A STUDY ON EDIBLE OIL MARKET WITH SPECIAL REFERENCE TO COLD PRESSED OIL

Dr.J.Srilekha

Assistant Professor, Ethiraj College for Women, Chennai

Abstract

The term 'Retailer Study' refers to the sales forecasting and brokerage services for retailers and their developers. The term "Edible Oil" refers to the Cooking oil is purified fat of plant origin, which is usually liquid at room temperature (saturated oils such as coconut and palm are more solid at room temperature than other oils). Some of the many different kinds of edible vegetable oils include: olive oil, palm oil, soybean oil, canola oil, pumpkin seed oil, corn oil, sunflower oil, safflower oil, peanut oil, grape seed oil, sesame oil, and rice bran oil. Many other kinds of vegetable oils are also used for cooking. The study is conducted keeping in mind to know the cold pressed oil market penetration, to find the trend in edible oil retail market and to know retailers. The objective of the study is to find the perception about various factors with regards to oil retailing. This study also tries to suggest area of improvement from the view point of marketing. To find the level of retail penetration cold pressed oil in TamilNadu. This study relied on the response from oil retailers. The Samples (retailers) were selected from TamilNadu.

Key words: Cold Pressed Oil, Branding, Customers etc.

Introduction

The term 'Retailer Study' refers to the sales forecasting and brokerage services for retailers and their developers. The term "Edible Oil" refers to the Cooking oil is purified fat of plant origin, which is usually liquid at room temperature (saturated oils such as coconut and palm are more solid at room temperature than other oils). Some of the many different kinds of edible vegetable oils include: olive oil, palm oil, soybean oil, canola oil, pumpkin seed oil, corn oil, sunflower oil, safflower oil, peanut oil, grape seed oil, sesame oil, and rice bran oil. Many other kinds of vegetable oils are also used for cooking. The study is conducted keeping in mind to know the cold pressed oil market penetration, to find the trend in edible oil retail market and to know retailers

Objectives and Scope of the Study

• The perception about various factors with regards to oil retailing.
• This study also tries to suggest area of improvement from the view point of marketing.
• To find the level of retail penetration cold pressed oil in TamilNadu
• To find the pattern of sales of different oil brand at retail level.
• To test the difference in opinion on the factors influence customers in selecting a quality and packing.

Research Methodology and Design
Research Design

This study relied on the response from oil retailers. Samples were met face to face to get the required data. The research approach used is survey method. The survey was conducted through personal interview, where the respondents were met in person.

Research instrument

The instrument used for data collection was a questionnaire. The questionnaire prepared was structured, with open and close ended question.

Sampling Procedures

The Samples (retailers) were selected from TamilNadu. The Sample size for this study was 300 respondents and sampling method followed in this research was non-probability convenience sampling. For data analysis the researcher made used the following tools. a. Percentage Method b. Weighted average method c.Rank Correlation
d. Cross Tabulation

Questionnaire Design

The structured questionnaires that were framed and designed consist of close ended, open ended, rating and raking questions. Related operations that are performed with the purpose of summarizing the collected data and organizing them in such a manner that they answer the research questions.

Table 1 Type of Edible Oil Retailing Shops

S.No.	Type of Retailing Shops	No. of Respondents
1	Oil Store	46
2	Provision Store	164
3	Departmental Store	64
4	Supermarket	26
		300

Inference

55% of the respondents to the survey were Provision Store Retailers. 21% of the respondents were retailing through Departmental Store. In the remaining 25%, 15% of the respondents were Oil Store Retailers and 9% of the respondents were Supermarket Retailers.

Table 2 Types of Brands & Their Ranking

S.No.	Factors	RANK 1		RANK 2		RANK 3		RANK 4		RANK 5		RANK 6		RANK 7		RANK 8	
		No. of respondants	%	No. of respondants	%	No. of respondants	%	No. of respondants	%	No. of respondants	%	No. of respondants	%	No. of respondants	%	No. of respondants	%
1	SVS	24	8	70	23	100	33	44	15	20	7	18	6	8	3	16	5
2	Sundrop	28	9	44	15	62	21	38	13	40	13	12	4	66	22	10	3
3	Gold Winner	68	24	124	41	40	13	22	7	16	5	10	3	14	5	6	2
4	VVS	22	7	26	9	32	11	60	19	124	42	12	4	16	5	8	3
5	Suffola	42	17	18	6	16	5	44	15	38	13	62	21	40	13	30	10
6	Idhayam	18	6	8	3	20	7	34	11	30	10	70	23	96	32	24	8
7	Sunola	48	16	6	2	14	5	44	15	22	7	50	17	30	10	86	29
8	Cold pressed oil	40	13	4	1	16	5	14	5	10	3	66	22	30	10	120	40
		300		300		300		300		300		300		300		300	

Inference: 24 % of respondents feel, Gold Winner has been the most edible oil brand in the market.

Table 3 Factors of Selecting the Brands & Their Ranking

S.No.	Factors	RANK 1		RANK 2		RANK 3		RANK 4		RANK 5		RAN 6	
		No. of Respondants	%	No. of Respondants	%	No. of Respondants	%	No. of Respondants	%	No. of Respondants	%	No. of Respondants	%
1	Health	90	31	80	28	60	20	14	5	16	5	40	13
2	Price	42	14	52	17	70	23	56	19	36	12	44	15
3	Quality	28	9	34	11	90	31	58	19	50	17	40	13
4	Packing	70	23	64	21	10	3	38	13	60	20	58	19
5	Advertisement	60	20	46	15	42	14	48	16	88	29	16	5
6	Available bottels	10	3	24	8	28	9	86	28	50	17	102	35
		300		300		300		300		300		300	

Inference: 31 % of respondents feel, Health is the most preferable factor for selecting the brand.

Table 4 Retailers of Cold Pressed Oil

S.No.	Retailers dealing with cold pressed oil	No. of Respondents
1	Yes	137
2	No	163
	Total	300

Inference

89% of the retailers are currently dealing with Cold Pressed Oil, 11% of the retailers are not dealing with Cold Pressed Oil.

Table 5 Average Weekly Sales of Cold Pressed Oil

S.No.	Average weekly sales of Cold pressed Oil	No. of Respondents
1	1 litre	244
2	2 litres	34
3	5 litres	22
	Total	300

Inference

60% of the retailers have said that 1 litre Cold pressed Oil packs is high in weekly sales. Followed by 1 litre, 2 litre and 5 litre packs.

Statistical Tests

Rank Correlation

To test the difference in opinion on the factors influence customers in selecting a Quality and Packing.

S.No.	Ranks / Factors	RANK 1 No. of Respondents	RANK 2 No. of Respondents	RANK 3 No. of Respondents	RANK 4 No. of Respondents	RANK 5 No. of Respondents	RANK 6 No. of Respondents	Total
1	R1 Health	1 / 90	2 / 80	3 / 60	6 / 14	5 / 16	4 / 40	300
2	R2 Price	5 / 42	3 / 52	1 / 70	2 / 56	6 / 36	4 / 44	300
3	R3 Quality	6 / 28	5 / 34	1 / 90	2 / 58	3 / 50	4 / 40	300
4	R4 Packing	1 / 70	2 / 64	6 / 10	5 / 38	3 / 60	4 / 58	300
5	R5 Advertisement	2 / 60	4 / 46	5 / 42	3 / 48	1 / 88	6 / 16	300
6	R6 Available Bottels	6 / 10	5 / 24	4 / 28	2 / 86	3 / 50	1 / 102	300
	Total	300	300	300	300	300	300	

Rank Correlation between Health and Packing

Null Hypothesis (H_0): There is no correlation between the factor of health and packing with customer selecting of branding.

Alternative Hypothesis (H_1): There is a correlation between the factor of health and packing with customer selection of branding.

R_1	R_4	R_1-R_4=d	d^2
1	1	0	0
2	2	0	0
3	6	-3	9
6	5	1	1
5	3	2	4
4	4	0	0
			$\sum d^2 = 14$

$$r_\rho = 1 - \frac{6 \sum d^2}{n(n^2 - 1)}$$

R_1 = Rank given to Health
R_4 = Rank given to Packing
r_ρ = Spearman's Rank Correlation
n = No. of Observation
d = Deviations

Decision

For n=6 the table value of Spearman's Rank Correlation efficient 6% level of significant is 0.9000.The computed value of coefficient is 0.6 H0 is accepted .

Inference

Hence there is no correlation between the factors of Health and Packing towards the customer selection of branding .This implies that Quality do not have any bearing packing.

Rank Correlation

To test the difference between the factors towards the COLD PRESSED OIL and SUNALO.

Ranks / Brands	Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Rank 6	Rank 7	Rank 8	Total
R1 SVS	4	2	1	3	5	6	8	7	300
	24	70	100	44	20	18	8	16	
R2 Sundrop	6	3	2	5	4	7	1	8	300
	28	44	62	38	40	12	66	10	
R3 Gold Winner	2	1	3	4	5	7	6	8	300
	68	124	40	22	16	10	14	6	
R4 VVS	5	4	3	2	1	7	6	8	300
	22	26	32	60	124	12	16	8	
R5 Saffola	2	7	8	3	5	1	4	6	300
	52	18	16	44	38	62	40	30	
R6 Idhayam	7	8	6	3	4	2	1	5	300
	18	8	20	34	30	70	96	24	
R7 Sunola	3	8	7	4	6	2	1	5	300
	48	6	14	44	22	50	30	86	
R8 Cold pressed oil	3	8	5	6	7	2	4	1	300
	40	4	16	14	10	66	30	120	
Total	300	300	300	300	300	300	300	300	

Rank Correlation between Cold pressed oil & Sunola

Null Hypothesis (H_o): There is no correlation between the factors of sunola and Cold pressed oil according to their sales.

Alternative Hypothesis (H_1): There is a correlation between the factors of cold pressed oil and sunshudh brands according to their sales.

R_7	R_8	$R_7-R_8=d$	d^2
3	3	0	0
8	8	0	0
7	5	2	4
4	6	-2	4
6	7	-1	1
2	2	0	0
5	4	1	1
1	1	0	0
			$\sum d^2 = 10$

$$r_\rho = 1 - \frac{6 \sum d^2}{n(n^2 - 1)} \qquad r\rho = 0.88$$

R_7 = Rank given to Sunola

R_8 = Rank given to Cold pressed oil

r_ρ = Spearman's Rank Correlation

n = No. of Observation

d = Deviation

Decision

For n=8 the table value of Spearman's Rank Correlation efficient 8% level of significant is 0.9000.The computed value of coefficient is 0.8 H0 is accepted .

Inference

Hence there is no correlation between the factors of SUNOLA and COLD PRESSED OIL towards the branding according to their sales.

Cross Tabulation

To test the Type of Retailers and Frequently Moving Packages

Type of Retailers	1 Liters	2 liters	5 Liters	Total
Oil Store	60	14	6	80
Provision Store	134	10	18	162
Departmental Store	22	8	2	32
Super Markets	24	2	0	26
Total	**240**	**34**	**26**	**300**

Decision

According to the cross tabulation across type of retailer and frequently moving packages, in provisional store 1 Liters Packages is the fastest moving pack. The least moving package in the market is 5 liters at super market.

Kolmogorov Simrnov D-Test

Null Hypothesis (H_o) : There is no significant difference between the satisfaction level towards the pay received and their experience.

Alternative Hypothesis (H_1): There is a significant difference between the satisfaction level towards the pay received and their experience.

O	CF	F(O)	E	CF	F(E)	F(O) - F(E)	
3.89	3.89	0.3886	3.34	3.34	0.3336	0.0550	D(max)
3.21	7.10	0.7092	3.34	6.68	0.6673	0.0419	
2.91	10.01	1	3.34	10.01	1	0	

Calculated value = 0.0550

Table value at 5% level of

significance $= 1.36 / \sqrt{n}$

$= 1.36 / \sqrt{300}$

$= 0.0785$

Decision

Calculated value is less than the table value, which significally proves that the null hypothesis (n_0) is accepted and alternative hypothesis (n_1) is rejected.

Inference

There is no significant difference between the factors and the period they have been dealing with cold pressed oil this implies that the level towards the factors and the period doesn't have any impact.

Findings

- 55% of the respondents were Provision Store Retailers.
- Only13% of the respondents say Cold pressed oil has been the most edible oil brand in the market.
- 24 % of respondents feel, Gold Winner has been the most edible oil brand in the market.
- 31 % of respondents feel, Health is the most preferable factor for selecting the brand.
- 89% of the retailers are currently dealing with Cold Pressed oil.
- 84% of the retailers are dealing with Cold Pressed oil for more than 1year.
- 56% of retailers feel that the fastest moving pack in Cold pressed oil is 1 Litre package.
- 60% of the retailers have said that 1 litre cold pressed oil packs is high in weekly sales.
- 52% of the respondents say that, the reason for not dealing with Cold pressed oil is the Manufacturer yet to approach.

Suggestions and Recommendations

- Focus towards the Super market retail shop to be increased.
- The Manufacturer should concentrate more on packaging of the product.
- Advertising support through displays could be given to retailers.
- Profit margin to retailers must be increased.
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- Approach by the manufacturer has to be initiated more in the market
- Health and Quality was felt well by the retailers. It can be improved or maintained at the same level.

Conclusion

"Survival of the fittest" is one line to describe today's business environment .even market leaders, is not aware of the going trends in the market, at one stage would go down. In retailer's perspective, consumers are satisfied with Cold pressed oil price and quality. The Market is now in growth stage. In midst of cut-throat competition the manufacturer still maintains its market position and Quality. But still the manufacturer prosperous to increase their market they have to concentrate on their package, margin, advertisement and they should make the product availability in wide ran

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