method of ordinary least squares (OLS) and the results are identical in both the districts.

In both the districts, the quality of the product comes as the primary cause, good package as the second and amount spent on advertisement being the last. However, average number of contacts with the peer group, exerts no impact on brand loyalty. Immediacy of returns seems to be the major factor for majority of the respondents in Tirunelveli district but at the same time, easy availability seems to be the criteria for majority of the respondents in Kanyakumari district.

The details regarding the reasons for choosing branded fertilizers: in Tirunelveli district, majority (40 percent) have quoted immediate effect
on the soil as a reason, 32 percent have expressed easy availability as the reason, 20 percent have expressed quality as the reason and 8 percent have felt the packing as the reason. In Kanyakumari district majority 40 percent have stated the easy availability as the reason, 28 percent expressed the quality, 24 percent expressed the immediate effect on the soil and 8 percent have felt the packing as the reasons.

The different sources from where the respondents had information about the Brands of their preference reveal that in both the districts, the majority have had the brand information through mass media. Next to this is, the neighbour source which includes friends. Dealers come in the third place. Thus, the best sources for brand information is the mass media.

It has been observed in both the districts that reasoning for customer preference for certain dealer is almost identical and majority have given more weightage to the quality of the fertilizer, next comes the price, third comes credit and none is influenced by the pear group. It is also interesting to note that discount and subsidy have not attracted anybody in the case of fertilizer demand.
One of the main objective of the study is the identification of factors influencing the preference of farmers. In this the researcher has included the reasons stated in the earlier studies and also some extra criteria which the researcher has gathered during the pilot study. They are:

1. Price
2. Package
3. Quality
4. Efficiency
5. Influence of Advertisement
6. Peer group influence
7. Availability

The result reveals that as in the case of dealer preference, here also in both the districts, the majority of the farmers have given priority to quality (33%). The second priority goes in favour of the ready availability and third the package. Thus, the result combined with the earlier reason for dealer preference reveals that whether it is the choice for the dealer or that for the fertilizer, majority of the respondents are for the quality first, the availability as the second and third comes the packages.
In order to know the real situation, Kendall’s coefficient of concordance was used to test the consistency or otherwise of the respondents towards dealer preference and brand preference on a district wise basis. The respondents were asked to rank reasons for dealer preference in terms of availability of preferred brand, technical guidance from him, price of the product, availability of credit, quality of product, peer group influence, discount and subsidy. The ranks given by the respondents in Kanyakumari and Tirunelveli district were analysed separately. Since there were no ties in the ranks, directly the concordance was calculated. The calculated value of concordance for Tirunelveli district is 0.483 and in the case of Kanyakumari district it is 0.591. Both of them are significant at one percent level of probability indicating that the respondents choice of preference is almost identical in both the districts.

In the case of respondent’s reasons for the preference of a particular brand also, the respondents were asked to rank their preferences separately on a district wise basis. The ranks given were subjected to Kendall’s co-efficient of concordance. The concordance is \( w = 0.562 \) for Tirunelveli district and it is \( w = 0.399 \) for Kanyakumari
district. In both the cases, the concordance is significant at one percent level of probability indicating the fact that in the case of brand preference also the reasons given by majority of the respondents are almost identical in both the districts. This disproves the first hypothesis that "the farmers behaviour is not consistent".

The study shows that the education level of the fertilizer dealers in Tirunelveli district is more than the average level of education of the farmers. The fact behind this is that, mostly in Tirunelveli district people belonging to the affluent family alone come for business after school education. The average education level of the dealers in Kanyakumari district is 12.43 with a standard deviation of 3.14 units. This shows that though in comparison with Tirunelveli district, the Kanyakumari district dealers are more educated than their counterparts in Tirunelveli district, it is below the level of the education of the consumers in the Kanyakumari district. This might probably be due to the fact that in Kanyakumari district, the fertilizer dealership had been maintained by rich people. Rich people in the Kanyakumari district do not care much for education when they have other source of income, which leads to the low level of education of the dealers in the Kanyakumari district.
Experience is conceived as the total number of years in which a particular dealer had been involved in the business. The average number of years of experience for the Tirunelveli dealers is 9.43 with a standard deviation of 2.71 years and in the case of the Kanyakumari district it is 13.11 years. The result shows that on an average, the dealers in Kanyakumari district had more experience than their counterpart in the Tirunelveli district. This might probably be due to the fact that in Kanyakumari district most of the dealers are in this profession for the second generation.

Since all the employees are employed on full time basis, there is no need to classify them into part time and full time employees. The average number of employees is almost equal in both the districts. In Tirunelveli district, the average comes to 2.3 with a standard deviation 1.3 whereas in Kanyakumari district it is 2.1 with a standard deviation of 1.28 units.

The major brand stocked by the dealers in Tirunelveli district are: SPIC, FACT, VIJAY, PARRY, IMFL, IPL and STANES and that in Kanyakumari district are: SPIC, FACT, VIJAY, PARRY, STANES, IPL, MFL and KOTHARI.
As far as the average sales per year in different brands are concerned, there is difference between the districts. The low average of sales in Kanyakumari district is due to: the low level of cultivation adopted in this district; and also the use of farm yard manure.

The different factors responsible for the loyalty towards a particular brand are: price per bag, quality of the product, amount spent on advertisement, average number of contacts with the peer group and good package. These variables were regressed on the brand loyalty.

The results relating to Tirunelveli district reveal that the variables, “amount spent on advertisement” and “contact with peer group”, have no effect on brand loyalty. The above two variables form part of the promotional activities undertaken by the producers and dealers. The result shows that the promotional activity had no impact on brand loyalty. In the same analysis, the variables: price per bag, quality of the product, and good package, have positive effect on the brand loyalty. That is, the farmers do not care the price increases, if the quality is good. The attraction towards good package is due to the fact that when the package is perfect, the loss will be minimum.
The same type of analysis with the same set of variables, carried out among the respondents of the Kanyakumari district shows that, the amount spent on advertisement has positive impact on brand loyalty. This shows that though the respondents of Tirunelveli district show loyalty through experience in the usage of a particular brand, it is the reverse in Kanyakumari and that they take the advertisement also as a cause for their loyalty towards a particular brand. This is due to the fact that Kanyakumari district people, in general, are more advertisement based even for small items. As in the case of Tirunelveli district, in Kanyakumari also, the peer group has no impact on brand loyalty. However they are consistent with the Tirunelveli farmers in choosing the quality product with good package irrespective of the price. Thus, the promotional activities taken by the dealers have positive impact with farmers of Kanyakumari district and no impact with the farmers of Tirunelveli district. On the whole, the farmers of the two districts are not consistent in their behaviour towards brand loyalty.

9.3. Suggestions for Improvement

Based on the study, analysis and other relevant matters, the researcher made the following suggestions. They are:
1. The manufacturers of different fertilizers should concentrate on the improvement of the quality of the fertilizers; that is, they must be in a position to sell the fertilizers according to the nature of the soil and its improvement in the production and productivity of the different crops cultivated by the farmers.

2. Since the farmers prefer good package for loyalty, the research and development department of the companies should try to develop different package practices which will convince the farmers in the selection of specified brands;

3. Adoption of newer and newer advertisement strategies to attract the attention of the consumers may be practised;

4. To encourage repeat purchase, advertisement before and after the sale is critical; In addition to creating awareness and promoting initial purchases, advertising, shapes and reinforces consumer attitudes, so these attitudes mature into beliefs, which need to be reinforced until they develop loyalty. It is easier to reinforce behaviours than to change and the sale is just the beginning of an opportunity to turn the purchaser in to a loyalist.
5. Develop an unbeatable product; That is, if the producer want to keep customers then make sure that they can get what they want from the product.

6. Give customers an incentive to repeat purchase. This can be done either by giving a chance for them to win a prize, or a gift with a certain number of proofs of purchase or through pack discount coupon and the like.

7. The customers must be made to stand behind this product. That is, if the customers don’t trust this product, they won’t purchase it again.

8. The producer must know the true customers and treat them well since eighty percent of the sales of any product, will be from the top twenty percent customers.

9. Make it easier to buy the brand from the competing brands. The ready availability and simplicity are the keys in today’s high-speed world.
10. Go to your customer. That is bring the product to customers when possible.

11. Become a customer service champion – That is see to serve the customer and they will repeat purchase – again and again.

In order to create and maintain Brand Loyalty, consumers must like the product. In order to convert occasional purchasers into brand loyalists, habits must be reinforced. Consumers must be reminded of the value of their purchase and encouraged to continue purchasing the product in the future.

If the above points are taken care of, then the company can hold the loyalists in its fold, and can expect development and growth substantially.