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Survey On Price Sensitivity And Brand Loyalty In The Purchase Of Ghee And Butter

¹ A.K.Makwana, ²Rathva Yuvrajsinh

¹ Associate Professor, ² PG Student, MBA (Dairy and Food Business Management)

¹ SMC College of Dairy Science, Kamdhenu University, Anand, India

Abstract: This study on “Price Sensitivity and Brand Loyalty in the Purchase of Ghee and Butter” looks at how people react to changes in price and brand features when buying these dairy products. A survey of 57 people from various age and income groups was done using a Google Form. The results show that price influences buying decisions, but many consumers remain loyal to well-known cooperative brands like Amul and Mother Dairy due to their quality and purity. People with higher incomes are less affected by price changes, while those who are more price-sensitive tend to switch brands or buy smaller packs when prices rise. The study shows that good quality, fair pricing, and a strong brand image help companies keep customers loyal in the dairy market.

Keywords: Price Sensitivity, Brand Loyalty, Consumer Behavior, Ghee, Butter, Dairy Marketing.

INTRODUCTION

Ghee and butter are key ingredients in nearly every Indian household. They are valued for their taste, health benefits, and traditional use. As competition grows between cooperative and private dairy brands, it's important to understand how consumers react to price changes and what impacts their brand choices.

This study, titled “Survey on Price Sensitivity and Brand Loyalty in the Purchase of Ghee and Butter,” is based on data collected from 57 respondents through a Google Form survey. The participants came from different age groups, income levels, and jobs, providing a broad view of purchasing behavior.

The survey aimed to discover how factors like price, brand trust, reputation, and quality influence people's choices when buying ghee and butter. It also examined how often people buy these products, which brands they prefer, and how they respond to price changes.

The results reveal that most respondents are students aged 18 to 25 years, with household incomes mainly between ₹20,000 and ₹40,000 per month. Amul and Mother Dairy emerged as the most preferred brands, indicating strong trust in cooperative brands. However, when prices rise, some consumers switch to local or unbranded options, reflecting moderate price sensitivity.

In summary, the study offers valuable insights into how consumers weigh price and brand loyalty, helping dairy companies understand what motivates purchasing decisions in the ghee and butter market.

Research Objectives

- Understand how price changes affect consumer buying behavior for ghee and butter.
- Assess the extent of brand loyalty among consumers toward leading dairy brands.
- Identify the major factors influencing consumer trust and preference in choosing ghee and butter.

Research methodology

The study used a descriptive research method to understand consumer behavior in buying ghee and butter, focusing on price sensitivity and brand loyalty. Primary data came from 57 respondents through a structured Google Form questionnaire. This included close-ended and multiple-choice questions about brand preference, buying frequency, and reactions to price changes. Participants were chosen using the convenience sampling method, based on accessibility and willingness to respond. They represented different age groups, jobs, and income levels. Most respondents were students and young professionals aged 18 to 25 years, with a monthly household income between ₹20,000 and ₹40,000. The data were analyzed with descriptive statistics and percentage analysis. This analysis revealed key trends in consumer preferences, brand loyalty, and price sensitivity, providing valuable insights into purchasing choices in the dairy fat market.

Results and discussions

The analysis of 57 responses reveals several important trends in consumer behavior toward ghee and butter purchases. Below are key visual summaries of major findings based on the collected data.

1. To understand how price changes affect consumer buying behavior

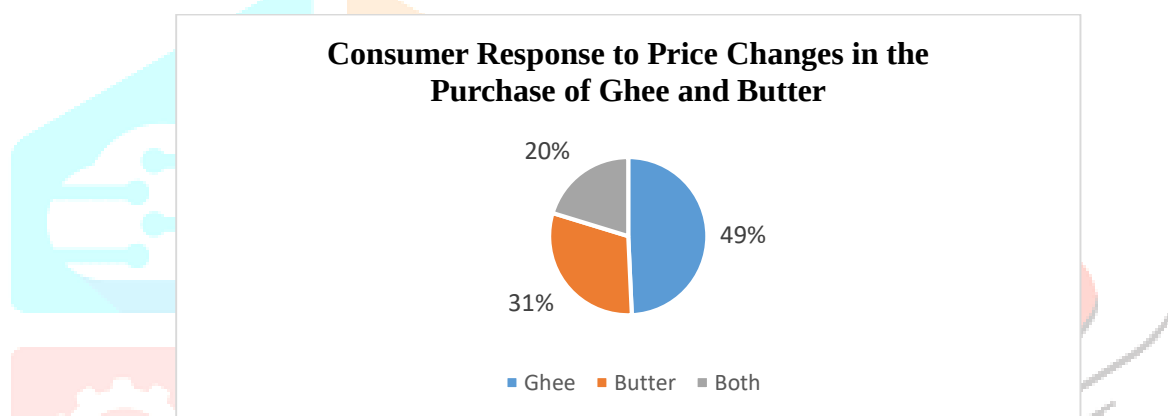


Fig.1: Consumer Response to Price Changes in the Purchase of Ghee and Butter

The survey shows that price strongly influences buying behavior for ghee and butter. About 55% of respondents said they would switch brands or buy less if prices rose by 10%, while 45% would continue buying their usual brand. Consumers in the ₹20,000–₹40,000 income range were more price-sensitive, whereas higher-income groups showed stronger brand loyalty. Overall, buyers try to balance price and value, with loyal customers prioritizing trust and quality over cost.

2. To assess the extent of brand loyalty among consumers toward leading dairy brands

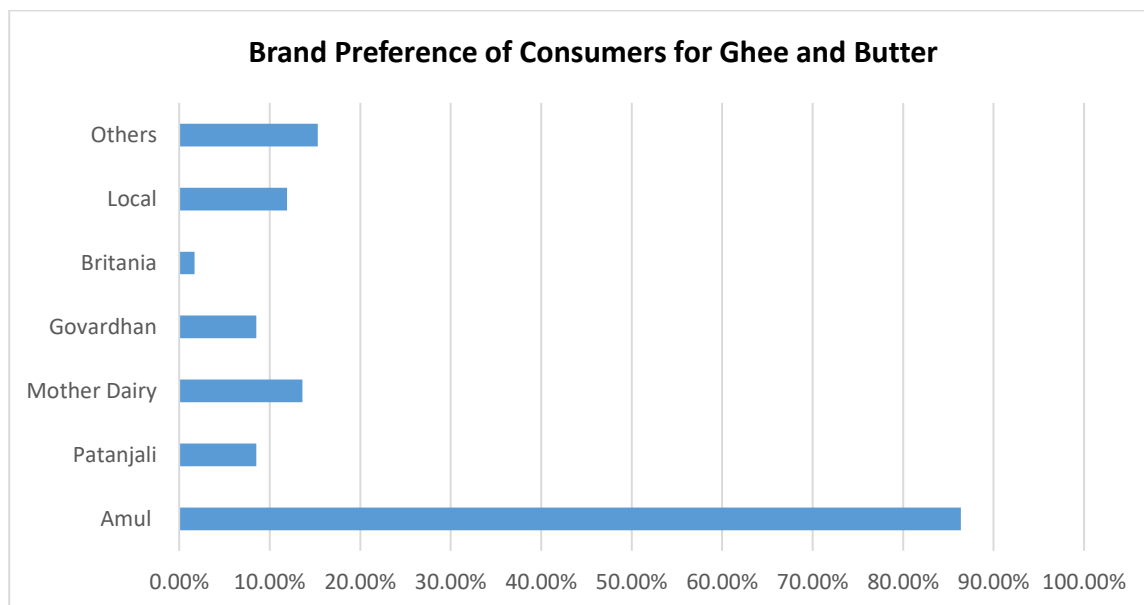


Fig. 2: Brand Preference of Consumers for Ghee and Butter

The results show high brand loyalty, particularly for cooperative brands. Almost 70% of respondents prefer Amul, followed by Mother Dairy and Patanjali. Over 60% have been buying the same brand for more than a year, indicating steady commitment. The main reasons for loyalty are trust, purity, and consistent quality. Even price-sensitive consumers remain loyal to cooperative brands due to their authenticity and reliability. This suggests that brand reputation holds more weight than price differences in the dairy fat market.

3. To identify the major factors influencing consumer trust and preference

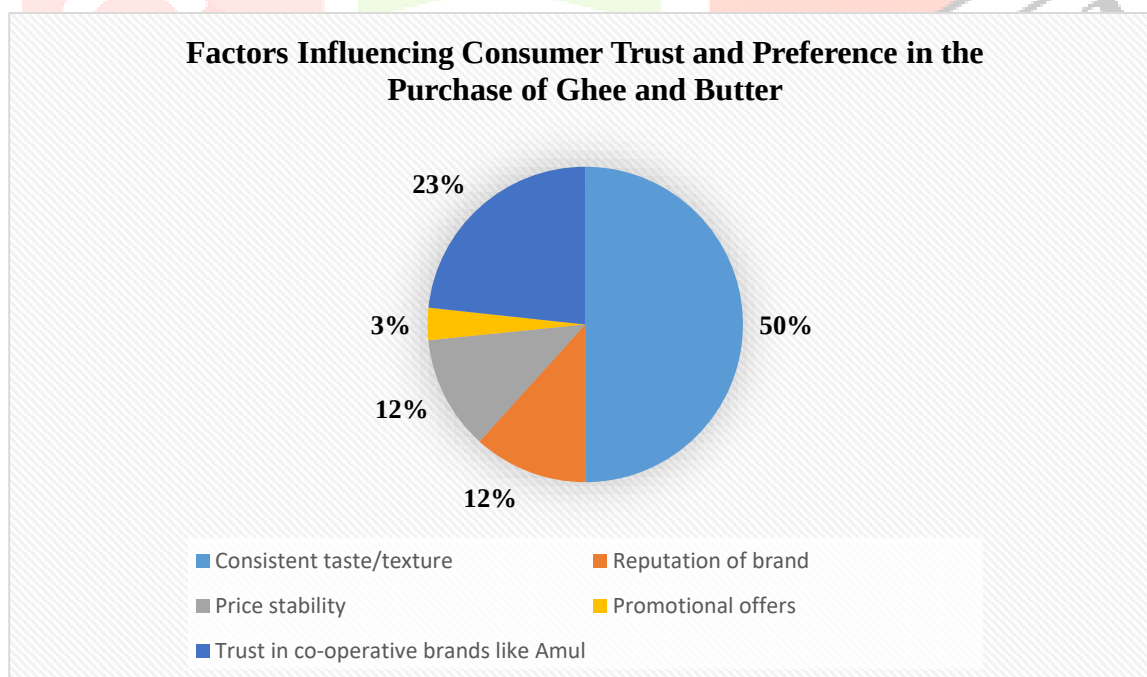


Fig. 3: Factors Influencing Consumer Trust and Preference in the Purchase of Ghee and Butter

The survey results show that the main factors affecting brand choice are quality and purity at 80%, followed by price and affordability at 65%, brand reputation at 60%, taste and freshness at 55%, and packaging and availability at 40%. Consumers link cooperative brands like Amul and Mother Dairy to trust, purity, and consistent taste. In contrast, private brands mainly attract buyers with lower prices or better packaging. Overall, trust and quality drive consumer preference, while price plays a secondary role. Dairy companies should maintain high product standards and transparency to build strong, long-lasting customer relationships.

Limitation

Even though the survey was distributed to a wide audience of college students, the response rate was comparatively low, limiting the representativeness of the findings. This diminished participation may lead to non-response bias, which could impact the overall validity of the study's conclusions.

Conclusion

The research, based on responses from 57 participants, clearly shows that both price sensitivity and brand loyalty have a significant impact on how consumers purchase ghee and butter. Although **price** is an essential factor influencing consumer choices, the findings highlight that trust, purity, and consistent product quality play a more powerful and long-lasting role in maintaining brand loyalty.

Overall, the study concludes that brand trust, purity, and quality are more influential than price in long-term purchasing behavior. A strong brand image helps reduce the impact of price changes on consumer decisions. For sustainable growth, dairy companies should maintain high-quality standards, fair pricing, and transparent communication, ensuring a balanced approach between affordability and reliability. This strategy will help strengthen consumer confidence and loyalty in the highly competitive ghee and butter market.

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