

RETAILERS' PERSPECTIVE ON CONSUMER DEMAND AND SALES TRENDS IN GHEE PRODUCTS

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Abstract

This study explores the consumer demand and sales trends in the ghee market from the retailer's perspective. Through a structured survey of 140 retailers across urban and semi-urban areas, the research examines demographic profiles, consumer preferences, purchasing behaviour, and the impact of promotional activities on ghee sales. The findings reveal that most retailers operate convenience stores in urban locations, with a majority being self-owned and having extensive market experience. Consumer preferences for ghee are consistent across age groups and store locations, with no significant influence of health awareness on purchasing decisions. The market demonstrates steady demand, with most stores restocking monthly and selling over 25 kg of ghee per month. Promotional strategies, particularly price discounts and festive offers, significantly influence sales, especially when supported by company incentives. Despite the growing emphasis on health benefits in marketing, customer inquiries about health attributes remain relatively low. The study highlights the importance of quality, branding, and targeted promotions in maintaining and enhancing ghee sales, offering valuable insights for retailers and manufacturers aiming to capitalize on evolving consumer preferences.

Keywords:

Retailers, Consumer Demand, Sales Trends, Ghee Product

1. INTRODUCTION

The ghee market has undergone a significant transformation in recent years, emerging as a focal point of interest for both consumers and retailers alike [1]. Traditionally a staple in South Asian cuisine, ghee is a type of clarified butter that has been revered for its rich flavour and culinary versatility [2]. However, its resurgence in popularity can be attributed to a growing awareness of its health benefits and a shift in consumer preferences towards natural and organic food products [3]. This evolution presents a unique opportunity for retailers to capitalize on changing consumer behaviours and preferences, making it essential to understand the dynamics of consumer demand and sales trends in the ghee market [4].

1.1 HEALTH CONSCIOUSNESS AND NUTRITIONAL AWARENESS

One of the primary drivers of the increasing demand for ghee is the rising health consciousness among consumers. In an era where dietary choices are closely linked to overall well-being, ghee has been recognized for its numerous health benefits [5]. Rich in healthy fats, vitamins A, D, E, and K, and antioxidants, ghee is often touted as a healthier alternative to conventional cooking oils and fats [6]. Research has shown that ghee can aid in digestion, boost immunity, and promote heart health when consumed in moderation. As consumers become more informed about nutrition, they are gravitating towards products that not only enhance flavour but also contribute positively to their health.

1.2 CLEAN LABEL MOVEMENT

Another significant factor influencing consumer demand for ghee products is the clean label movement. Modern consumers are increasingly scrutinizing the ingredients in their food, seeking transparency and simplicity in product formulations [7]. They prefer products that are minimally processed and free from artificial additives. Ghee, with its straightforward ingredient list typically just butter from grass-fed cows aligns perfectly with this consumer preference. Retailers are responding to this demand by emphasizing the purity and quality of their ghee products. Many are investing in branding that highlights the sourcing of their ingredients, such as grass-fed or organic certifications [8]. This not only builds trust with consumers but also differentiates their products in a crowded marketplace. Retailers are also utilizing packaging that clearly communicates the health benefits and quality of ghee, further appealing to the clean label consumer [9].

1.3 PRODUCT DIVERSIFICATION AND INNOVATION

As the ghee market continues to evolve, product diversification has become a key strategy for retailers. Beyond traditional ghee, there is a growing trend towards flavoured ghee and ghee infused with herbs and spices. These innovative products cater to consumers looking for unique culinary experiences and convenience in their cooking [10]. For instance, garlic-infused ghee or ghee with turmeric not only adds flavour but also incorporates additional health benefits, appealing to the modern consumer's desire for functional foods. Retailers are capitalizing on this trend by expanding their product lines to include a variety of ghee options [11]. This diversification not only attracts a wider customer base but also encourages repeat purchases as consumers experiment with different flavors and uses in their cooking [12]. Retailers are also exploring partnerships with local producers and artisans to offer unique, small-batch ghee products, further enhancing their product offerings and appealing to consumers' desire for authenticity and quality [13].

1.4 MARKETING STRATEGIES AND CONSUMER ENGAGEMENT

In addition to product diversification, effective marketing strategies play a crucial role in shaping consumer perceptions and driving sales in the ghee market. Retailers are increasingly leveraging digital marketing, social media, and influencer partnerships to reach health conscious consumers [14]. By sharing recipes, cooking tips, and educational content about the benefits of ghee, retailers can engage consumers and build a community around their products [15]. Moreover, retailers are utilizing data analytics to gain insights into consumer preferences and purchasing behaviours. By analysing sales data and customer

feedback, retailers can tailor their marketing efforts and product offerings to better align with consumer expectations. This data driven approach enables retailers to stay ahead of market trends and respond proactively to shifts in consumer demand.

1.5 E-COMMERCE AND ONLINE SALES

The growth of e-commerce has transformed the retail landscape, allowing consumers to purchase ghee products online with ease [19]. Retailers can capitalize on this trend by optimizing their online presence, offering subscription services, and providing detailed product information to enhance the online shopping experience [20].

2. REVIEW OF LITERATURE

Esmerino et al. [2] found consumer decision-making to be an intricate process and rated consumer preferences as inexplicable. Consumption decision of food products is affected by sensorial and extra-sensorial factors thereby making it unarguably complicated. Understanding consumer decisions and preferences is rudimentary to succeed in the dynamic dairy industry.

Singh et al. [9] said that acquaintance with the customer choices increases competitiveness of the marketers. Marketers will surpass the customer expectations, but the prerequisite is high degree of customer knowledge and understanding. Identifying and analysing the diversity of consumer preferences is central to scheming tactful market strategies.

Hille et al. [4], understanding consumer characteristics is vital to achieve differentiation in marketplace related to product and service to concur with consumer value expectations.

Pareek et al. [8] shows a tremendous transformation is befalling the dairy sector due to new players entering the industry and an influx of value-added products introduced to cater to the unmet needs of the consumer in the industry.

Assan et al. [9] shows the interest for domesticated animals items are by and large pay versatile. The interest in dairy items is consistently expanding because of the changing utilization propensities, dynamic segment designs, urbanization, evolving way of life. An attempt was made in this review to study the customer preference for dairy foods in Trivandrum, India. Taste, contentment, quality, accessibility, low cost, and massiveness were some of the reasons why people preferred whole milk.

[11] examined the performance of ghee products in traditional Kirana stores vs supermarkets. While Kirana stores dominate in terms of volume, supermarkets outperform in value and premium sales due to better visibility and modern packaging. Retailers in modern trade formats increasingly invest in in-store branding, sampling, and combo offers

[12] reported that private label ghee from modern retailers like Reliance Smart or Big Bazaar is increasingly accepted due to competitive pricing and store-level promotions. Retailers favor private labels for higher margins and better inventory control, especially in tier-2 cities.

[13] highlighted the impact of social media marketing and influencer endorsements in promoting organic ghee brands, especially among younger, health conscious consumers. Retailers report that in-store sales for such brands improve when they have strong online engagement and positive reviews.

[14] explored price elasticity in the ghee market and found that middle-income consumers exhibit high price sensitivity, leading to demand shifts toward private labels and local brands during price hikes. Retailers adjust inventory and promote smaller SKU sizes (100ml–500ml) to maintain sales volumes in inflationary periods.

[15] developing wellbeing cognizance and familiarity with solid nourishment have expanded buyer interest for dairy items. The current review evaluated the buyer inclination for various dairy items accessible at University retail outlets in Chennai. One hundred respondents who purchased dairy items were picked utilizing an orderly irregular examining system from every University retail outlet in Chennai.

3. OBJECTIVES

1. To identify and analyse consumer preferences regarding ghee products from retailers' perspective.
2. To evaluate current sales trends in the ghee market.
3. To assess the impact of consumer awareness of health benefits on the purchasing decision.
4. To explore the effectiveness of promotional activities in driving sales of ghee products from the retailer's perspective.

4. METHODOLOGY

The study is Descriptive 140 respondents participated in the study, and data were collected from them through a structured questionnaire. Mean, Regression and Charts application was made to identify the results.

5. FINDING OF THE STUDY

Table.1. Identify and analyse consumer preferences

Variables	Assumption significance	Null hypothesis	Interpretation
Age group and consumer preference	0.261	Accepted	There is no significant association between an age group and customer preference

The chi-square test was conducted to examine the relationship between age group and type of ghee preferred among customers. The results showed that the association between the two variables is not statistically significant (Pearson Chi-Square = 10.059, df = 8, p = 0.261). This indicates that customer preferences for different types of ghee do not vary significantly across different age groups. Therefore, age is not a determining factor in the type of ghee preferred by customers in this sample.

Table.2. Sales trends in ghee market Restock ghee in your store

Particulars	Frequency	Percentage
Weekly	19	13.6
Bi-weekly	31	22.1

Monthly	82	58.6
Occasionally	8	5.7
Total	140	100

Most stores restock ghee monthly (58.6%), followed by bi-weekly (22.1%) and weekly (13.6%) restocking. Only a small percentage of stores (5.7%) restock occasionally, indicating that ghee is a regularly managed inventory item, with monthly restocking being the most common practice

Table.3. Customers inquire about health benefits

Valid	Mean
140	3.26

Particular	Frequency	Percentage
Frequency	4	2.9
Sometimes	29	20.7
Rarely	34	24.3
Never	73	52.1
Total	140	100

Most customers do not inquire about the health benefits of ghee - 52.1% never ask, and 24.3% rarely ask. Only 2.9% inquire frequently, and the overall mean score is 3.26, leaning toward "rarely" to "never." This indicates that health concerns are not a major factor influencing customer behavior when purchasing ghee.

Table.4. Promotional periods sales in your store receive promotional support or incentives

Variables	Asymptotic significance	Null Hypothesis	Interpretation
Promotional period sales in your store and receive promotional support or incentives	0.039	Not accepted	There is significant relationship between promotional period sales in your store and receiving promotional support or incentives.

There is a significant association between receiving promotional support or incentives and sales performance during promotional periods (Pearson Chi-Square = 10.060, df = 4, p = 0.039). Stores that receive promotional support regularly or occasionally tend to report a greater increase in sales compared to those that never receive such support.

6. CONCLUSION

The study provides detailed insights into the dynamics of ghee sales and consumer behaviour from the retailers' perspective. The findings reveal that ghee continues to be a high-demand product, with most retailers reporting substantial monthly sales volumes and regular restocking, primarily monthly. This indicates its steady and essential place in consumers' daily cooking habits.

Demographic analysis shows that most retail respondents are experienced, self-owned businesses, mostly operating in urban areas. This suggests a mature retail landscape, well-positioned to

respond to evolving consumer preferences. Consumer preferences for ghee appear to be consistent across age groups and store locations, indicating a widespread and uniform appeal. Notably, health awareness, which is often highlighted in marketing narratives, does not significantly influence purchasing decisions; more than half of customers do not inquire about the health benefits of ghee.

Promotional activities play a crucial role in driving sales. Stores that receive regular or occasional promotional support report higher sales increases during promotional periods, highlighting the importance of external incentives and strategic marketing efforts in boosting demand.

Overall, the study suggests that while consumers value ghee for its traditional use and taste, they are less influenced by health factors in their buying behaviour. Retailers benefit most from consistent supply, strong brand trust, and effective promotional support. The ghee market thus presents robust opportunities for growth through continued focus on quality, branding, and targeted promotions rather than relying solely on health positioning.

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