
Retailer Insights into Consumer Demand & Brand Preference for Paneer

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ABSTRACT

Purpose of the Study: *This study aims to analyse retailers' perceptions of consumer demand and brand preference for Paneer in Madurai, focusing on factors influencing purchase decisions and challenges faced in the retail distribution of Paneer.*

Methodology: *Primary data were collected from 150 retailers through a structured questionnaire using a convenience sampling method. Descriptive statistics, mean analysis, chi-square tests, and regression analysis were applied to evaluate the data.*

Main Findings: *The study revealed that Milky Mist, Aroma, and Hatsun are the most preferred Paneer brands among consumers. Key factors influencing consumer preference include quality, freshness, and brand reputation. Retailers reported challenges such as storage issues, supply chain delays, and seasonal fluctuations in demand.*

Applications of the Study: *The insights from this study can help manufacturers improve product quality and distribution efficiency, enable marketers to design effective promotional campaigns, and assist retailers in optimizing inventory management to meet consumer expectations and enhance competitiveness in the dairy market.*

Novelty/Originality of the Study: *This research provides a unique perspective by capturing retailer insights on consumer demand and brand preferences for Paneer, offering practical implications for manufacturers, marketers, and retailers in the evolving dairy sector of Madurai.*

KEYWORDS: *Paneer, Retailers' Insights, Consumer Demand, Brand Preference, Dairy Industry*

INTRODUCTION

The dairy sector in India has experienced significant growth over the past decade, with the country emerging as the largest producer of milk and milk-based products globally. Among these, paneer has become a highly popular and widely consumed fresh dairy product, valued for its versatility in both everyday meals and special occasions. Its rich nutritional profile, particularly high protein and calcium content, aligns with the growing consumer preference for healthy and balanced diets. Factors such as urbanization, changing lifestyles, and increasing health awareness have further boosted the demand for branded and hygienically packaged paneer, with consumers placing importance on quality, packaging, and brand reputation.

In addition to its nutritional importance, dairying plays a crucial role in supporting rural livelihoods, making paneer production economically significant. Consumer behaviour in paneer purchasing is influenced by multiple factors, including taste, quality, price, availability, and trust. Retailers act as key intermediaries in this process, as they directly interact with customers and observe their preferences and buying patterns. Their insights provide valuable information on market trends, dominant brands, and shifting consumer demands, helping manufacturers and marketers design strategies that better meet consumer expectations.

RESEARCH OBJECTIVES

The present study aims to:

1. Understand the current demand and sales trends of Paneer at the retail level.
2. Assess the profit margin and pricing strategies adopted by retailers.
3. Determine the level of competition among Paneer brands and local suppliers.
4. Explore the potential for expanding Paneer-related products in retail outlets.
5. Recommend strategies for increasing Paneer sales and improving customer satisfaction in retail stores.

Novelty of the Study

While numerous studies focus on consumer perceptions of dairy products, limited research addresses the retailer's perspective in the Paneer segment. This study is novel in capturing retailers' insights on demand trends, brand preferences, pricing strategies, and challenges in stocking and promoting Paneer. By focusing on retailers in Madurai, it provides a practical and market-oriented understanding that can inform manufacturers, marketers, and retailers in enhancing product offerings, sales performance, and overall competitiveness in the rapidly growing Paneer market.

REVIEW OF LITERATURE

Joshi and Verma (2017) reported that urban consumers increasingly prefer packaged Paneer over loose varieties, mainly due to perceptions of quality and safety. Their study highlights how packaging plays a decisive role in shaping consumer trust in dairy products.

Sharma and Yadav (2017) observed that supply chain efficiency and distributor support are major factors influencing retailer preferences. Retailers tend to stock brands that ensure timely delivery and promotional backing.

Das and Ghosh (2017) found that nutritional labelling attracts health-conscious consumers, particularly in urban markets. Their study pointed out that clear information on packaging increases consumer confidence in Paneer products.

Desai and Bhatia (2017) studied brand preference in Paneer markets and concluded that freshness and texture are critical for repeat purchases. They also observed that consistency in quality builds brand loyalty among consumers.

Mehta and Sharma (2018) identified trust, quality, and availability as the primary drivers of Paneer brand loyalty. Their findings suggest that consumer confidence plays a stronger role than price in ensuring repeated purchase.

Verma and Sharma (2018) examined the effect of income and lifestyle on dairy consumption. They found that higher income groups show stronger demand for protein-rich products like Paneer, linking changing food habits to nutritional awareness.

Singh and Malhotra (2019) demonstrated that promotional offers and discounts directly affect brand switching behaviour. Their study showed that consumers often shift between brands based on short-term incentives.

Kumar and Singh (2019) analysed urban markets and observed that branded dairy products are gaining popularity due to greater awareness of hygiene and quality assurance. Their results suggest that consumers associate branding with safety and consistency.

METHODOLOGY:

This study adopts a **descriptive research design** to examine retailer insights on consumer demand and brand preference for Paneer in Madurai. Descriptive research is suitable for this study as it aims to systematically describe patterns, trends, and relationships observed among variables without manipulating them, providing a clear understanding of the retail market dynamics in the Paneer segment.

Sampling and Data Collection

Primary data were collected from a total of **121 respondents**, who were retail store owners and managers dealing with Paneer products. A **structured questionnaire** was used as the data collection instrument. The questionnaire was designed to capture information on consumer purchase behavior, brand preference, sales trends, pricing strategies, profit margins, competition among brands, and challenges faced by retailers in stocking and promoting Paneer. Convenience sampling was employed to select participants, ensuring accessibility to retailers while covering a representative mix of small, medium, and large retail outlets across Madurai.

Data Analysis Techniques

The collected data were coded, cleaned, and analyzed using appropriate statistical tools. **Mean analysis** was applied to evaluate the average ratings and perceptions of retailers regarding consumer preferences; quality attributes, and brand performance. **Regression analysis** was used to explore relationships between key variables, such as how brand attributes (quality, freshness, packaging) influence consumer demand. Additionally, **charts and graphical representations** were employed to visually depict trends, patterns, and comparative insights across different Paneer brands.

This methodology enables a comprehensive understanding of the Paneer retail market, highlighting both quantitative trends and qualitative insights. The combination of descriptive statistics and regression analysis provides a reliable basis for interpreting retailer perceptions and deriving practical recommendations for manufacturers, marketers, and retailers.

FINDINGS OF THE STUDY:

Overall Understanding and Demographic Factors

Chi square test is used to show the association between Overall Understanding and demographic factors of the respondents.

Null Hypothesis: There is no relationship between overall Understanding on the purchase and demographic factors.

Alternate Hypothesis: There is a relationship between overall Understanding on the purchase and demographic factors

Table 1, Association between respondent’s’ Trust credibility and Demographic factors

S.NO	Demographic factors	Asymptotic Significance	Null Hypothesis	Interpretation
1.	Type of store	.062	Accepted	There is no significant relationship between type of store and overall
2.	Year of operation	.942	Accepted	There is no significant relationship between year of operation & overall.
3.	What kind of brand do you sell	.000	Rejected	There is a significant relationship between What kind of brand do you sell & overall.
4.	Average monthly sale volume of paneer in your store	.268	Accepted	There is no significant relationship between average monthly sale volume of paneer in your store & overall.
5.	Which brand of paneer is moving fast in the market	.000	Rejected	There is a significant relationship between which brand of paneer is moving fast in the market & overall
6.	What are the key factors influencing customer decisions to choose our products	.000	Rejected	There is a significant relationship between what are the key factors influencing customer decisions to choose our product & overall.

Table 2. Association between the type of store and what kind of brand do you sell

S.NO	Characteristics that are influences to sell our product	Asymptotic significance	Null hypothesis	Interpretation
1.	Type of store & what kind of brand do you sell	.290	Accepted	There is a significant relationship between type of store & what kind of brand do you sell
2.	Year of operations & what kind of brand do you sell	.729	Accepted	There is a significant relationship between year of operation & what kind of brand do you sell

Inference:

Based on the table, both the type of store and the year of operations have p-values greater than 0.05 (0.290 and 0.729 respectively), which means the null hypotheses are accepted. This indicates that there is **no statistically significant relationship** between these characteristics and the kind of brand being sold. Therefore, these factors **do not have a meaningful influence** on the sale of a particular brand and should not be considered key determinants in product selling strategies.

Table 3 Mean Analysis of branded paneer & local supplier

Factors	Mean
Customer prefer branded paneer over locally supplied paneer	3.785

Inference:

The mean score of **3.785** indicates that customers generally **prefer branded paneer over locally supplied paneer**. Since the mean is closer to 4 on a 5-point scale (assuming the scale ranges from 1 = strongly disagree to 5 = strongly agree), it reflects a **positive inclination** toward branded paneer. This suggests that branding plays an important role in consumer choice, and businesses may benefit from focusing on branded product offerings to meet customer preferences.

Table 4 Graph for Expanding the range of paneer products has the potential to increase overall sales in my store.

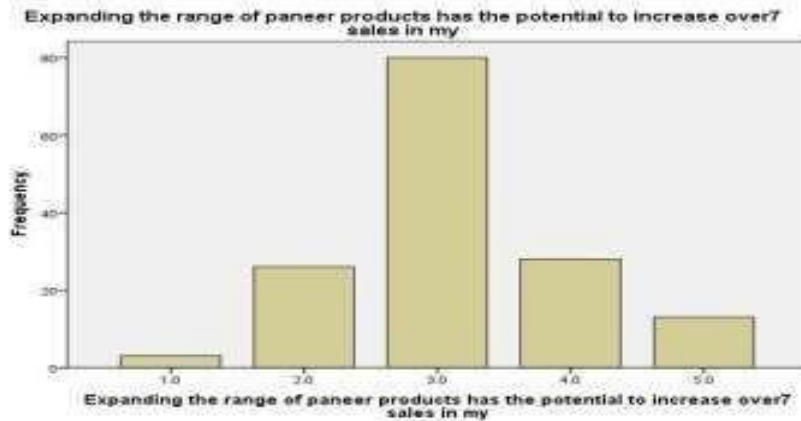


Fig: 4 Expanding the range of paneer products has the potential to increasing overall sales in my store.

Inference:

The chart shows that the majority of respondents selected **3 (neutral)** when asked if expanding the range of paneer products has the potential to increase sales. This suggests that while some respondents **agree** (ratings 4 and 5) and others **disagree** (ratings 1 and 2), most are **undecided or uncertain** about the impact. The data reflects a **moderate level of confidence** in the idea, indicating that further awareness, testing, or evidence may be needed to convince stakeholders of the potential benefits of expanding the paneer product range.

ANALYSIS OF VARIABLES USING REGRESSION:

Regression test is used to show the association between Overall Understanding and other related factors of the respondents.

Table 5 - Relationship strategy to increase paneer sales & customer satisfaction and overall satisfaction consumer demand and brand preference of paneer.

Model	Unstandarized coefficients		Standarized coefficoents	T	Sig.
	B	Std. Error	Beta		
(Constant)	-.536	.224		-2.391	.018
1. Offering a diverse range paneer products (Flavored, Low fat, Offers) to attract more customer.	.275	.080	.193	3.454	.001

2.	In store promotion & discount on paneer products have led to increased sales.	.226	.091	.201	2.448	.014
3.	Collecting customer feedback regarding paneer product has improved customer satisfaction.	.320	.063	.343	5.060	.000
4.	Providing offers to the product and free sample to increase sales.	.223	.082	.208	2.705	.008
5.	Implement loyalty programs for paneer purchase has encourages repeat buying.	.223	.082	.208	2.705	.008

Inference:

The regression analysis indicates that the model is statistically significant ($p < 0.001$) and explains 72.1% of the variance in sales, suggesting a strong relationship between the independent variables and sales performance. All five factors—offering a diverse range of products, in-store promotions and discounts, collecting customer feedback, providing offers and free samples, and implementing loyalty programs—positively and significantly influence sales ($p < 0.05$). Among these, collecting customer feedback has the strongest impact (Beta = 0.343), highlighting its critical role in improving customer satisfaction and driving sales.

While all variables contribute positively, loyalty programs show the least relative influence. Overall, focusing on customer-centric strategies such as feedback, promotions, and product variety can effectively enhance sales performance.

Conclusion:

Consumer behavior is a vital aspect of market research, as purchasing decisions directly reflect customer needs, preferences, and expectations. This study examined retailers' insights into consumer demand and brand preference for Paneer in Madurai, offering valuable evidence on how consumers make their choices and how retailers adapt to these patterns.

The findings revealed that branded Paneer, particularly Milky Mist, Aroma, and Hatsun, are highly preferred by consumers. Quality, freshness, and brand reputation emerged as the most significant factors influencing purchase, while aspects such as packaging and pricing also played important roles. Retailers noted that seasonal demand, storage challenges, and supply chain delays influence their ability to meet customer expectations consistently.

Model	R	R2	Adjusted	Std.	Change Statistics		
					R2 Change	F Change	Sig. F Change
1	.849	.721	.711	.4982	.721	73.902	.000

The results of this study indicate that manufacturers should focus on improving product quality and reliability, while marketers can design promotional strategies that reflect consumer preferences and seasonal trends. Retailers, in turn, can optimize inventory management by stocking fast-moving brands and engaging in effective communication with distributors

Overall, this research highlights the importance of retailers as a critical link between manufacturers and consumers. Their insights provide a practical understanding of demand trends and brand dynamics, contributing to better strategies for all stakeholders in the dairy industry.

DISCLOSURE

This project report is the original work of the researcher and has been carried out solely for academic purposes as part of the MBA program at Mepco School of Management Studies, Mepco Schlenk Engineering College, Sivakasi. The study has not been published or presented in any other form prior to this submission. All information, analysis, and interpretations are intended purely for academic evaluation and to provide practical insights into consumer demand and brand preference for Paneer in Madurai.

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