

## **THE BRAND PREFERENCE OF NAGARJUNA HERBAL CONCENTRATES LTD. IN IDUKKI DISTRICT**

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### **ABSTRACT**

Consumers brand preferences represent a fundamental step in understanding consumer choices. A deeper understanding of such preference dynamics can help marketing managers' better design marketing program and build a long term relationship with consumers. Despite the existence of some studies investigating how brand preference is built and changed, most of them focus on examining factors from consumer behavior perspective or advertising perspective. The study was conducted in Idukki District and data were collected through pre-tested structured interview schedule and to understand THE BRAND PREFERENCE OF NAGARJUNA HERBAL CONCENTRATES LTD. IN IDUKKI DISTRICT

There has been a long standing interest from marketers to understand how consumers form their preferences toward a specific brand. Brand preference is closely related to brand choice that can facilitate consumer decision making and activate brand purchase. Knowing the pattern of consumer preferences across the population is a critical input for designing and developing innovative marketing strategies. It also uncovers the heterogeneity of consumer choices leading to efficient market segmentation strategies. However, forecasting consumer's preferences between brands is not an easy task

**KEYWORDS:** Brand Preference, Consumer

### **INTRODUCTION**

Consumers brand preferences represent a fundamental step, in understanding consumer choices. A deeper understanding of such preference dynamics can help marketing managers, better design marketing program and build a long term relationship with consumers. Despite the existence of some studies investigating how brand preference is built and changed, most of them focus on examining factors from consumer behavior perspective or advertising perspective.

### **Objectives of the Study**

The objective of the study is:

- To understand THE BRAND PREFERENCE OF NAGARJUNA HERBAL CONCENTRATES LTD. IN IDUKKI DISTRICT.
- To study the customers attitude towards Nagarjuna's products.
- To analyze the competitive position of Nagarjuna in market.
- To understand brand loyalty of consumers towards Nagarjuna's products.

### **Need for the Study**

There has been a long standing interest from marketers, to understand how consumers form their preferences toward a specific brand. Brand preference is closely related to brand choice, that can facilitate consumer decision making and activate brand purchase. Knowing the pattern of consumer preferences across the population is a critical input, for designing and developing innovative marketing strategies. It also uncovers the heterogeneity of consumer choices leading to efficient market segmentation strategies. However, forecasting consumer's preferences between brands is not an easy task.

### **Company Profile**

Nagarjuna Herbal Concentrates Limited is a Public limited Company engaged in production and marketing of all kinds of Ayurvedic medicines and popularizing the indigenous system of medicines in our country, is located at Alacode, 6 km from Thodupuzha, in Idukki district of Kerala. The construction of the company started in the year 1985, and commissioned in October 1989. In the beginning, company had only 87 agencies but now the authorized agency in 930 and it is spreading throughout the state. At present there are 500 direct employees and 1500 indirect employees. The company has a product range of 550 medicines. The Kerala State Industrial development Corporation Ltd, and Kerala Financial Corporation have financial interest in the company.

### **Product Profile**

Nagarjuna follows the oldest system of preparation of medicines as per the rules and regulations prescribed. But, when hygiene, accuracy and speed matters, it is up to the modern machineries. So, presently the company's manufacturing process has been mechanized to a large extent. These are controlled by a group of doctors and scientists.

Apart from the preparation of traditional medicines, Nagarjuna has a wide range of patent medicines. The R&D division of Nagarjuna has evolved strength testing procedure for its drugs. A significant development in this field is the recently established modern laboratory set up costing Rs. 70 lakhs. The laboratory has an on-going program of basic research in Ayurveda, besides development of new formulation and standardization of drugs is also in this Department, Nagarjuna has 427 traditional medicines and 27 patent medicines.

### **TRADITIONAL MEDICINES**

The important traditional medicines of Nagarjuna are

- Arishtams
- Asavams
- Oils
- Kuzhambus
- Ghrutham
- Lehyams
- Tablets

- Avarthis
- Choornams
- Kashayams
- KashayaChoornams

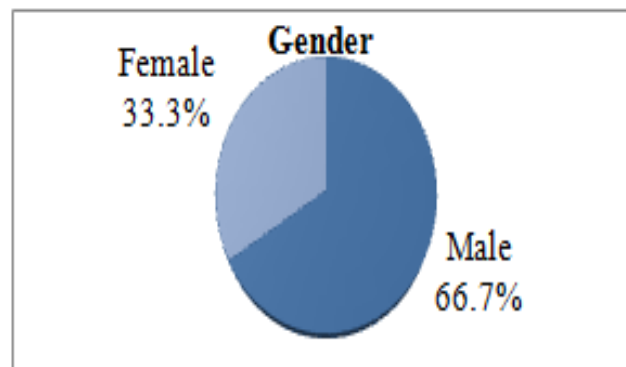
## DATA ANALYSIS

### General Opinion of Consumers about Ayurveda

#### Gender Of The Respondents

**Table 1: Table Showing the General Opinion of Consumers about Ayurveda**

Category	No. of Respondents	Percentage
Male	100	66.7
Female	50	33.3
<b>Total</b>	<b>150</b>	<b>100</b>



**Figure 1: Figure Showing Gender**

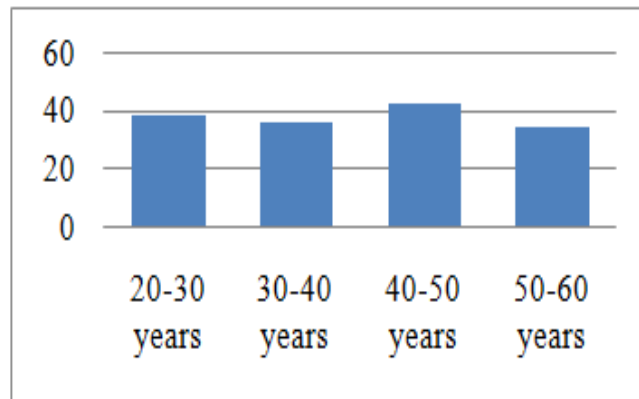
#### Inference

Out of the total 150 respondents surveyed 66.7% of the respondents (a maximum) are males 33.3% of the respondents are females.

#### Age Category of the Respondents

**Table 2: Table Showing Age Category of the Respondents**

Age Category	No. of Respondents	Percentage
20-30 years	38	25.3
30-40 years	36	24.0
40-50 years	42	28.0
50-60 years	34	22.7
<b>Total years</b>	<b>150</b>	<b>100.0</b>



**Figure 2: Figure Showing the Age Category of the Respondents**

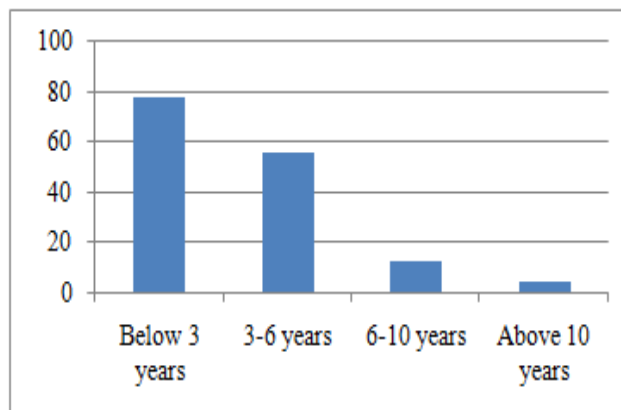
### Inference

From the above table, we can identify that the most of customers are in the age class of 40-50 years, 10% come under the age group of 26-30, 31-35, age group among the respondents are 20%, 30% come under the age group of 36-40.

### How Long Respondents have been a user of Nagarjuna Products?

**Table 3: Table Showing How Long Respondents Have Been a User of Nagarjuna Products**

Years	No. of Respondents	Percentage
Below 3 years	78	52.0
3-6 years	56	37.3
6-10 years	12	8.0
Above 10 years	4	2.7
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 3: Figure Showing How Long They Have Been a User of Nagarjuna Products**

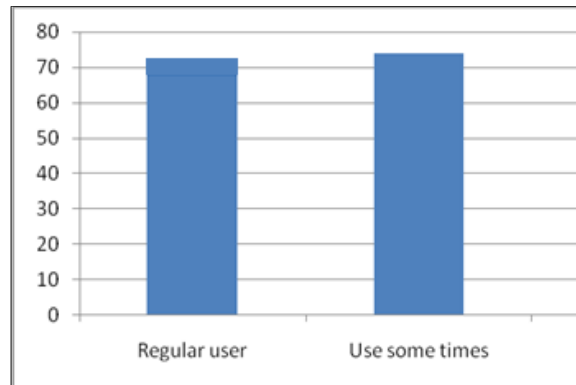
### Inference

From the above the table, we can analyze that most of the customers are using the company's product for less than 3 years, From among the 150 respondents enquired 78 have confirmed to be using Nagarjuna products, for less than 3 years.

### Respondents are in which Category User of Nagarjuna Products?

**Table 4: Table Showing the Respondents are in which Category User of Nagarjuna Products**

Category	No. of Respondents	Percentage
Regular user	72	47.95
Use some times	78	51.95
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 4: Figure Showing the Respondents are in which Category User of Nagarjuna Products**

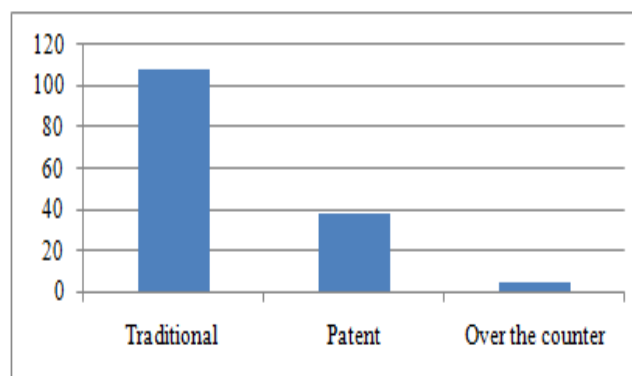
### Inference

From the above table, we can analyze that most of the customers are using the products occasionally. Among the 150 respondents 47.95 percent are regular users of Nagarjuna products.

### Respondents are using which Type of Products?

**Table 5: Table Showing the Type of Products used by the Respondents**

Category	No. of Respondents	Percentage
Traditional	108	72.0
Patent	38	25.3
Over the counter	4	2.7
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 5: Figure Showing the Type of Products Used by the Respondents.**

### Inference

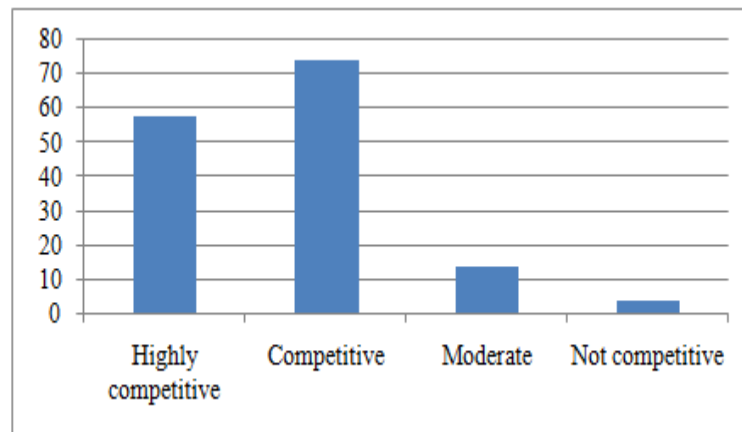
From the above table, we can analyze that most of the consumers are using the Traditional products. And only 4 among the 150 consumers have confirmed to be using over the counter products.

### TO ANALYZE THE COMPETITIVE POSITION OF NAGARJUNA IN MARKET

#### What do Respondents think about the Company's Position in Market?

**Table 6: Table Showing Respondents Perspective on Company's Position in the Market**

Position	No. of Respondents	Percentage
Highly competitive	58	38.7
Competitive	74	49.3
Moderate	14	9.3
Not competitive	4	2.7
<b>Total</b>	<b>150</b>	<b>100</b>



**Figure 6: Figure Showing Respondents Perspective on Company's Position in the Market**

### Inference

From the above table, we can observe that Nagarjuna's market position is competitive in nature and, 38.7 percent respondents think that, Nagarjuna is highly competitive. The majority respondents are of the opinion that Nagarjuna is one of the most competitive companies in Idduki.

#### Rank the Most Influential Factor which Influenced the Respondents to be the user of Nagarjuna

**Table 7: Table Showing the Factor Which Influenced the Respondents to Be the User of Nagarjuna.**

Category	No. of Respondents	Percentage
Quality	38	25.3
Effectiveness	34	22.7
Availability	26	17.3
Brand Image	26	17.3
Price	26	17.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

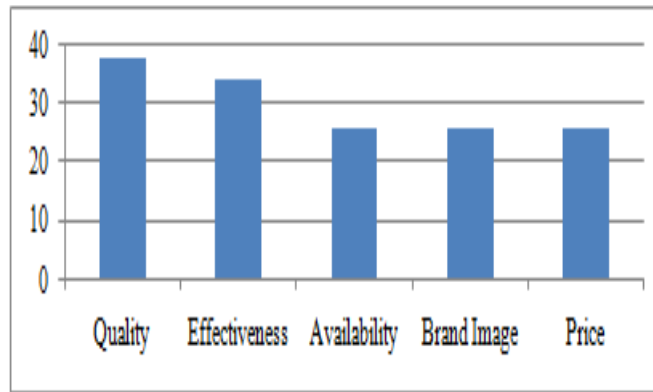


Figure 7: Figure Showing Factor Which Influenced Respondents to Be the User of Nagarjuna.

**Inference**

From the above table, we can analyze that, the customers of Nagarjuna’s products prefer the quality of the product. Around 25.3 percentage of the respondents have gone with quality aspect of the product. Majority of the customers have Gone with the opinion that availability, brand image and price have influenced them to be the user of Nagarjuna.

**What Respondents Think About the Pricing of Nagarjuna Products?**

Table 8: Table Showing Respondents Perspective about the Pricing of Nagarjuna Products.

Category	No. of Respondents	Percentage
Competitive	82	54.7
Moderately competitive	60	40.0
Non competitive	8	5.3
<b>Total</b>	<b>150</b>	<b>100.0</b>

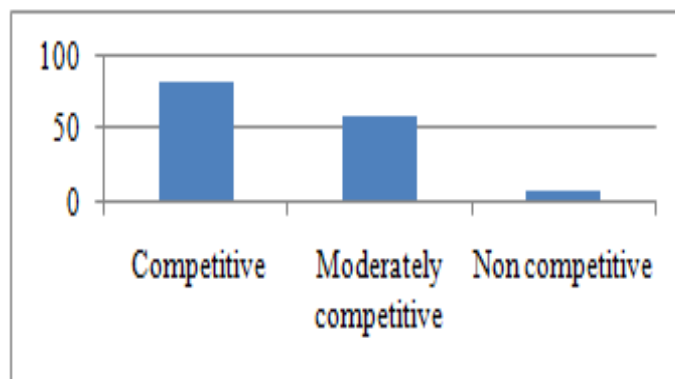


Figure 8: Figure Showing Respondent’s Perspective about the Pricing of Nagarjuna Products

**Inference**

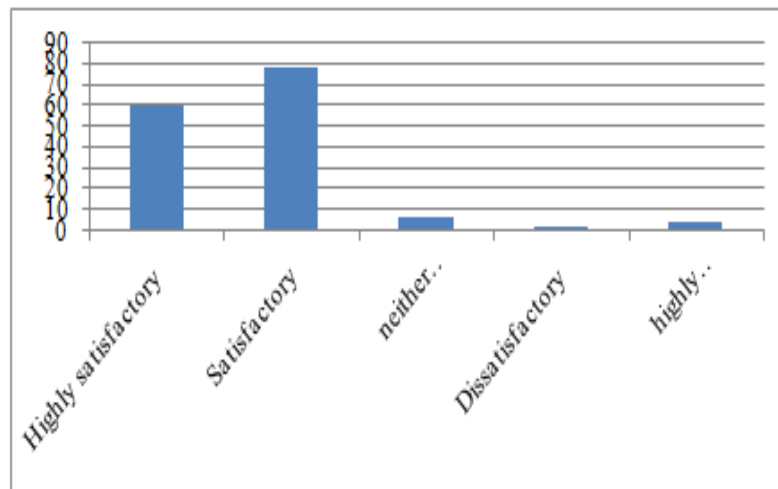
From the above table, we can analyze that the pricing of Nagarjuna’s product is competitive in nature. Only, 8 respondents from among the 150 have the opinion that, Nagarjuna’s pricing strategy is non competitive.

## CONSUMER'S ATTITUDE TOWARDS PRODUCT QUALITY AND PROMOTIONAL ACTIVITIES.

What Do Respondents think about the Quality of Nagarjuna products?

**Table 9: Table Showing Respondent's Perspective about the Quality of Nagarjuna Products**

Category	No. of Respondents	Percentage
Highly satisfactory	60	40.0
Satisfactory	78	52.0
neither satisfactory nor dissatisfactory	6	4.0
Dissatisfactory	2	1.3
highly dissatisfactory	4	2.7
<b>Total</b>	<b>150</b>	<b>100</b>



**Figure 9: Figure Respondent's Perspective about the Quality of Nagarjuna Products**

### Inference

From the above table, we can analyze that the quality of Nagarjuna's products, is satisfactory to the customers. More than 50 percent of the respondents are of the opinion that quality of Nagarjuna products are satisfactory, only 2 respondents are of the opinion that, they are dissatisfactory of Nagarjuna's quality.

What Do Respondents Feel about the Advertisements of Nagarjuna?

**Table 10: Table Showing What Respondents Feel About the Advertisements of Nagarjuna**

Category	No. of Respondents	Percentage
Highly satisfactory	38	25.3
Satisfactory	88	58.7
neither satisfactory nor dissatisfactory	24	16.0
Dissatisfactory	0	0
highly dissatisfactory	0	0
<b>Total</b>	<b>150</b>	<b>100</b>



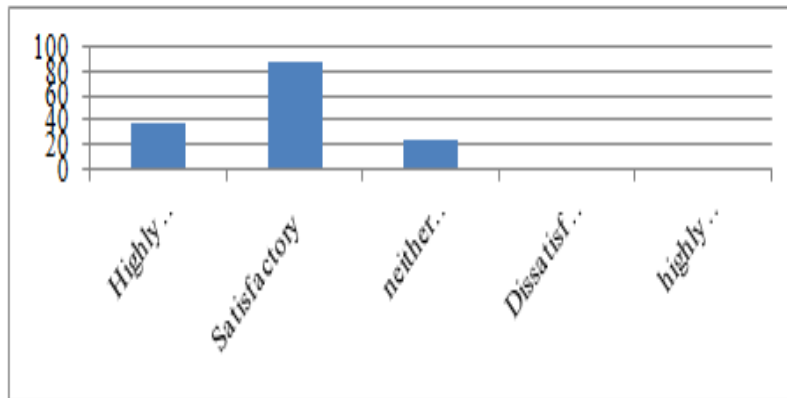


Figure 10: Figure What Respondents Feel about the Advertisements of Nagarjuna.

**Inference**

From the above table, we can analyze that the advertisement of the Nagarjuna’s products are satisfactory for the customers. Around 58 percent of the respondents have confirmed that, they are satisfied on the advertisements of Nagarjuna.

**Are Respondents Satisfied with Nagarjuna’s Products?**

**Table 11: Table Showing How Much the Respondents are Satisfied With the Nagarjuna Products**

Category	No. of Respondents	Percentage
Highly satisfactory	58	38.7
Satisfactory	80	53.3
neither satisfactory nor dissatisfactory	8	5.3
Dissatisfactory	4	2.7
highly dissatisfactory	0	0
<b>Total</b>	<b>150</b>	<b>100</b>

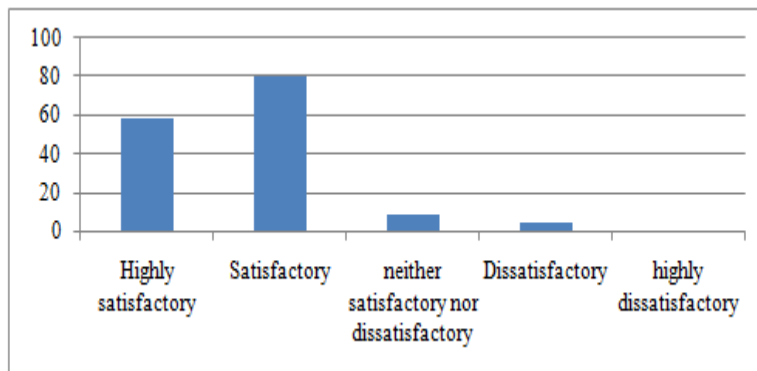


Figure 11: Figure Showing How Much the Respondents are Satisfied with the Nagarjuna Products

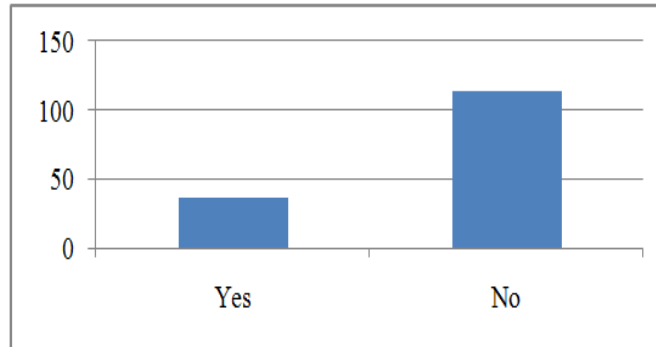
**Inference**

From the above table, we can analyze that out of the 150 respondents, 53.3% of customers are satisfied with Nagarjuna’s products and 38.7% are highly satisfied.

### Did Respondents ever use the Doctor's Service in Nagarjuna?

**Table 12:** Table showing if the Respondents used the Doctor's Service in Nagarjuna

Category	No. of Respondents	Percentage
Yes	36	24.0
No	114	76.0
<b>Total</b>	<b>150</b>	<b>100</b>



**Figure 12:** Figure showing if the Respondents Used the Doctor's Service in Nagarjuna

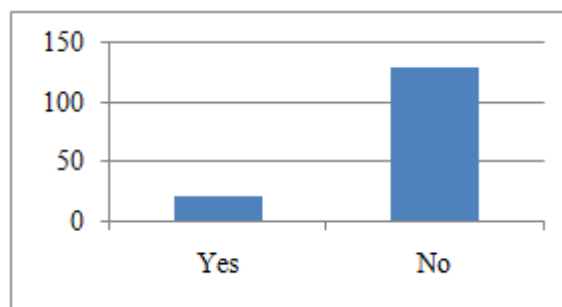
### Inference

Regarding the customers knowledge, 24% of customers are aware, about the Doctor's service in Nagarjuna. Majority of the customers are not aware of that, they can avail the service of the doctor at Nagarjuna.

### Did Respondents Purchase Products Through Online?

**Table 13:** Table showing if Respondent's did Purchase Through Online

Category	No. of Respondents	Percentage
Yes	20	13.3
No	130	86.7
<b>Total</b>	<b>150</b>	<b>100</b>



**Figure 13:** Figure showing if Respondent's did Purchase Through Online

### Inference

Out of the 150 respondents, only 13.3 percent customers were aware about the Nagarjuna's online service. And only they have used the service. Most of the customers are not aware of the online service provided by Nagarjuna herbal concentrates limited.

### Respondent's Opinion about the Distribution of Nagarjuna?

**Table 14: Table Showing Respondent's Opinion about the Distribution of Nagarjuna**

Category	No. of Respondents	Percentage
Very good	46	30.7
Fair	102	68.0
Not good	2	1.3
<b>Total</b>	<b>150</b>	<b>100</b>



**Figure 14: Figure Showing Respondent's Opinion about the Distribution of Nagarjuna**

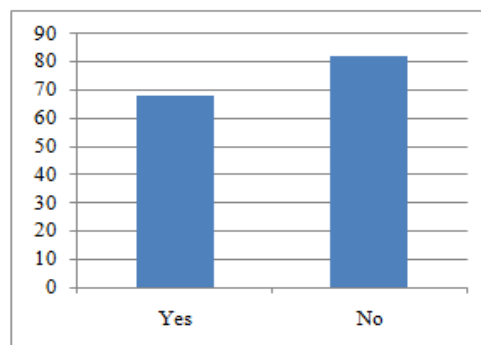
### Inference

From the above table, we can analyze that most of the customers suggested that, Nagarjuna's distribution is fair. Only, 2 respondents were of the opinion that the distribution of Nagarjuna was not good.

### Do Respondents like to Change their Products from Nagarjuna to Other Companies?

**Table 15: Table showing if respondents like to switch from Nagarjuna to Other Company**

Category	No. of Respondents	Percentage
Yes	68	45.3
No	82	54.7
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 15: Figure Showing if Respondents Like to Switch From Nagarjuna to Other Company.**

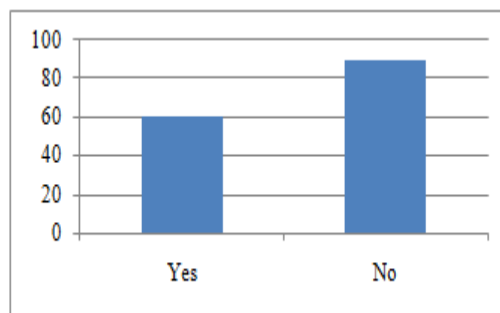
### Inference

From the above table, we can analyze that among the 150 respondents 54.7% of the customers, do not like to change products from nagarjuna to others. It means that, Nagarjuna has got a great deal of customer preference for Nagarjuna products.

### Did Respondents Ever Visit Manufacturing Plant of the Company?

**Table 16: Table Showing if Respondent's Visited the Manufacturing Plant of the Company**

Category	No. of Respondents	Percentage
Yes	60	40.0
No	90	60.0
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 16: Figure Showing if Respondent's Visited the Manufacturing Plant of the Company**

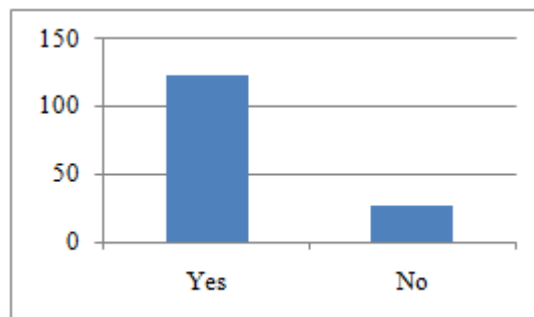
### Inference

From the above table, we can analyze that out of 150 customers, 40% of customers have visited the manufacturing plant of the company. The rest of the 60 % have not been to the manufacturing plant of the company.

### Do Respondents like the Package of the Products?

**Table 17: Table Showing if the Respondents Like the Package of the Products**

Category	No. of Respondents	Percentage
Yes	124	82.7
No	26	17.3
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 17: Figure Showing If the Respondents Like the Package of the Products**

### Inference

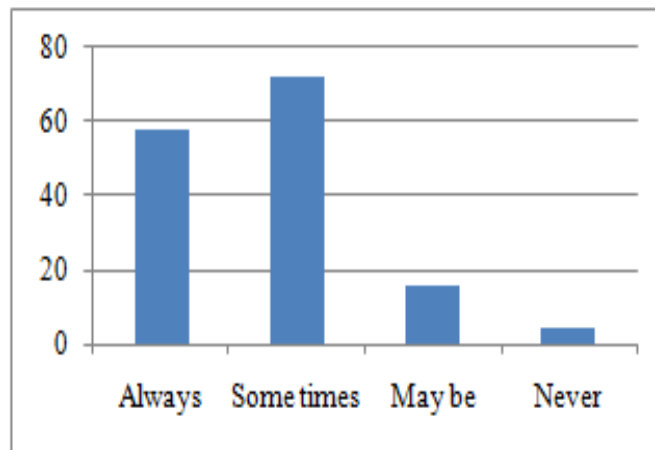
From the above table, out of the 150 respondents, 82.7% of customers like the package of Nagarjuna's products. Only 17.3 percent are not happy with the package.

## TO UNDERSTAND THE BRAND LOYALTY OF CONSUMERS TOWARDS NAGARJUNA'S PRODUCTS

Will Respondents Prefer the Nagarjuna Products to others?

**Table 18: Table showing whether Respondents will Prefer Nagarjuna Products to Others**

Category	No. of Respondents	Percentage
Always	58	38.7
Some times	72	48.0
May be	20	13.4
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 18: Figure Whether Respondents will Prefer Nagarjuna Products to Others**

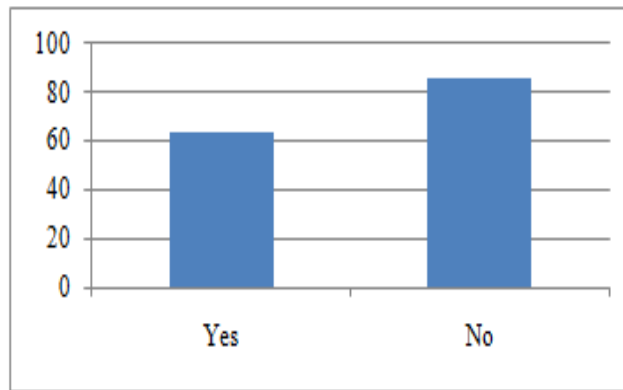
### Inference

From the above table, we can analyze that 38.7% of customers prefer Nagarjuna's products to others. Only 20 respondents are of the opinion that, they may or may not prefer Nagarjuna products.

Do Respondents want more Products from Nagarjuna?

**Table 19: Table Showing if Respondents Want More Products from Nagarjuna**

Category	No. of Respondents	Percentage
Yes	64	42.7
No	86	57.3
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 19: Figure showing if Respondents want more Products from Nagarjuna.**

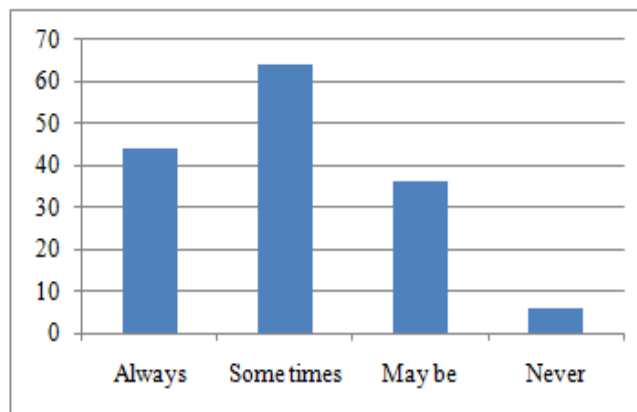
### Inference

From the 150 respondents, we can analyze that 42.7% of customers want more products from Nagarjuna. And around 57.3 percent do not want any more products from Nagarjuna.

### Will Respondents Purchase a New Product from Nagarjuna?

**Table 20: Table showing whether Respondents Purchase a New Product From Nagarjuna.**

Category	No. of Respondents	Percentage
Always	44	29.3
Some times	64	42.7
May be	36	24.0
Never	6	4.0
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 20: Figure Showing Whether Respondents Purchase a New Product from Nagarjuna.**

### Inference

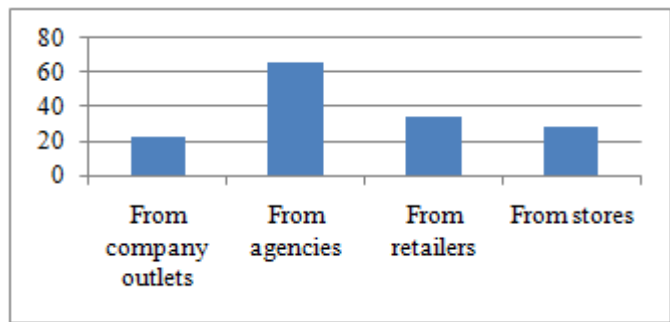
From the above table, we can analyze that among the 150 respondents only 44 of the customers are sure to purchase a new product from Nagarjuna. Around 6 respondents are sure that, they will not try any of Nagarjuna's new products.

**CUSTOMER’S PREFERENCE ABOUT THE PURCHASE OF PRODUCTS.**

**From where Respondents Purchase the Products?**

**Table 21: Table showing from where Respondents Purchase the Products?**

Category	No. of Respondents	Percentage
From company outlets	22	14.7
From agencies	66	44.0
From retailers	34	22.7
From stores	28	18.7
<b>Total</b>	<b>150</b>	<b>100.0</b>



**Figure 21: Figure showing from where Respondents Purchase the Products?**

**Inference**

From the above table, we can analyze that most of the customers are purchasing from the agencies. Only 18.7% have said they go to the stores, for buying Nagarjuna products.

**CORRELATION**

**Analysis of the Relationship between Customer Preference and Purchase of New Product**

**Table 22: Table Showing the Correlation between Customers Preference and Purchase of New Product**

Customers preference	Purchase of new product
58	44
72	64
16	36
4	6

$$\text{Correlation} = \frac{\sum xy}{\sqrt{\sum x^2} \sqrt{\sum y^2}}$$

$$\text{Mean} = \frac{\sum X}{n}$$

X = Customers preference

N =number

$$\text{Mean of X} = \frac{150}{4} = 37.5$$

$$\text{Mean} = \frac{\sum Y}{n}$$

Y = Purchase of new product

N =number

Mean of Y =  $150/4 = 37.5$

**Table 23**

Number	X	Y	X- MEAN (x)	Y-MEAN (y)	x <sup>2</sup>	y <sup>2</sup>	xy
1	58	44	20.5	6.5	420.25	42.25	133.25
2	72	64	34.5	26.5	1190.25	702.25	914.25
3	16	36	-21.5	-1.5	462.25	2.25	32.25
4	4	6	-33.5	-31.5	1122.25	992.25	1055.25
TOTAL	150	150			3195	1739	2135

$$\text{Correlation} = \frac{2135}{\sqrt{3195}\sqrt{1739}} = .90$$

### Inference

- It is positive correlation. That means preference and purchase are varying in same direction.
- If preference increases then purchase also increases with a strong positive correlation.
- It assures that, Nagarjuna has got a high brand preference on Nagarjuna's products.

### Findings of the Study

- Out of the 150 customers 66.7% are male and 33.3% are female.
- 28% of customers are in the age group of 40-50. 10% come under the age group of 26-30.
- 47.95% of customers are the regular customers of Nagarjuna's products. The remaining 51.95% respondents were also occasional users of Nagarjuna.
- Most of the customers are using the Traditional products. Only 4 among the 150 consumers have said to be using over the counter products.
- Quality and Effectiveness are the main reasons for the increased use of Nagarjuna's products.
- Most of the customers are satisfied with the pricing of Nagarjuna's products.
- 58.3% of customers are satisfied with the Nagarjuna's advertisements.
- From the customer's awareness, 24% of customers are aware about the Doctor's service in Nagarjuna.
- Out of the 150 respondents, 13.3% customers are aware about the Nagarjuna's online service.
- 38.7% of the customer will prefer the Nagarjuna products to others.
- Most of the customers are purchasing from the agencies. Only, 18.7% have said they go to the stores for buying Nagarjuna products.
- Out of the 150 respondents, 42.7% of customers want more products from Nagarjuna.



- From the study we found that, preference and purchase are varying in same direction. If, preference increases then purchase also increases.

## CONCLUSIONS

The study was conducted to measure the brand preference of Nagarjuna Herbal Concentrates Limited. The study was conducted on a sample of 150 customers. The major findings emerged from the study are summarized. The performance of the company is very good. The competition is very high in this market. The company can use different brand building programs to improve brand awareness, brand loyalty and customer trust in future.

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