

# A STUDY ON CUSTOMER SATISFACTION OF MILMA PRODUCTS IN PALAKKAD CITY

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## ABSTRACT

Customer satisfaction is a key factor influencing brand loyalty and organizational success in the dairy industry. This study examines the level of customer satisfaction with Milma products in Palakkad City. Primary data were collected from 205 respondents using a structured questionnaire, supported by secondary data from books and journals. Percentage analysis and chi-square tests were used for data analysis. The findings reveal that customers are highly satisfied with the quality, taste, packaging, pricing, and availability of Milma products. The study also shows strong brand loyalty across different age and gender groups. Overall, Milma enjoys a positive brand image and high customer satisfaction in the study area.

**Key words:** Customer Satisfaction, Milma Products, Dairy Industry, Brand Loyalty, Palakkad City

## INTRODUCTION

Customer satisfaction plays a vital role in determining the success of any organization. In the dairy industry, factors such as quality, taste, price, availability, and trust strongly influence customer preference. Milma, a cooperative dairy brand, focuses on delivering quality products while supporting local farmers. Understanding customer satisfaction helps Milma improve its products and services.

### Research background

The Indian dairy industry has become highly competitive with the entry of private brands. Although Milma enjoys strong brand loyalty in Kerala, changing consumer expectations and increasing competition make it necessary to regularly assess customer satisfaction. Studying customer perception helps identify strengths, weaknesses, and areas for improvement.

### Objectives of the study

- To measure the level of customer satisfaction towards Milma products
- To analyse customer perception regarding quality, price, and availability
- To identify factors influencing purchase decisions

### Statement of the problem

- Increasing competition from private dairy brands makes it necessary for Milma to assess customer satisfaction and expectations.
- Identifying gaps in product quality, pricing, and service is essential to improve customer loyalty and maintain market position.

### Scope of the study

- The study focuses on evaluating customer satisfaction towards Milma products in Palakkad city, covering aspects such as quality, price, taste, packaging, availability, and service.
- It helps in understanding customer preferences and loyalty to support better marketing and product improvement decisions.

### Limitations of the study

- The study is limited to Palakkad city only
- Sample size is limited, so results may not represent all consumers
- Time constraints restricted detailed analysis
- Responses depend on the honesty of respondents

## REVIEW OF LITERATURE

- Rakesh Saxena (1997), “Changing Patterns of Consumer Expenditure on Dairy Products in India”, analyzed shifting consumer spending and identified rising demand for milk and milk products in both rural and urban areas.
- Amit Saha (2003), “Globalization and Strategic Challenges of the Indian Dairy Industry”, examined the need for product patenting, long-term planning, and global competitiveness in the dairy sector.
- Jawad Saleem (2007), “Structural Constraints and Infrastructure Gaps in the Indian Dairy Sector”, highlighted infrastructure deficiencies, milk wastage, and low farmer profitability.
- Boddu Divya (2009), “A Competitive Study of the AMUL Cooperative Model”, analyzed AMUL’s success factors including technology adoption, quality standards, and farmer-centric operations.
- Chua, Vanina & Fong (2008), “Trends in Dairy Product Segmentation and Profitability”, identified powdered milk and value-added dairy products as high-growth market segments.
- Sharath Joseph (2016), “A Study on Operational and Marketing Challenges of MILMA”, examined customer awareness issues, dealer dissatisfaction, and packaging problems affecting Milma’s market share.

## RESEARCH METHODOLOGY

### Sampling plan

The study uses a Convenience sampling technique. A sample size of 205 respondents was chosen to ensure fair representation. Data was collected through a structured questionnaire, providing unbiased and reliable information for analysing training and development effectiveness.

### Convenience sampling

The type of research used in this project is convenient in nature. The main goal of this type is to describe the data and characteristics about what is being studied. Convenience sampling is a type of non- probability sampling that involves the sample being drawn from that part of the population that is close to hand.

### Methods of study

Data was gathered from both primary and secondary sources of information. The questionnaire is the source of collecting primary data and the secondary data are collected from various books, journals, and websites.

2. **Primary data** – Primary data refers to information collected firsthand for the first time. In this study, primary data was gathered using a well-designed structured questionnaire, and the required information was collected through Google Forms.

I had a set of 25 questions and requested the respondents for the correct information through google forms.

3. **Secondary data** – secondary data is a type of data that has been collected in the past. It includes various information’s from books, websites etc.

### Statistical tool

- Percentage Analysis
- Chi square

### Percentage Analysis

Percentage analysis is a statistical tool used to analyse and interpret the data collected from respondents. It helps in understanding the distribution of responses and comparing different categories in a simple and meaningful manner.

### Chi- square

Chi-square is a statistical test commonly used to compare observed data with data one would expect to obtain according to specific hypothesis. The chi-square test is always testing what scientists call the null hypothesis between the expected and observed states that there is no significant difference result.

The formula for calculating:

$$\text{Chi-square} = (O-E)^2/E$$

## ANALYSIS AND INTERPRETATION

### Percentage Analysis

- A large proportion of respondents are young adults (18–35 years), indicating strong preference for Milma products among younger consumers.
- Female respondents form the majority, showing higher involvement in purchasing dairy products.
- Nearly half of the respondents purchase Milma products daily, reflecting strong customer loyalty and regular usage.
- Most respondents are satisfied or highly satisfied with quality, taste, and packaging, highlighting Milma’s strength in product standards.
- A majority perceive Milma’s pricing as fair and affordable, and many are willing to recommend the brand to others.

### Chi-square Analysis

#### Chi-square analysis between Gender and Frequency of Milma products purchase

Null hypothesis (H<sub>0</sub>): There is no association between Gender and frequency of Milma products purchase

Alternative hypothesis (H<sub>1</sub>): There is an association between Gender and frequency of Milma products purchase

Test	Value	df	Asymp. Sig (2-sided)
Pearson Chi-Square	6.412	4	<b>0.171</b>
Likelihood Ratio	6.506	4	0.164
Linear-by-Linear Association	0.519	1	0.471
N of Valid Cases	150	-	-

Interpretation: Since  $p = 0.171 > 0.05$ , the null hypothesis is accepted. There is no significant difference in the frequency of purchasing Milma products between male and female respondents, indicating equal product reach and accessibility across genders.

#### Chi-square analysis between Age and Duration of Milma product usage

Null hypothesis (H<sub>0</sub>): There is no association between Age and Duration of Milma product usage

Alternative hypothesis (H<sub>1</sub>): There is an association between Age and Duration of Milma product usage

Test	Value	df	Asymp. Sig (2-sided)
Pearson Chi-Square	15.284	12	<b>0.228</b>
Likelihood Ratio	15.499	12	0.217
Linear-by-Linear Association	1.056	1	0.304
N of Valid Cases	150	-	-

Interpretation: Since  $p = 0.228 > 0.05$ , H<sub>0</sub> is accepted. There is no significant relationship between age and duration of usage, indicating strong brand loyalty and long-term trust in Milma products across all age groups.

### Findings

- Young adults (18–35 years) form the major consumer group, showing strong preference for Milma products.
- Female consumers dominate the purchase of Milma products, indicating higher involvement in dairy buying decisions.
- Many respondents purchase Milma products daily, reflecting high customer loyalty and regular usage.
- Customers are highly satisfied with the quality, taste, packaging, and pricing of Milma products.
- Chi-square analysis shows no significant association between gender and purchase frequency or age and duration of usage, indicating uniform acceptance and long-term trust across all demographic groups.

## Suggestions

- Milma should introduce youth-oriented promotional campaigns to further strengthen its appeal among young consumers.
- Digital and social media marketing can be improved to attract new and younger customers.
- Continuous quality control should be maintained to sustain high customer satisfaction and loyalty.
- Distribution and product availability should be strengthened to support daily purchase behavior.
- Milma can introduce new value-added and innovative dairy products to retain existing customers and attract new ones.

## Conclusion

The study concludes that Milma products have achieved a high level of customer satisfaction in Palakkad City due to consistent quality, fair pricing, good taste, and wide availability. Customers across different ages and gender groups show strong trust and loyalty towards the brand. The absence of significant demographic differences highlights Milma's uniform market acceptance. To sustain its competitive position, Milma should continue maintaining quality standards, strengthen promotional activities, and introduce innovative value-added products. Overall, customer satisfaction remains a strong pillar supporting Milma's market success.

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