

BRAND PREFERENCE OF CUSTOMER TOWARDS VARIOUS CEMENT COMPANY IN SELECTED AREA

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ABSTRACT

The Cement companies are interested in the individual housing segment because it is highly profitable segment by value compared to the other two segments. This segment is most profitable because the bargaining power of individual house owners is less whereas the government and industries make bulk purchase and ask for low prices. Therefore, the customer segment chosen for this project was Individual houses segment which is profitable by volume and value.

Key works: Brand Preference

INTRODUCTION

There are several brands of cement like Ultratech, Sankar, Ramco, Dalmia, Chettinad, Mahasakthi, ACC, Ambuja, Dharani... available in India. People may prefer and purchase different brands of cement for the different phases of construction of their houses. There are varieties of reasons to choose a particular brand of cement for housing construction. To know about the various brands of cement, company representatives, dealers, masons, relatives/friends, engineers, masons, and advertisements are the sources. It is in the above context, the present study of “decision making of customer on brand choice.”

This research aims to find out the basic cement purchase behavior process across various customer segments by finding external influencer which impact in buying, so its main purpose is descriptive even though it also can be considered somewhat an exploratory research. Depending on the research problem, but also on the nature of the information sought, the choice of methodological approach can be divided into quantitative verses the qualitative. When conducting a

quantitative research, statistical methods are used to analyze the data and a large number of respondents are selected, either randomly or judgmentally. A quantitative approach is formalized, structured and characterized by a high degree of control from the research. Since this research tries to gain a deeper understanding of the purchase behavior of cement; a qualitative approach is a more suitable choice. For the statistical analysis of data obtained, hypothesis testing with quantitative approach was carried out. The purpose of this Research Paper is to study consumer brand preference towards various cement company in India.

LITERATURE REVIEW

According to Philip Kotler (2003), all the unbranded commodities have become branded nowadays. Today, branding is such a strong force that hardly anything goes unbranded. The brand equity of the most significant brands of a company is treated as an asset and need to be administered cautiously, Philip Kotler (2003).

According to Charles W. Lamb et al (2012), main significant reasons for branding is the identification of the product and other reasons are repeat sales and new-product sales.

According to Reham Ebrahim (2011), brand preference means consumer tendency towards a particular brand differs depending on the significant beliefs that are triggered at a particular point of time, the degree to which consumer chooses one brand over other and inclination of a consumer towards a particular brand.

In the stringent competitive marketing environment, manufacturers of cement are finding it difficult to discriminate their brands of cement from the perspective of price, quality, promotion or location (Huda, Faruq and Sharmin 2007) cited by Md.

Reajul Alam Chowdhury et al., (2012). According to Utkarshetal (2012), Dealers demand cash discounts as their first preference. Customer care & branding and counseling affect the satisfaction level of dealers significantly, Utkarshetal (2012).

According to Arijit Maity (2014), availability of various brands of cement creates the selection of a particular brand as a complicated process. With regard to buying decision process of individual home builders, Masons/ engineer/ architect/

local cement dealer play a significant role and word of mouth, Self-decision, contractors and friend and relative have less impact, Arijit Maity (2014)

According to Seetharaman et al., 2001, in today's highly competitive environment, brand creation and management is very important.

Cretu & Brodie, 2007, observed that a response group feedback in a certain market is referred to the trustworthiness of the uniqueness claims that the organization makes as corporate image and it is with regard to (cited by Alireza Aminietal, 2012).

OBJECTIVES

- To study customer satisfaction
- To study association between customer satisfaction and quantities of cement purchased.

HYPOTHESIS

In this study the following two hypothesis Null (H0) and Alternate (H1) is presented-

H0: Customer Satisfaction is and Quantities and Cement purchased do not have an important association.

H1: Customer Satisfaction is and Quantities and Cement purchased have an important association.

RESEARCH METHODOLOGY

The present Research study is exploratory in nature as we want to know the Customer preference.

Sample Size: As the study is confined into Indore district only, it has been decided to take the population size of Indore as per the Census Report. In the Census Report, the population size of Indore is 19, 96, 694. So, in this case the relevant sample size will be:

$$N = 19, 96, 694$$

$$\sigma = 0.07$$

Sample Size = $19,96,694/1 + (0.07)^2 * (19,96,694) = 203.55 \approx 200$

Sample size of 211 was taken for the study.

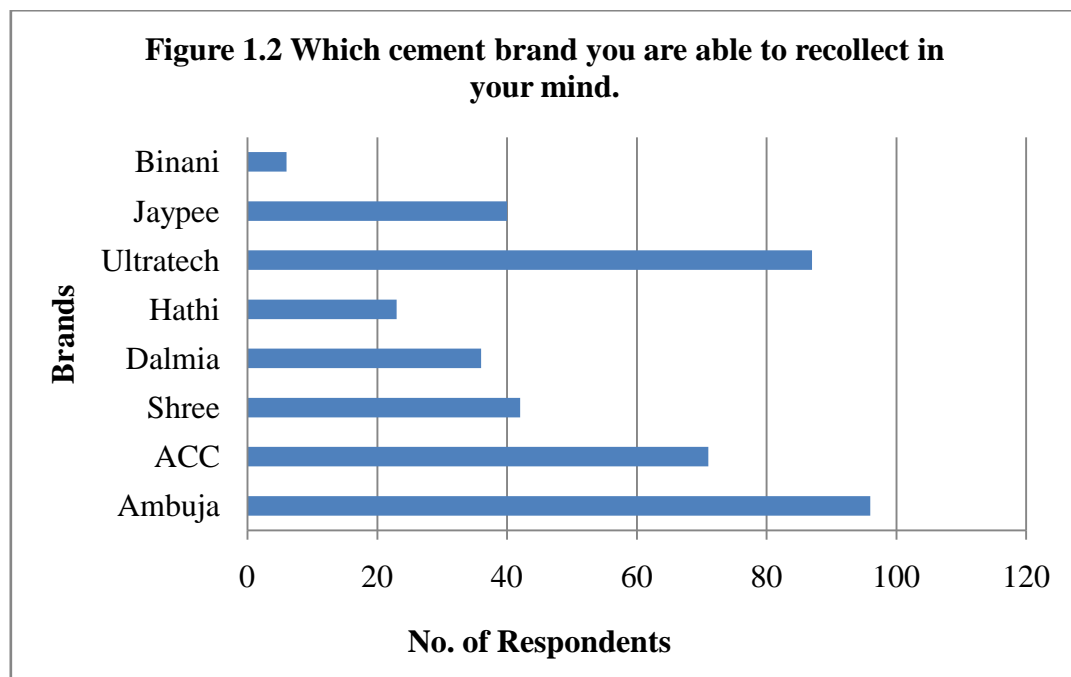
Measures: To study consumer brand preference towards various cement company in India in terms of Quality service, Value for money, Packing, Sales, Setting time, Availability and Promotional tools.

DATA ANALYSIS

Q.1 which cement brand you are able to recollect in your mind?

Table 1.1

Particulars	No. of Respondent	Percentage
Ambuja	51	24.1706
ACC	36	17.0616
Shree	20	9.47867
Dalmia	21	9.95261
Hathi	13	6.16114
Ultratech	44	20.8531
Jaypee	22	10.4265
Binani	4	1.89573

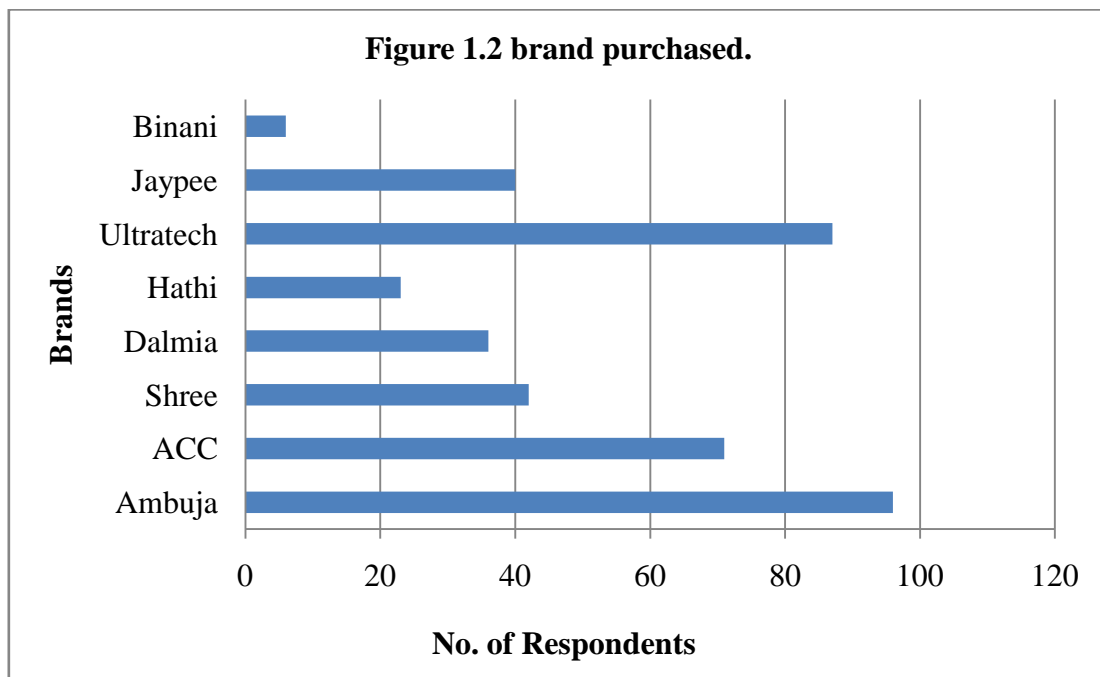


From the above table, it is interpreted that in majority 24% of respondents know about the cement brand i.e. Ambuja,

Q2. Which brand of cement have you purchased?

Table 1.2

Particulars	No. of Respondent	Percentage
Ambuja	53	25%
ACC	34	16%
Shree	27	13%
Dalmia	25	12%
Hathi	10	5%
Ultratech	25	12%
Jaypee	28	13%
Binani	9	4%

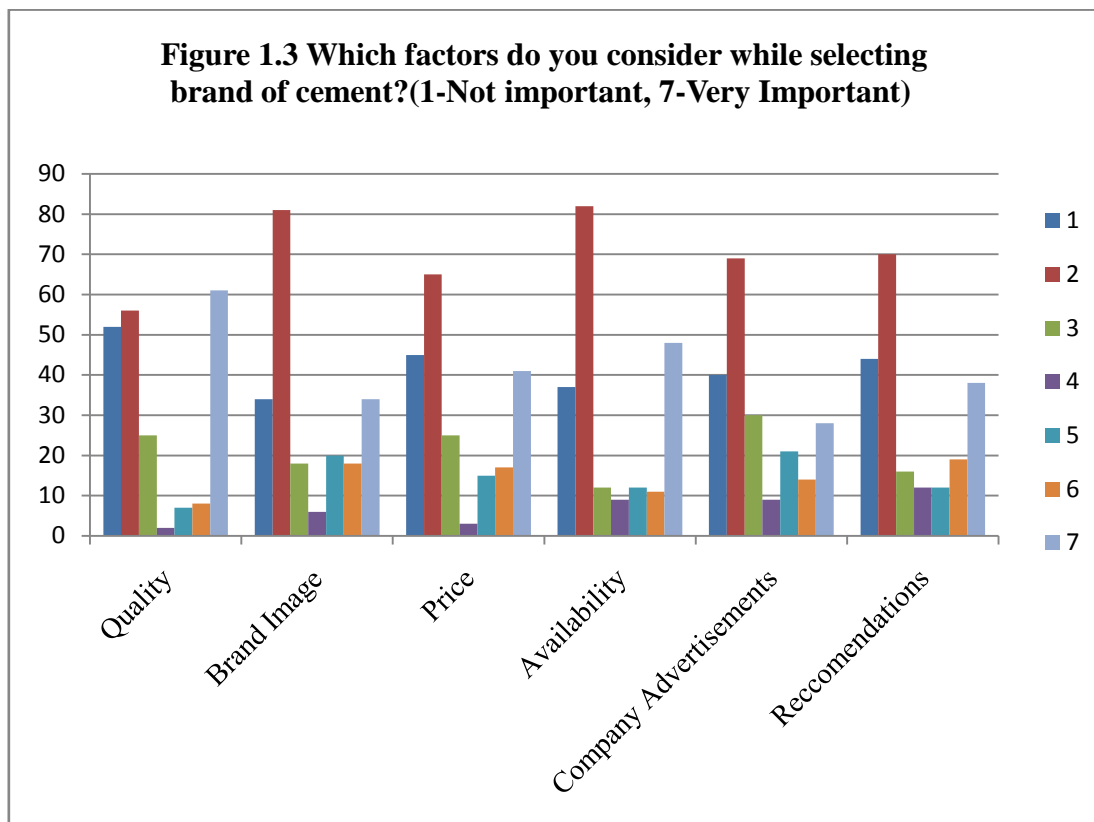


From the above table, it is interpreted that Ultratech with 25%, Ambuja with 23%,

Q3. Which factors do you consider while selecting brand of cement? (1-Not important, 7-Very Important)

Table 1.3

	1	2	3	4	5	6	7
Quality	52	56	25	2	7	8	61
Brand Image	34	81	18	6	20	18	34
Price	45	65	25	3	15	17	41
Availability	37	82	12	9	12	11	48
Company Advertisements	40	69	30	9	21	14	28
Recommendations	44	70	16	12	12	19	38

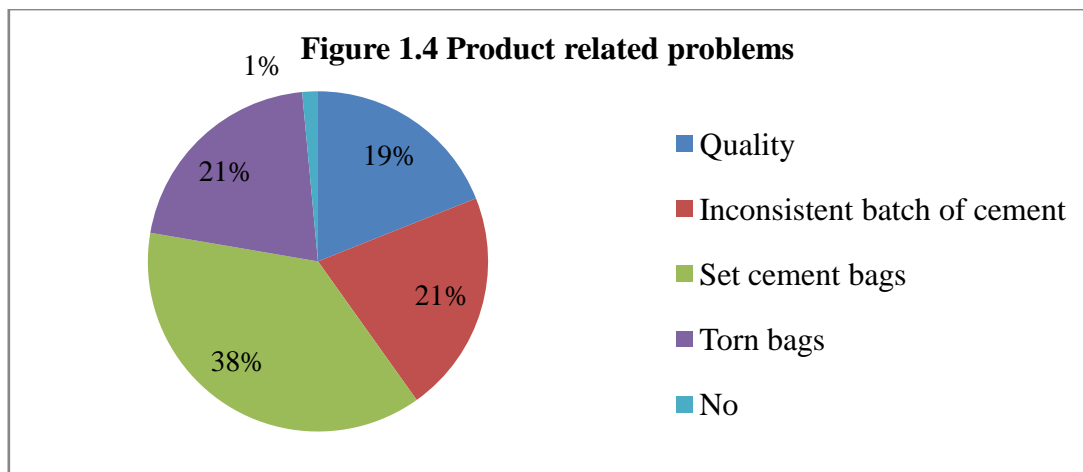


From the above table, it is interpreted that for 61 respondents quality is very important aspect which they consider while selecting the cement brand while 52 respondents not considered it important.

Q.4 Product related problems:

Table 1.4

Particulars	No. of Respondent	Percentage
Quality	40	19%
Inconsistent batch of cement	44	21%
Set cement bags	80	38%
Torn bags	44	21%
No	2	1%



From the above table, it is concluded in majority 38% of respondents have set cement bags problems.

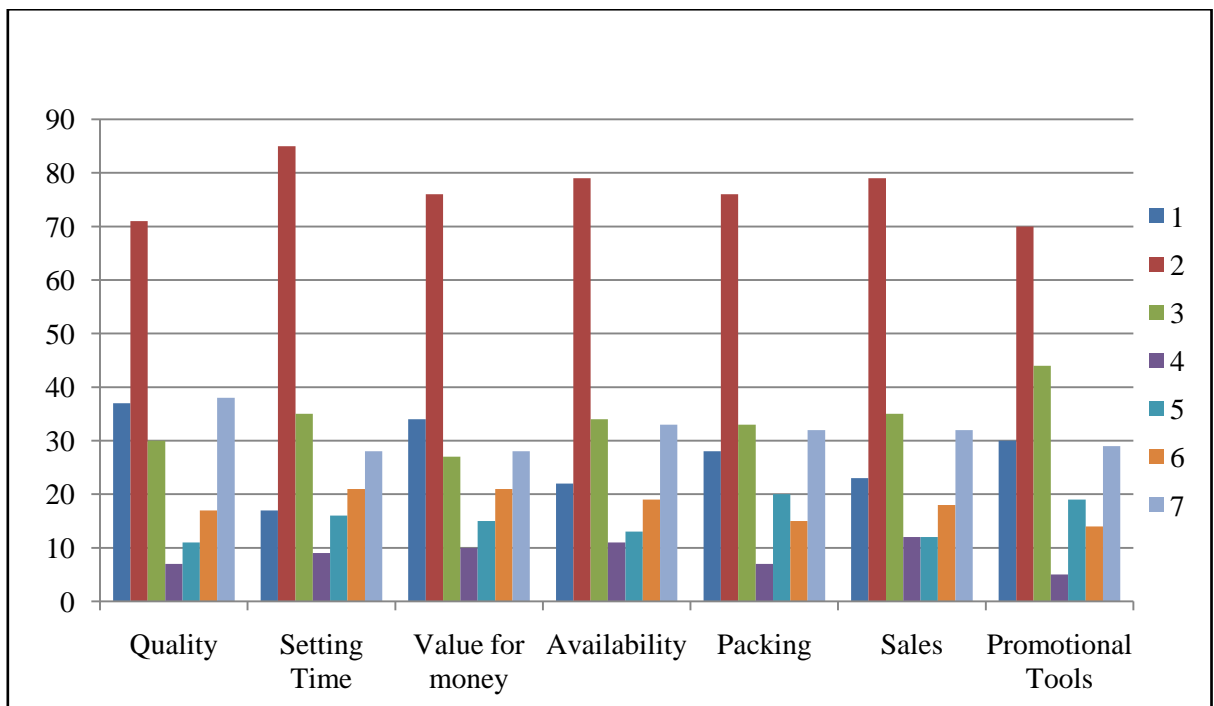
Q.5 How satisfied are you with the present brand in following respect? (1-Not satisfied, 7-Highly Satisfied)

Table 1.5

	1	2	3	4	5	6	7
Quality	37	71	30	7	11	17	38
Setting Time	17	85	35	9	16	21	28
Value for	34	76	27	10	15	21	28

money							
Availability	22	79	34	11	13	19	33
Packing	28	76	33	7	20	15	32
Sales	23	79	35	12	12	18	32
Promotional Tools	30	70	44	5	19	14	29

Figure 1.5



From the above table, it can be interpreted that quality wise 38 respondents are highly satisfied, 37 respondents are not satisfied and the rest respondents are in neutral.

Hypothesis Testing using ANNOVA

To study consumer brand preference towards various cement company in India has the great scope in area under study. Therefore, an attempt has been made in this project to study the preference of consumer towards various consumer groups. The results thus obtained have been discussed under following aspects.

Table – 1.7

ANOVA	df	SS	MS	F	Significance F
Regression	7	5073.526461	724.7895	41.8806201	1.98618E-15
Residual	36	623.0189939	17.30608		
Total	43	5696.545455			

Table – 1.8

	Coefficients	Standard Error	t Stat	P-value
Intercept	66.39817004	2.705912371	24.53818	4.55E-24
Quality	-4.43124448	1.123131496	-3.94544	0.000353
Setting time	-1.500043293	0.844717453	-1.77579	0.084221
Value for money	-1.79238719	0.845401697	-2.12016	0.040953
Availability	-1.643497638	0.826467449	-1.98858	0.054391
Packing	-1.973441377	0.843184784	-2.34046	0.024919
Sales	-1.871846534	0.879128326	-2.12921	0.040147
Promotional tools	1.135703727	0.932477175	1.217943	0.231168

After performing regression analysis, the relationship between dependent variable and independent has identified. Regression analysis showed strong relationship between four factors out of seven factors. R square which is known as Goodness of Fit is 89% which is considered as good.

The significance value is 0.05 which is occurring in four factors whose P value is less than 0.05. The factors which showed strong relationships between quantities of cement purchased (dependent variable) in relation to customer satisfaction are as follows:

1. Quality (P value – 0.0003)
2. Value for money (P value – 0.04)
3. Packing (P value- 0.02)
4. Sales (.P value-0.04)

All these four factors have their p value lesser than 0.05 which signifies that there is a strong relationship between quantities of cement purchased (dependent variable) in relation to customer satisfaction.

Null Hypothesis H_0 : On the basis of several factors customer decide the quantity of cement purchased.

Descriptive Research was done with a sample of 211 to find out the consumer behaviour in choosing cement. ANOVA using Excel is done to identify the major factors responsible for the purchase decision.

After testing it is found that only four factors affect most while other factors are least important hence the Null hypothesis rejected.

CONCLUSION:

Quality, Value for money and Packing factors have their p value lesser than 0.05 which signifies that there is a strong relationship between quantities of cement purchased (dependent variable) in relation to customer satisfaction.

There are some major factors that influence the purchase decision of individual house owners, namely the properties of cement like strength, durability, quick setting, and fineness play a major role in choosing cement. Secondly, the company's sales and marketing actions like media promotion, service; competitive pricing comes out to be an important factor. The recommendation of mason influences the customer in making the choice of cement. Also the majority of the responses are in favor and revealed that brand mark, brand awareness, brand name, brand visibility and ISI mark also influences the choice of the consumers while they purchase any cement brand.

SUGGESTIONS

As all the cement companies follow the Bureau of Indian Standards in cement production, the properties of the cement offered by different companies remain almost similar. There will not be much of product differentiation. Therefore, the

companies can focus on their sales and marketing efforts and try to stand out only with the help of promotion, service, delivery, etc. The recommendations of masons also play a major role.

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