

CONSUMER PERCEPTION AND THE FACTORS THAT SHAPE CONSUMER PERCEPTION OF NANDINI DAIRY PRODUCTS OF DHARWAD MILK UNION

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INTRODUCTION:

India stands as the world's largest producer and consumer of milk, with the dairy sector playing a pivotal role in the nation's rural economy. Within this landscape, the Karnataka Milk Federation (KMF) ranks as the second-largest dairy cooperative in India, processing over 85 lakh litres of milk per day, under its flagship brand Nandini. A vital unit of KMF, Dharwad Milk Union Limited (DHAMUL) caters to the north Karnataka region, processing approximately 4.5 to 5 lakh litres of milk daily, and supplying a wide range of dairy products. Despite its expansive footprint and loyal consumer base, limited academic attention has been given to understanding local consumer perception of Nandini products, particularly in the Dharwad region. This study seeks to fill this gap by evaluating the key factors influencing consumer preferences and satisfaction, while also analyzing the promotional effectiveness of Nandini's marketing efforts. As the Indian dairy industry becomes increasingly competitive and consumer-driven, such insights are essential for aligning regional strategies with evolving market expectations.

Key Words: Consumer Perception, Dairy Products, Brand Influence, Promotional Effectiveness and Nandini Milk (DHAMUL).

NEED FOR THE STUDY:

The need for this study stems from the dynamic nature of the dairy industry in India, where consumer preferences and market trends are constantly evolving. As Nandini Dairy Products represents a significant regional brand under the Dharwad Milk Union Limited, it is crucial to understand the specific factors that influence consumer perception and satisfaction within this local context. Despite the brand's established presence, there is limited empirical research focused on how local consumers in Dharwad perceive its products, which presents a critical gap in the existing literature.

OBJECTIVES OF THE STUDY:

1. To evaluate consumer perception and the factors that shape consumer perception of Nandini Dairy Products of Dharwad Milk Union Limited.
2. To study the Promotional Effectiveness of Nandini Milk Brand.

LIMITATIONS OF THE STUDY:

1. The Study of the Project is limited only to Dharwad Milk Union. Dharwad. A Unit of Karnataka Milk Federation.
2. The sample size of the project is restricted to only 112 respondents.

THE FACTORS INFLUENCE TO CHOOSE NANDINI BRAND OF MILK AND MILK PRODUCTS:

The choice of Nandini brand of milk and milk products is influenced by a variety of factors, including product quality, brand reputation, price, and consumer preferences. Quality is paramount, as consumers prioritize freshness, taste, and nutritional value, often associating Nandini with high standards due to its rigorous sourcing and production processes. The brand's reputation, built over years of consistent performance and positive consumer experiences, plays a critical role in fostering trust and loyalty among customers. Additionally, regional factors, such as local availability and marketing strategies, shape consumer perceptions and choices. Promotional campaigns that highlight Nandini's commitment to local farmers and sustainable practices resonate with socially conscious consumers, further enhancing brand appeal.

Table No: 01: Distribution of Respondents on the basis of the Factors Influence to Choose Nandini Brand of Milk and Milk Products

| Sl. No. | Factors/ Influencing | Highly Influencing | Influencing | Neutral | Not Influence | Highly Not Influencing | Total |
|---------|----------------------|--------------------|--------------|--------------|---------------|------------------------|-------------|
| 1 | Good for Health | 32 | 53 | 27 | Nil | Nil | 112 |
| | | 28.57 | 47.32 | 24.11 | Nil | Nil | 100% |
| 2 | Brand Name | 47 | 25 | 35 | 03 | 02 | 112 |
| | | 41.96 | 22.32 | 31.25 | 02.78 | 01.79 | 100% |
| 3 | Tastes good | 32 | 56 | 24 | Nil | Nil | 112 |
| | | 28.57 | 50.00 | 21.43 | Nil | Nil | 100% |
| 4 | Advertisement | 10 | 32 | 32 | 19 | 19 | 112 |
| | | 08.93 | 28.57 | 28.57 | 16.96 | 16.96 | 100% |
| 5 | Friends/ Relatives | 10 | 12 | 22 | 38 | 30 | 112 |
| | | 08.93 | 10.71 | 19.64 | 33.93 | 26.79 | 100% |

| | | | | | | | |
|----|---|--------------|--------------|--------------|--------------|--------------|-------------|
| 6 | Doctor recommend- dation | Nil | 05 | 12 | 48 | 47 | 112 |
| | | Nil | 04.46 | 10.71 | 42.86 | 41.96 | 100% |
| 7 | Availability | 32 | 69 | 11 | Nil | Nil | 112 |
| | | 28.57 | 61.61 | 09.82 | Nil | Nil | 100% |
| 8 | Reasonable price | 10 | 31 | 25 | 20 | 26 | 112 |
| | | 08.93 | 27.68 | 22.32 | 17.86 | 23.21 | 100% |
| 9 | Freshness | 32 | 62 | 18 | Nil | Nil | 112 |
| | | 28.57 | 55.36 | 16.07 | Nil | Nil | 100% |
| 10 | Label Inf./ Mnf./Expiry Date, Nutritional Inf. | 72 | 40 | Nil | Nil | Nil | 112 |
| | | 64.29 | 35.71 | Nil | Nil | Nil | 100% |
| 11 | Taste | 32 | 52 | 25 | Nil | Nil | 112 |
| | | 28.57 | 46.43 | 22.32 | Nil | Nil | 100% |
| 12 | Package Size | 61 | 51 | Nil | Nil | Nil | 112 |
| | | 54.46 | 45.54 | Nil | Nil | Nil | 100% |
| 13 | Prompt Supply | 45 | 54 | 13 | Nil | Nil | 112 |
| | | 40.18 | 48.21 | 11.61 | Nil | Nil | 100% |
| 14 | Fat Control | 15 | 35 | 45 | 07 | 10 | 112 |
| | | 13.39 | 31.25 | 40.19 | 06.25 | 08.93 | 100% |
| 15 | Aroma | 32 | 32 | 48 | Nil | Nil | 112 |
| | | 28.57 | 28.57 | 42.86 | Nil | Nil | 100% |
| 16 | Buy for my children | 06 | 14 | 14 | 30 | 48 | 112 |
| | | 05.36 | 12.50 | 12.50 | 26.79 | 42.86 | 100% |
| 17 | Door Delivery | 05 | 12 | 14 | 40 | 41 | 112 |
| | | 04.46 | 10.71 | 12.50 | 35.71 | 36.61 | 100% |
| 18 | Casual Diet | 22 | 32 | 41 | 10 | 07 | 112 |
| | | 19.64 | 28.57 | 36.61 | 08.93 | 06.25 | 100% |
| 19 | Shelf Life | 25 | 75 | 12 | Nil | Nil | 112 |
| | | 22.32 | 66.96 | 10.71 | Nil | Nil | 100% |
| 20 | Hygienic & Attractive packaging | 32 | 58 | 18 | 02 | 02 | 112 |
| | | 28.57 | 51.79 | 16.07 | 01.78 | 01.78 | 100% |

Source: Primary data

Table No. 01 reveals that the analysis of the distribution of respondents concerning the factors influencing their choice of the Nandini brand of milk and milk products reveals several insights into consumer preferences. Each factor's significance can be assessed through the categorized responses: Highly Influencing, Influencing, Neutral, Not Influencing, and Highly Not Influencing.

Good for Health: A significant majority of respondents (75.89%) indicated that health benefits are a highly influential factor in their choice of Nandini products. This underscores the increasing consumer awareness regarding health and nutrition, suggesting that Nandini's marketing efforts highlighting health attributes resonate well with the audience.

Brand Name: The brand name itself emerged as a crucial factor, with 64.28% of respondents rating it as either highly influential or influencing. This points to the strong reputation that Nandini has established over time, indicating that brand loyalty and recognition play pivotal roles in consumer purchasing decisions.

Tastes Good: The taste of the products is another vital aspect, with 78.57% of respondents affirming it as a significant factor. This high percentage illustrates that product flavor is a primary determinant in the dairy market, where taste directly correlates with customer satisfaction and repeat purchases.

Advertisement: In contrast, advertisements were rated less influential, with only 37.50% of respondents acknowledging them as significant. This may suggest that while advertisements can enhance brand visibility, they do not directly translate into consumer preference as strongly as product quality or reputation.

Friends/Relatives: Recommendations from friends and relatives had a limited impact, with only 19.64% of respondents identifying this factor as influential. This lower influence could indicate that consumers are more inclined to trust established brand values over personal recommendations in the context of food products.

Doctor Recommendation: The influence of medical advice was minimal, with 84.82% of respondents viewing it as neutral or not influential. This finding suggests that while health professionals' endorsements can be beneficial, they may not be a primary driver for consumers selecting dairy products.

Availability: The availability of Nandini products significantly affects consumer choice, with 90.18% affirming it as a highly influential or influencing factor. This emphasizes the importance of distribution channels in ensuring that products are accessible to consumers, directly affecting their purchasing behaviour.

Reasonable Price: Price considerations showed a divided response, with only 36.61% of respondents finding it influential. This indicates that while price is a consideration, many consumers are willing to prioritize quality over cost, reflecting a trend towards valuing premium products.

Freshness: Similar to health benefits, freshness emerged as a critical factor, with 83.93% of respondents indicating it as influential. This underscores the expectation of high quality in dairy products, where freshness is synonymous with better taste and nutrition.

Label Information: Label information regarding manufacturing and expiry dates garnered significant attention, with 100% of respondents considering it important. This illustrates consumers' increasing demand for transparency and safety in food products.

Taste: The repeated emphasis on taste (78.57% rating it as significant) indicates its paramount importance in the dairy sector, reinforcing the notion that consumer satisfaction is closely linked to flavour.

Package Size: A significant majority (100%) recognized package size as a crucial factor. This could suggest a consumer preference for flexibility in purchasing options, allowing for both bulk purchases and smaller sizes.

Prompt Supply: Supply chain reliability was highlighted by 88.39% of respondents, emphasizing the necessity for consistent availability of products, which can enhance customer loyalty and satisfaction.

Aroma: Aroma influenced 57.14% of respondents, pointing to the sensory aspects of dairy products that can enhance the overall consumption experience.

Fat Control: Fat content in products was seen as a neutral factor by 40.19% of respondents, indicating that while health-conscious choices are important, they are not the primary concern for many consumers when selecting dairy products.

Buy for My Children: Only 17.86% viewed this as an influential factor, suggesting that while parents consider health for their children, it does not significantly sway their overall choice in this context.

Door Delivery: This convenience factor showed a low influence, with a high percentage (72.32%) viewing it as neutral or not influential. This may reflect a cultural preference for purchasing dairy products directly from stores rather than relying on delivery services.

Casual Diet: usual dietary preferences were seen as influential by 48.21%, highlighting the trend of integrating dairy products into everyday diets.

Shelf Life: With 89.28% considering shelf life important, this factor reflects consumer concerns about product longevity and food waste, further emphasizing quality and safety.

Hygienic & Attractive Packaging: Finally, packaging significantly influenced 80.36% of respondents. This suggests that visual appeal and hygiene in packaging are essential for attracting consumers, reinforcing the importance of aesthetics in food marketing.

In summary, the analysis reveals that health benefits, brand reputation, taste, and product availability are the most influential factors driving consumer preferences for the Nandini brand.

Other aspects, such as price and advertising, have a relatively lower impact, indicating a strong inclination towards quality and reliability in consumer choices within the dairy sector.

PROMOTIONAL EFFECTIVENESS OF NANDINI MILK BRAND:

Assessing the promotional effectiveness of the Nandini milk brand is essential for understanding how well marketing strategies resonate with consumers and drive purchasing behaviour. With the dairy market becoming increasingly competitive, it is crucial to evaluate the impact of various promotional channels—such as advertising, social media campaigns, and in-store promotions on consumer awareness and brand perception. This research can provide insights into which promotional tactics yield the highest return on investment, helping the brand allocate resources more efficiently.

The marketing mix, encompassing the 4 Ps, product, price, place, and promotion, significantly influences consumer behaviour by shaping perceptions, preferences, and purchasing decisions. Each element plays a critical role; for instance, the product's features and quality directly impact consumer satisfaction and loyalty, while pricing strategies can affect perceived value and affordability. Place, or distribution channels, ensures product availability, making it convenient for consumers, which can enhance purchasing likelihood. Promotional activities, including advertising and sales promotions, create awareness and stimulate interest, thereby influencing attitudes and motivating action. Research indicates that a well-integrated marketing mix not only attracts consumers but also fosters emotional connections, ultimately driving brand loyalty and repeat purchases.

Table No: 02: Distribution of Respondents on the basis of Promotional Effectiveness of Nandini Milk

| Sl. No. | Statement | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree | Total |
|----------|--|----------------|--------------|--------------|--------------|-------------------|-------------|
| 1 | I have often comes across the news stories of my (Nandini) brand in news paper /TV/Radio | 15 | 20 | 55 | 15 | 07 | 112 |
| | | 13.39 | 17.86 | 49.11 | 13.39 | 06..25 | 100% |
| 2 | I have often seen the advertisement of (Nandini) milk brand | 42 | 32 | 38 | Nil | Nil | 112 |
| | | 37.50 | 28.57 | 33.93 | Nil | Nil | 100% |
| 3 | Advertisement focus on (Nandini) brand awareness | 53 | 42 | 17 | Nil | Nil | 112 |
| | | 47.32 | 37.50 | 15.18 | Nil | Nil | 100% |
| 4 | Advertisement tempted me to buy the (Nandini) current product | 15 | 15 | 25 | 39 | 18 | 112 |
| | | 13.39 | 13.39 | 22.32 | 34.82 | 16.07 | 100% |

| | | | | | | | |
|-----------|--|--------------|--------------|--------------|--------------|--------------|-------------|
| 5 | I buy the (Nandini) brand of milk that maintain good public relation | 28 | 38 | 21 | 13 | 12 | 112 |
| | | 25.00 | 33.93 | 18.75 | 11.61 | 10.71 | 100% |
| 6 | The Nandini milk brand provides excellent personal selling | 52 | 42 | 18 | Nil | Nil | 112 |
| | | 46.43 | 37.50 | 16.07 | Nil | Nil | 100% |
| 7 | Nandini Milk brand have point of purchase display | 38 | 52 | 22 | Nil | Nil | 112 |
| | | 33.93 | 46.43 | 19.64 | Nil | Nil | 100% |
| 8 | Nandini Milk brand provides exciting offers | Nil | Nil | Nil | 62 | 50 | 112 |
| | | Nil | Nil | Nil | 55.36 | 44.64 | 100% |
| 9 | I listen to the comments of others before buying any brand of milk | 10 | 15 | 26 | 31 | 30 | 112 |
| | | 08.93 | 13.39 | 23.21 | 27.68 | 26.79 | 100% |
| 10 | Nandini Milk brand engages sample sale of products. | 03 | 10 | 08 | 50 | 41 | 112 |
| | | 02.68 | 08.93 | 07.14 | 44.64 | 36.61 | 100% |

Source: Primary data

The distribution of respondents' views on the promotional effectiveness of the Nandini milk brand, as presented in Table No: 02, provides valuable insights into the impact of various promotional strategies. The analysis of each statement reveals how consumers perceive Nandini's marketing efforts and their effectiveness in influencing purchase behaviour.

Media Exposure: For the statement regarding exposure to news stories about the Nandini brand, 15 respondents (13.39%) strongly agreed, while 20 (17.86%) agreed, indicating that a substantial portion of consumers recognizes the brand through media channels. However, a significant number, 55 respondents (49.11%), remained neutral, suggesting that while the brand has a presence, and its impact may not be strongly felt. The responses reflect an opportunity for Nandini to enhance media engagement strategies to foster stronger brand recall among consumers.

Advertising Visibility: When asked about the visibility of advertisements for the Nandini milk brand, a noteworthy 42 respondents (37.50%) strongly agreed, and 32 (28.57%) agreed. This indicates a robust awareness of the brand's advertising efforts, with 33.93% remaining neutral. The high visibility of advertisements is a positive indicator, suggesting that Nandini effectively captures consumer attention, which can translate into increased sales and brand loyalty.

Brand Awareness: Regarding the focus of advertisements on brand awareness, a significant 53 respondents (47.32%) strongly agreed, and 42 (37.50%) agreed. This overwhelming majority points to a successful strategy in positioning Nandini as a well-known brand in the

market. The data indicates that Nandini's advertising efforts effectively enhance brand recognition among consumers, a crucial factor in maintaining competitive advantage.

Purchase Influence: The statement assessing whether advertisements tempted respondents to buy Nandini products revealed mixed sentiments. Only 15 respondents (13.39%) strongly agreed, while 39 (34.82%) disagreed, indicating that a considerable number of consumers may not find advertisements sufficiently compelling to influence their purchasing decisions. This suggests a potential area for improvement, as enhancing the persuasive quality of advertisements could lead to better conversion rates.

Public Relations Impact: When asked about public relations influence on purchasing behaviour, 28 respondents (25.00%) strongly agreed, and 38 (33.93%) agreed. This indicates that a portion of consumers is inclined to purchase Nandini products based on the brand's public relations efforts. The data implies that maintaining positive public relations can be beneficial for enhancing consumer trust and loyalty.

Personal Selling Effectiveness: The effectiveness of personal selling for Nandini milk is highlighted, with 52 respondents (46.43%) strongly agreeing and 42 (37.50%) agreeing. This strong positive response suggests that personal selling is a key component of the brand's promotional strategy, likely contributing significantly to customer satisfaction and retention.

Point of Purchase Displays: In terms of point of purchase displays, 38 respondents (33.93%) strongly agreed, while 52 (46.43%) agreed. This indicates that Nandini's in-store visibility is recognized by consumers, which can effectively drive impulse purchases. The strong agreement underscores the importance of maintaining eye-catching displays to capture consumer interest at the point of sale.

Exciting Offers: A notable finding is that no respondents agreed that Nandini milk brand provides exciting offers, with 62 respondents (55.36%) disagreeing and 50 (44.64%) strongly disagreeing. This lack of agreement signifies a critical area for Nandini to address, as introducing attractive promotions and offers could enhance consumer engagement and encourage trial purchases.

Influence of Peer Opinions: When evaluating the influence of peer comments before purchasing, 10 respondents (8.93%) strongly agreed, while 31 (27.68%) disagreed. The mixed responses indicate that while some consumers consider peer opinions, a significant portion relies more on personal preferences or brand reputation. This suggests an opportunity for Nandini to leverage testimonials and word-of-mouth marketing to bolster brand credibility.

Sampling Strategy: Finally, regarding the engagement in sampling sales, only 3 respondents (2.68%) strongly agreed, while 50 (44.64%) disagreed. The low engagement in product sampling indicates that Nandini may need to enhance its sampling initiatives to allow consumers to experience the product first hand, potentially leading to increased purchases.

The study provides a comprehensive overview of the promotional effectiveness of the Nandini milk brand. While the brand shows strong performance in media exposure, advertising visibility, and personal selling, areas such as the effectiveness of advertisements to drive purchases and the lack of enticing offers highlight opportunities for improvement.

FINDINGS:

1. **Health, Taste, and Freshness as Core Drivers:** A majority of respondents prioritize health benefits, product taste, and freshness when choosing Nandini products, indicating strong alignment with quality-oriented consumer values.
2. **Limited Influence of Advertisement on Purchase Decisions:** While brand visibility is high, advertisements show limited effectiveness in prompting actual purchases, with only 26.78% of respondents finding them persuasive.
3. **Packaging and Labelling are Highly Valued:** Attributes like clear labelling, package size, and hygienic packaging significantly influence consumer trust and purchase behaviour, reflecting heightened awareness of product safety and convenience.
4. **Lack of Promotional Offers and Sampling:** The absence of attractive offers and product sampling is a major gap, with 100% of respondents indicating no exposure to such incentives, potentially hindering consumer trial and engagement.
5. **High Importance of Availability and Prompt Supply:** Product availability and timely supply are crucial factors for consumer satisfaction, with over 90% of respondents ranking them as influential in their purchase decisions.

SUGGESTIONS:

1. **Strengthen Health-Oriented Branding:** Emphasize nutritional benefits, purity, and freshness in promotional messaging to reinforce trust and capitalize on the core drivers of consumer preference.
2. **Enhance Advertisement Impact:** Shift from generic awareness campaigns to emotionally resonant and benefit-driven messaging that connects directly with consumer needs and lifestyle aspirations.
3. **Leverage Packaging for Competitive Edge:** Continue investing in informative, attractive, and eco-friendly packaging to enhance shelf appeal and consumer confidence.
4. **Introduce Offers and Free Sampling Programs:** Launch targeted promotions, loyalty schemes, and sampling initiatives to boost trial rates and attract new customer segments, particularly in competitive markets.
5. **Strengthen Distribution and Accessibility:** Expand retail penetration and ensure consistent supply to maintain consumer trust and prevent brand switching due to unavailability.

CONCLUSION

The study reveals that consumer perception of Nandini dairy products under Dharwad Milk Union is primarily shaped by factors such as health benefits, taste, freshness, and availability, while promotional efforts like advertisements and offers currently lack

effectiveness in influencing purchase decisions. Enhancing promotional strategies, introducing sampling and offers, and maintaining strong distribution and packaging standards can significantly improve consumer engagement and brand loyalty in the competitive dairy market.

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