



THE INFLUENCE OF CONSUMER BEHAVIOUR ON AMBICA AGARBATHIS

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I. Introduction

As marketing is a social and managerial process by which individuals and groups obtained their needs and wants through creating, offering and exchanging product of value with orders, marketing function of any organization aims to promote its products among customers and consumers. All the marketing activities of all the business enterprises of today go round the habits, tastes, preferences and attitudes of consumers.

Consumer behavior is the study of when, why, how, and where people do or do not buy a product. It attempts to understand the buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general. Consumer is the king of the market. Customer is the centre point and all the marketing activities revolved around them. Manufacturer produces what the consumer wants. Customers purchase an article as a consequence of needs, desires or wants. It is the buying motive that counts the purchasers. Such buying motives may be desired for money, pride, fashion, possession, sex and romance affection and comfort. Thus, all the marketing activities go round the satisfaction and wants of consumer. In highly competitive economic system, the success, survival and growth of enterprises warrants accurate knowledge about consumers, their behavior, how, why, where, what and when they buy.

Consumer's tastes and preferences are changing every day. Manufacturers must produce the goods according to the tastes and preferences of the consumers. Previously it was production oriented. Manufacturers sell what they had produced. But now it prompted the manufacturers to know the consumer's tastes and preferences. Before ten years Ambica produced only 4-5 varieties, but now it is producing nearly 35-40 varieties of Agarbathies. It also introduced Dhoop sticks.

II. Need for the Study

Agarbathi is a unique perfuming agent widely used in India. Majority of the Indians irrespective of age, sex, caste and income of the individuals use agarbathi.



Agarbathi is a fast moving consumer product in India because Indians believe that by glowing Agar bathies god will feel happy and he will give some benefits to devotees. An Agarbathi is a low cost, low priced, high volume product and having been reserved for the small scale industries. Production of Agarbathi is mainly concentrated in the unorganized sector with a maximum share of 65 percent. Agarbathi production can be started with minimum investment. Agarbathi 's demand will be at peak in the months of July to January because of festivals in those months. Varieties of products were introduced in the industry. Competition also increased during these days. A rough estimate of our country demand for Agarbathi is figured to be around Rs.800 – Rs. 850crores with an average growth rate of 15 percent to 20 percent every year. Indian agarbatti makers, with an Rs 1,800 Crore turnover, offer heritage fragrances as their USP. (Unique Selling Proposition). India exports close to Rs 350 crore worth of incense sticks every year. (The Hindu Businessline). The biggest markets are in the southern and western region of the company which together account for over 64 percent of the total purchases. If we look at the state wise distribution of utilization reveal that the highest consumption is in Maharastra with approximately 23.2 percentage. Then it followed by Andhra Pradesh with 13.6 percentage and Karnataka with 12.16 percent. These three states occupied the major distribution of Agarbathies in India. These cover more than 48 percent of total purchases. In Andhra Pradesh more than 50 percent of the output comes from Eluru in West Godavari District. Some small units are also located in and around Vijayawada in Krishna district and Vetapalem in prakasham district. Agarbathi industry is mainly concentrated in headquarters of west Godavari district i.e Eluru.

III. Objectives of the Study

- To identify the consumer awareness and consumer preferences about the available Agarbathies in the market
- To examine the factors influencing the consumer purchase behavior in general and specific Ambica Agarbathies & Armo Industries Ltd. In Eluru.
- To asses and analyze the perceptions of consumers on extent of satisfaction regarding agarbathie companies and their best price and promotions efforts

IV. Methodology and Sampling

The methodology comprises the data both from primary and secondary sources of information. Primary Data was collected with the help of structured Questionnaire. The secondary data consists of company Manuals, bulletins and newsletters and also from the internet. The sample size is 200 respondents and random sampling method was used. Simple statistical techniques like percentages and cross tabulation techniques were used. The perceptions from the data were tabulated and analyzed to know the perceptions of consumers.



V. Profile of Ambica Durbar Bathi and Armo Industries Ltd.

The foundation of the flag slip of Ambica industries was laid under the guidance of Sri. A. Rama Chandra Rao. He was pioneer who established this industry with his hard work and dedication. When established in 1946, it was basically a family concern. All the manufacturing and marketing activities were done by family members. The firm was named after their goddess Ambica. Ambica industries had high product line in its product line. Different brands produced by Ambica darbarbathi are Incense sticks, Herbal bathies, Natural incense, Dhooops and Cones. These brands have different varieties.

The company has good distribution net work. It comprises nearly 300 distributors spread over the state of Tamilnadu, Andhra Pradesh and Orissa. Market development expenditure was Rs.200,00,000 for promotional activities like advertisements in media channels, free samples, gift schemes, and hoardings. Incentives to distributors and packing were done carefully by the company. Prices are fixed basing on competition. Ambica Agarbathies distribute their products through indirect marketing channel which involve few number of intermediaries. Areas of diversification of the company are production, hotels, real estate, wind power, Ambica exports, Ambica film distribution and Ambica resorts.

VI Data Analysis & Interpretations

Out of the total respondents, almost all respondents are using Agarbathi, as it is a need to everyone. It is traditional and compulsory to praise god according to Hindu mythology and it gives immense pleasure for them with the fragrance of Agarbathi. Out of the total respondents, eight percent of respondents are between 15-20 years of age and 34.5 percent of people are between the age group of 45-50 years.(Table-1). It was concluded that out of total respondents who use the brand, very less percent of people are between 15-20 age group and majority of respondents are in the age group of 45-50 years. Though the consumers using agarbathies are prominent, Reasons perhaps the majority (61.5 percent) are females and rest of them (38.5 percent) are males (Table-2)

On the other hand out of total respondents who use the product, 25 percent of the respondents are employees and 45 percent are home makers.(Table-3). It is clear that 75.5 percent customers are favor to Ambica, 16.5 percent prefer cycle, 3.5 percent to Mangaldeep, and one percent to glade.(Table-4) Most of the customers are favor to Ambica because the product is available at a moderate price and its smell is also good. Basing on the fragrance and availability, 46.5 percent of customers prefer the brand for smell, 13.5 percent for price, and 12.5 percent for easy availability (Table-5). It was clear from the analysis that 53.5 percent of the customers are using the brand since 10 years and 16.5 percent are using it since two years. (Table-6).

Most of the respondents get information through T.V commercials (74 percent), News papers (14 percent), through retailers (4 percent), movies (5 percent) and other



sources like hoardings etc. (three percent). Out of 200 respondents 36.5 percent respondents rated the quality of Ambica as excellent, 41 percent rated it as good and 1.5 percent rated it as poor.(Table-7) Hence it is evident from the data that majority of respondents have positive attitude towards the quality of brand.

Out of total respondents, 51.5 percent respondent's have the opinion that the brand is easily available in stores (Table-9) and an insignificant number (6 percent) of respondents felt that the brand is not easily available. At the same time majority (53 percent) people prefer perfumed and base bathi (Table-10) when compared to the other Flora bathis (24 percent) and Dhoop sticks (23 percent).

The perceptions of the type of incense sticks used by consumers, 76 percent of respondents use Sandal and Jasmine sticks, followed by Sugandha Sticks (20 percent), but very less number of respondents use Gulab sticks. (Table-11). If the brand is not available in the store, 61 percent of respondents switch to next shop as they are brand loyal to this brand and 39 percent of respondents will switch to another brand (Table-13). Hence, it can be concluded that majority of the respondents are brand loyal.

Conclusion

Customers are using the incense sticks of Ambica chemical products. It is a good sign about the awareness of the brands of Agarbathies, Ambica has rated as Number one. The caption of Ambica Agarbathie i.e. 'Bagavanthuniki Baktuniki Anusandhanaminadi Ambica Durbar Bathi' was excellently accepted by the respondents. The survey revealed that 100 percent of the respondents are aware of the company since it is a local company, which has got very good reputation. More than 50 percent of the respondents are satisfied with the price of Agarbathies. While two thirds of the customers are influenced by the Television commercials. Even the price of Ambica Agarbathies is high when compared with other brands; people who are in rural areas and who are in the age group of 40-50 years are mostly using the Agarbathi who are highly price conscious. So price of the product shall be reduced. Promotional efforts like displays in rural areas must be increased because most of the product users are in rural areas. The company should produce new products with new features in order to overcome the competition successfully. It is also important to use innovation in design to win over the minds of the customers as many new companies are entering in to the market with new strategies. Since, human wants are unlimited there are few customers who expressed their dissatisfaction with some of the features. It has to improve the packaging of the product, so that customers get attracted towards the package. With attractive colors we can divert the attention of customers. Ambica Agarbathis lead to enhance the sales and profits in the long run i.e '**Bhagavanthuniki Baktuniki Anusandhanaminadi**'.



References:

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Table - 1
Age Distribution of Sample Consumers

Age	No. of Respondents	%
15-20	16	08.0
20-25	23	11.5
25-30	27	13.5
30-35	20	10.0
35-40	27	13.5
40-45	18	09.0
45-50	69	34.5
Total	200	100.00

Table - 2
Gender Classification of Sample Consumers

Gender	No. of Respondents	%
Female	123	61.5
Male	77	38.5
Total	200	100.00

Table - 3
Present occupations of Sample Consumers

Gender	No. of Respondents	%
Employees	50	25.0
Home makers	90	45.0
Business men	60	30.0
Total	200	100.00



Table - 4
Age wise Sample Consumers and their preferences
towards different brand of Agarbathi.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Ambica	80	41	30	151	75.5
Cycle	11	12	10	33	16.5
Glade	1	1	-	2	1.0
Managaldeep	5	2	-	7	3.5
Other	5	2	-	7	3.5
Total	102	58	40	200	100

Table - 5
Age wise Sample Consumers and their preferences
towards different brand of Agarbathi.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Smell	43	30	20	93	46.5
Price	11	9	7	27	13.5
Easy Availability	14	5	6	25	12.5
Total Satisfaction	35	14	6	55	27.5
Total	103	58	39	200	100

Table - 6
Age wise Sample Consumers and their duration
of using Ambica Brand Agarbathi.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
10 Yrs	47	34	26	107	53.5
5 Yrs	30	18	5	53	26.5
2 Yrs	17	10	6	33	16.5
6 Months	4	-	3	7	3.5
Total	98	62	40	200	100



Table - 7
Respondents opinion on the quality of Ambica Durbar Bathi.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Excellent	25	26	22	73	36.5
Good	37	40	5	82	41.0
Average	22	150	5	42	21.0
Poor	-	-	-	3	1.5
Total	84	84	32	200	100

Table - 8
Respondents opinion on the Price of Ambica Durbar Bathi.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
High price	30	25	10	65	32.5
Moderate	55	25	24	104	52.0
Low price	13	15	3	31	15.5
Total	98	65	37	200	100

Table - 9
Respondents opinion on the Availability of Ambica Durbar Bathi.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Easily available	59	30	14	103	51.5
Moderately Available	34	29	22	85	42.5
Not easily available	5	4	3	12	06.0
Total	98	63	39	200	100.0



Table - 10
Respondents opinion on the Preference of AgarBathies.

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Base Bathi	20	18	10	48	24.0
Perfumed Bathi	30	20	07	57	28.5
Flora Bathi	21	23	05	49	24.5
Doop Sticks	15	11	20	46	23.0
Total	86	72	42	200	100.0

Table - 11
Respondents opinion on the Type of incense sticks preferred

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Sugandha	20	10	10	40	20.0
Jasmine	38	22	14	74	37.0
Sandal	39	24	15	78	39.0
Gulab	03	05	-	08	04.0
Total	100	61	39	200	100

Table - 12
Respondents opinion on the Brand Loyalty

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Excellent	57	40	20	117	58.5
Very Good	20	13	14	47	23.5
Good	16	07	01	24	12.0
Average	07	05	-	12	06.0
Total	100	65	35	200	100.0

Table - 13
Respondents opinion on Switch to another Brand

Name of the Brand	15-30 yrs	30-45 yrs	45 yrs & Above	Total	%
Switch to Another brand	29	22	27	78	39.0
Switch to next shop	69	43	10	122	61.0
Total	98	65	37	200	100.0