

# A STUDY ON CUSTOMER SATISFACTION TOWARDS HORLICKS WITH SPECIAL REFERENCE TO UDUMALPET TALUK

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## 1. Introduction

Consumer is the king in modern marketing world. Consumer behaviour and attitude helps to determine effective technique and strategies by the marketers for attaining great competition advantage in the market. Consumer behaviourable changes make “Yesterday’s luxuries are today’s necessities”. In the modern and competitive world people must do heavy work both mentally and physically to survive successfully. So that they required more energy and stamina for that they want nutritious and health drinks. Health is man’s precious possession. It influences all his activities and shapes his destiny. An understanding of health is the basis of all health care. Health is wealth. This indicates the importance of health.

Indian health drinks market is one of the fastest growing markets in the world. India has the second largest population in the world, with diversified food habits. Such a vast population and diverse eating habits make India one of the most attractive retail destinations across the globe. Increasing purchasing power, changing lifestyle, growing nuclear families and influence of western culture are the key drivers of the Indian food and drinks market. Universally, in bringing up their children, mothers attach a lot of emotional importance to nourishment. There is an ever-growing need for nourishment and energy in today’s fast-paced world.

The need for nutritional supplementation is all the more relevant for kids. Coupled with the fact that kids love the delicious taste of these drinks, once they have tried them, lies the basic tale of milk additives and the growth and development of the Health Food Drink (HFD) category.

## 2. Objectives of the study

- [1] To study awareness and availability of various brands of Horlicks health drinks in Udumalpet.
- [2] To find out market share of Horlicks in Udumalpet.
- [3] To study the level of satisfaction of Horlicks.
- [4] To find out the factors affecting the purchase behavior of Horlicks.
- [5] To find out truth about their ingredient in Horlicks.

## 3. Scope of the study

This study has aim to find out the consumer satisfaction over the Horlicks health drinks in Udumalpet Town. Many factors are responsible to decide the consumer satisfaction over the health drinks. There are various influencing factors such as economic background of the user, cultural background, peer ground influences and marketing promotional activities for any people to select their Health Drinks. This study is attempted

to analyze the consumer satisfaction criteria over the health drinks. The price of the product, packaging and style, promotional factors, and hygiene or taste, is analyzed to find out the consumer satisfaction over the health drinks in Udumalpet town.

- [1] To find the relationship between the quality of the product and its brand name.
- [2] The study will be useful for the company to make necessary changes in the innovative creations of overall quality.
- [3] To find how far people are aware and attracted towards the brand name of particular product.
- [4] The study helps to find impact of the brand names among customers with reference to Horlicks Health Drink.
- [5] The study also gives an idea about the competitions market share and the action to be taken for improving the market share.

#### **4. Statement of the problem**

Goods are produced for the purpose of consumption. The further of marketing organization depends on the foundation of the consumer preference. The aim of marketing is to meet and satisfy consumer's needs and wants, perceptions, preferences and shopping and buying behavior. But knowing consumer is not simple. Consumer may state their needs and wants but act otherwise. Consumer's preference varies from brand to brand on the basis of quality, price advertisement etc., Consumer's preference also varies with their income, age, sex or other characteristics. Various brands of health drinks are available in the study area. The study covers all type of Horlicks health drinks. This research work has been carried out to know why the Horlicks health drinks are needed and what nutritional values are included.

#### **5. Research Methodology**

Research design is arrangement of condition of collection and analysis of data in a manner that companies relevance of data to be collected. The sample to be selected in a manner in which the data so collected is to be organized. It constitutes the main body of the research design. The present study conducted through a survey method using a well-formed and framed questionnaire. Research design is the plan and structure of investigation so conceived as to obtain answers to research question.

##### **Descriptive Research**

Descriptive research includes surveys and fact-finding enquiries of different kinds. The major purpose of descriptive research is description of these state affairs as it exists at present. In social science and business research we quite often use the term Ex post facto research for descriptive research studies. The main characteristic of this method is that the researcher has no control over the variables; he can only report what has happened or what is happening. Most ex post facto research projects are used for descriptive studies in which the researcher seeks to measure such items as, for example, frequency of shopping, preferences of people, or similar data.

##### **Sample size**

- The sample size selected for this survey is 200.
- This sample size is selected on the basis of convenience to administer and by way of judgment. Sample sizes selected in this project are the people of Salem. A large sample size would have been unmanageable in terms of time and cost.

- Sample size means how many people should be surveyed. Large sample size gives more reliable results than small one. Sampling is the method and selecting sample for studying the position of universe in total.

### **Data collection method**

#### **Primary data**

Collect primary data during the course of doing experiments in a n experimental research but in case we do research of the descriptive type and perform surveys, whether sample surveys or census surveys, then we can obtain primary data either through observation or through direct communication with respondents in one form or another or through personal interviews.

#### **Secondary data**

Secondary data means data that are already available i.e., they refer to the data which have already been collected and analysed by someone else. When the researcher utilizes secondary data, then he has to look into various sources from where he can obtain them. In this case he is certainly not confronted with the problems that are usually associated with the collection of original data. Secondary data may either be published data or unpublished data.

### **Data collection method**

The data collection method is given questionnaire to the respondents.

#### **Tools used**

Percentage analysis and chi-square test were used to analyze the data.

#### **Percentage analysis**

Place percentage analysis is an Analysis done with the statistical data collected. This analysis is done to find out the percentage value (True value).

The formula for the percentage value is

$$\text{Percentage Analysis} = (\text{No. of respondents}/200)*100$$

#### **Chi-square test**

The chi-square test is an important test amongst the several tests of significance developed by statisticians. Chi-square symbolically written as  $\chi^2$  (Pronounced as Chi-square), is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. As a non-parametric” test, it “can be used to determine if categorical data shows dependency or the two classifications are independent. In can also be used to make comparisons between theoretical populations and actual data when categories are used.” Thus, the chi-square test is applicable in large number of problems. The test is, in fact, a technique through the use of which it is possible or all researchers to (i) test the goodness of fit; (ii) test the significance of associated between two attributes, and (iii) test the homogeneity or the significance of population variance.

## 6. Limitation of The Study

- [1] The study was conducted under of assumption that the information given why the respondents are authentic.
- [2] The duration of time period is very short.
- [3] The survey was limited to Udumalpet Town.
- [4] Findings are based on the views expressed by the consumer. So it may suffer from based prejudices.
- [5] The respondents were reluctant to answer due to their busy schedule.
- [6] Some of the respondents were not co-operative & many seem to be having no interest.

## 7. Review of Literature

Majumadar Nanda (1998)<sup>3</sup> conducted a study to assess the value perception of health drinks. The revealed that consuming the company retains their manufacturing capabilities, their brands and their distribution network would be attractive for many a transitional. The author found despite the initial enthusiasm the companies gamble could back fire. It is also highlighted that the benchmark even of it is more than double the existing price remains artificial. Sachilanand. N (1999)<sup>4</sup> studied the Indian brands of consumer nourishment drinks and underlined that since the start of this decade the consumer health drinks in India has been on a seller coaster ride. He put forth that not only are the major Indian payers confident of meeting the multinational challenge but they are also gearing up to become a global players themselves. According to (Galguera et al.(2006) and Quinn et al. (2007)<sup>8</sup> collecting information related to attitude, motivation and behaviour of the consumers of the students who consuming the Horlicks drinks will enhance to get an understanding on consumer behaviour marketing decision making. S.S. ShantaKumari and P.Kannan (2010)<sup>15</sup> focused on dissimilarity between rural and urban customer expectation and perceptions. Study concluded that rural and urban customers are different in perception, education, personality, buying habit, lifestyle, belief, attitude, occupation and income. Kwekchoonling, tanhoipiew and lau tech chai iJARS International Journal of Management & Corporate Affairs. Arun Kumar S.k. (2010)<sup>16</sup> in his study on “Brand preferences’ and consumer satisfaction towards health drinks – A study in Coimbatore city” concluded that majority of the respondents preferred by the brand of Horlicks, followed by Boost. The socio –economic factors like age. Gender, marital status, education, occupation, income, etc.do not influence the satisfaction of the customers.

### Chi-Square Analysis - 1

Null hypothesis H<sub>0</sub>: There is no relationship between usage of Horlicks and quantity of purchase in a month.

Alternative hypothesis H<sub>1</sub>: There is a relationship between usage of Horlicks and quantity of purchase in a month.

$$\text{Expected Frequency} = \frac{\text{Row Total} \times \text{Column Total}}{\text{Total Frequency}}$$

Usage Quantity	Once a day	Twice a day	Weekly	Occasionally	Total
250 gm	4	6	9	1	20
500 gm	20	30	4	2	56
1 kg	6	5	4	2	17
More than 1 kg	2	1	3	1	7
<b>Total</b>	<b>32</b>	<b>42</b>	<b>20</b>	<b>6</b>	<b>100</b>

$O_i$	$E_i$	$(O_i - E_i)^2$	$\frac{\Sigma(O_i - E_i)^2}{E_i}$
4	6.4	5.76	0.9
6	8.4	5.76	0.6857
9	4	25	6.25
1	1.2	0.04	0.0333
20	17.92	4.3264	0.2414
30	23.52	41.9904	1.7853
4	11.2	51.84	4.6285
2	3.36	1.8496	0.5504
6	5.44	0.3136	0.0576
5	7.14	4.5796	0.6414
4	3.4	0.36	0.1058
2	1.02	0.9604	0.9415
2	2.24	0.0576	0.0257
1	2.94	3.7636	1.2801
3	1.4	2.56	1.8285
1	0.42	0.3364	0.8009
		$\Sigma(O_i - E_i)^2$	$=20.7561$
			$E_i$

Table value:  $\chi^2 = (r-1)(c-1)$  d.f = (4-1)(4-1) d.f = (3)(3) d.f = 9 d.f = 16.919

Inference:  $\chi^2$  calculated value is  $>$   $\chi^2$  tabulated value. So we Rejected  $H_0$ .

$H_0$ : There is no relationship usage of Horlicks and purchase a quantity of product in a month.

**Chi-Square Analysis - 2**

Null Hypothesis (H0): There is no relationship between Opinion on Horlicks to factors affecting the purchase behavior of Horlicks.

Alternative Hypothesis (H1) There is a relationship between Opinion on Horlicks to factors affecting the purchase behavior of Horlicks.

<b>Opinion Factors</b>	<b>Good</b>	<b>Better</b>	<b>Best</b>	<b>Satisfactory</b>	<b>Total</b>
Price	11	5	1	4	<b>21</b>
Quantity	10	4	2	2	<b>18</b>
Taste	5	6	3	2	<b>16</b>
Availabi lity	9	8	3	3	<b>23</b>
Discounts	6	2	1	1	<b>10</b>
Free gifts	4	5	2	1	<b>12</b>
<b>Total</b>	<b>45</b>	<b>30</b>	<b>1 2</b>	<b>13</b>	<b>10 0</b>

<b>O<sub>i</sub></b>	<b>E<sub>i</sub></b>	<b><math>\frac{\Sigma (O_i - E_i)^2}{E_i}</math></b>
11	9.45	0.25
5	6.3	0.26
1	2.52	0.91
4	2.73	0.59
10	8.1	0.44
4	5.4	0.36
2	2.16	0.01
2	2.34	0.04
5	7.2	0.67
6	4.8	0.3
3	1.92	0.6
2	2.08	0.0003
9	10.35	0.176
8	6.9	0.175
3	2.76	0.02
3	2.99	0.000003
6	4.5	0.5
2	3	0.33

1	1.2	0.03
1	1.3	0.06
4	5.4	0.36
5	3.6	0.54
2	1.44	0.21
1	1.56	0.20
		$\frac{\sum(O_i - E_i)^2}{E_i} = 7.031303$

Table value:  $\chi^2 = (r-1)(c-1)$  d.f = (6-1)(4-1) d.f = (5)(3) d.f = 15 d.f = 24.9958

Inference:  $\chi^2$  calculated value is  $<$   $\chi^2$  tabulated value. So we Accepted  $H_0$ .

$H_0$ : Hence the result is there is no relationship between Opinion on Horlicks to factors affecting the purchase behavior of Horlicks.

## 8. Findings

- [1] 100% of the respondents are take a health drink.
- [2] 28% of the respondents are prefer Horlicks, 25% of the respondents are prefer Complian, 24% of the respondents are prefer, 20% of the respondents are prefer Bournvita, 3% of the respondents are prefer any other Health Drink.
- [3] 80% of the respondents aware Horlicks health drink, whereas 20% of the respondents are not aware of Horlicks.
- [4] 20% of the respondents prefer Horlicks classic malt, 4% of the respondents prefer Horlicks growth, 3% of the respondents prefer Horlicks protein, 7% of the respondents prefer Horlicks chocolate delight, 6% of the respondents prefer Horlicks kesar badam, 5% of the respondents prefer Horlicks lite, 15% of the respondents prefer Women's Horlicks, 2% of the respondents prefer Horlicks elaichi flavour, 3% of the respondents prefer Horlicks original malt, 18% of the respondents prefer Junior Horlicks, and 17% of the respondents prefer Mother's Horlicks.
- [5] 32% of the respondents are drink once in a day, 42% of the respondents are drink Twice in a day, 20% of the respondents are drink weekly one time, and 6% of the respondents are deink occasionally.
- [6] 20% of the respondents are purchase 250 Gm pack, 56% of the respondents are purchase 500 Gm pack, 17% of the respondents are purchase 1Kg pack, 7% of the respondents are purchase more than 1 kg.
- [7] 24% of the respondents are prefer cold drink, 63% of the respondents are prefer hot drink, and finally 13% of the respondents are prefer moderate.
- [8] 45% of the respondents say that Horlicks health drink is good, 30% of the respondent's opinion is better 12% of the respondent's opinion is best 13% of the respondent's opinion is satisfactory.
- [9] 11% of the respondents purchased Horlicks from retail shop, 33% of the respondents purchased Horlicks from shopping mall, 37% of the respondents purchased Horlicks from Departmental store and 19% of the respondents purchased Horlicks from others.
- [10] 34% of the respondents are taking health drink from the age of below 3, 42% of the respondents are taking health drink from the age of 3-5, 14% of the respondents are taking health drink from the age of 5-10, 10% of the respondents are taking health drink from the age of above 10.

- [11] 80% of the respondents say regularly the Horlicks is available in the market, 12% of the respondents say that the availability of Horlicks is irregular, and 8% of the respondents say that Horlicks is not available at all.
- [12] 33% of the respondents say that the Television is the source to know about the product, 24% of the respondents say newspaper is the source to know about the product, 15% of the respondents say magazine is the source to know about the product, 13% of the respondents say family and friends are the source to know about the product, 5% of the respondent say that any other source is available to know about product.
- [13] 37% of the respondents opinion is good for the advertisement of the product, 23% of the respondents opinion is better for the advertisement of the product, 24% of the respondents opinion is best for the advertisement of the product, and 16% of the respondents opinion is satisfactory for the advertisement of the product.
- [14] 25% of the respondents use Horlicks product 1 tea-spoon in a day, 47% of the respondents use Horlicks products 2 tea-spoon in a day, 18% of the respondents use Horlicks products 3 tea-spoon in a day, and 10% of the respondents use Horlicks product more than 3 tea spoon in day.
- [15] 45% of the respondents want to change their present brand, whereas 55% of the respondents not to change their present product.

## 9. Suggestions

Based on the findings given above, the following suggestions are provided for the manufacturers and marketers of the Horlicks. As the health drinks have perceived nutrition and energy suppliers, the manufactures have to concentrate on the energy needs and requirements of different age groups and try to prepare formulation suitable for each of them. As the study is made in town area, consumers are made available with lot of brands. The literacy rate of the people and the adverse reach of media have created awareness among the rural people about their health issues. Therefore the manufactures should make sure that all kinds of brands of health drinks are made available for consumption. Affordability should also be considered by the manufacturers while fixing the price for the products as people in rural areas hesitate to buy for a high price.

So few consumers prepare their own traditional home made nutritional health drinks. Government can take necessary steps to make available all the health drinks in the ration shops of the rural areas at reasonable prices As the consumption rate of Boost, Complan and Bournvits is very low when compared to Horlicks. In the study area, sales promotion strategies like more advertisements, discount offers, compliments can be offered by the manufacturers to increase their turnover. So manufacturers and marketers should follow ethics in marketing their products by avoiding offering of expired goods to the consumers as most of the health drinks are consumed by children.

Formulated health drinks like Pedia sure, B-Protein, Protinex are favoured by the doctors because of their nutritious value. Same kind of approach should be adopted by all the companies to produce similar value food so that there would be perfect competition in market and this will give benefit to consumers resultant low price of the product. Special types of cans should be designed for awareness of malted health food drinks and it should be available on each and every shop just like cold drinks are available in market. There was remark from Former President of United State that Indian eats more and waste the food also. People should be literate through companies by literature and promotional activities that for healthy life eat less but with full of nutrition. Companies should give more attention on creating awareness among old age persons also. Old age personal's have high requirements of calcium, vitamins and minerals because at this stage body stamina becomes down, digestion power of the body become weak and bones are become weak so instead of taking high cost medicines and other remedies they

should take such kind of malted health food drink which overcome all these problems. Many consumers are not buying malted health food drinks because of its cost. Sometimes it gives big impact on their kitchen budget and they dropped the idea of buying so it is suggested to the companies to reduce the price of malted health food drink products. The study shows that Horlicks have the highest brand preference market in Udumalpet city. It is clear from the data analysis that Horlicks is the favorite health food drink among consumers because of taste and flavor it has. Study also favored the liking of respondents for taste, colour and flavor, which will help other companies to produce the goods as per the emotional and experiential feelings. The study shows that advertisements, price, quantity, taste, availability and flavor are the major factor responsible for the success of any health food drink in the market so companies should give attention on these factors to attract customer with nutritional value in mind. The study shows that consumers mostly preferred those brands which are available in many packing sizes. Many brands like Protinex, Nutrilite etc. are preferred by the consumer because of high protein, these products are not available in small size. This is the reason sometimes consumer avoid to purchase these products although these are having good nutritional value.

## 10. Conclusion

Nowadays there seems to be no vast difference between urban and rural consumers in knowledge, awareness, brand, and quality and consumption level of the products. This is because compared to urban area consumers people in the rural areas also have raised their standards in acquiring high educational level, use of social media like internet, whatsapp, etc. Few differences lie in the earning capacity, lifestyle, standard of living etc among the rural and urban areas. Even now many people are not consuming health drinks in these rural areas. This is so because people are not aware that health drinks are useful for increasing their nutritional value like to develop their physical and mental health. Moreover people are not able to afford to pay high price for consuming branded health drinks. A success of a market is based mainly on the consumers taste and preference. It is the satisfaction of the consumers which decide the existence of the product in the market. For a consumer to be satisfied, he must be provided with the product that meets his expectations and requirements.

In the busy and fast revolving world, the consumer wants each and every product to be in his hands wherever and whenever he needs. So the marketer has to decide and design the various aspects of the product and supply in such a way that it meets the demand of the consumers. It is concluded that the market players have to see that their products possess the required attributes so as to make consumers highly loyal. For the sustainability purpose, every company has to be innovative in terms of product line extension and brand extension. Product has to be strategic fit under the offerings of the particular brand. As of now Horlicks is not ignoring its core business rather they are trying to renovate in that section too. The malt-food drink section is under constant innovation to cater all the segments or potential customer. From the results it can be inferred that the segmentation of Horlicks has been successful. In accordance to the mother product the different variants are gradually making their way to become the expertise in their respective segments.

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