

## **BUYER PERCEPTION AND PREFERENCES TOWARDS GOVERNMENT PETROLEUM RETAIL OUTLETS IN TIRUNELVELI CITY**

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### **ABSTRACT:**

*In retailing the firms are selling their products in small quantities to the ultimate consumers for their consumption purpose. It includes all the activities involved in the process of marketing of goods and services. The selling work is done directly to the ultimate consumers for their personal or household use. Now a days petroleum products are playing a vital role with customers and the price is also gradually increasing due to the highest demand and consumption. From 2017 onwards government had undertook authority to fix the prices for petrol and diesel on daily basis. This flexibility confuses the minds of consumers and their level of perception. Hence it is an important factor to analyze the consumption pattern of the consumers. So, in this article, we evaluate the buyer perception and preference of petroleum retail outlets which is run by the government. For this study Tirunelveli city is selected as study area with the sample of 80 respondents.*

**KEYWORDS:** consumers, consumption, perception, petroleum, ultimate.

### **INTRODUCTION**

Consumer is a person who can purchase the goods and services offered for sale by the selling institutions. Every consumer is unique and different in making their purchase decisions. The taste and preference are vary from customer to customer. Perception is also playing a vital role in the marketing companies to attract more new customers. There are several factors which influence the preference and perception of the buyers and these factors are taken into consideration while a company is going to install or innovate a new product. In Tamil Nadu the consumption of two wheelers and four wheelers are increasing year by year. This will lead to create the high demand for fuel and it will automatically increases the price. The demand for fuel leads to launch more fuel stations. Government was taken an initiative to tackle this situation. Most commonly there are 3 type of fuel stations which was owned and organized by our government. They are Indian Oil Corporation, Bharat Petroleum Corporation and Hindustan Petroleum Corporation.

### **REVIEW OF LITERATURE**

**Keethianath** in his article he analysed the image of petrol bunk with the use of their service and the vehicle's mileage as the main factors. He gave equal importance to two wheelers and four wheelers. He elucidate that two wheelers are primarily consider the mileage and smooth running. Most of the consumers are preferring the fuel stations which are nearby their working place or living place. Most of the four wheeler users are consider the maintenance

than quality & quantity. So they are giving importance to the brand image. His study found that there is a high positive relationship between the quality of the product and maintenance. He concluded that the consumption of fuel and preference of particular retail outlet is depends on the type of vehicle and the location of the fuel stations.

**Kishore & Patel**, this study reveals that the oil industry was divided into three main streams like upstream, midstream and downstream. These streams are divided the work of purifying the crude oil into petroleum products. These streams covers making, movement and marketing of petroleum products through the retail sellers by their retail outlets. This type of selling is commonly known as petro-retailing business. This is the face of oil marketing companies which sells their products to the final consumers. This study concludes that consumption of petroleum products are highly increasing due to the increasing level of sales in vehicles.

**Nambiar P. J.**, this study evaluates the various oil selling companies in India which plays a significant role in the marketing area. This study describes that government oil marketing companies are highly preferable by the consumers other than private oil marketing companies. It covers the GAIL and ONGC for the analysis. This study reveals that there is positive relationship between income and consumption of fuel. It concludes that consumption of fuel by the buyers lead to demand for fuel and also oil.

### OBJECTIVES OF THE STUDY

1. To know the buyer preference towards government fuel stations.
2. To identify the reason for preferring the particular fuel station.
3. To identify the level of perception towards the performance of petrol pump.

### LIMITATIONS OF THE STUDY

Fuel stations which are owned and organized by government are taken into consideration for this study and the private fuel stations are neglected. Sample of 80 respondents are selected and the behavior of others are omitted and the Tirunelveli City is the selected area. Hence the other areas are not known.

### MATERIALS AND METHODS

In this article, structured questionnaire was framed and distributed to the selected respondents for the collection of primary data. After collecting the primary data, the results were derived by the use of SPSS software. Percentage, ANOVA, t test and correlation are the tools used for analysis. Following are resulted figures tabulated.

### RESULTS AND DISCUSSION

**Table: 1 Demographic profile of the sample respondents**

S. No	Factor	Category	No. of Respondents	Percentage
1	Stage of life	18 – 21	6	8
		22 – 28	22	28
		29 – 38	26	32
		39 – 55	16	20
		Above 55	10	12

		<b>Total</b>	<b>80</b>	<b>100</b>
2	Gender	Male	30	38
		Female	50	62
		<b>Total</b>	<b>80</b>	<b>100</b>
3	Occupation	Labour	6	8
		Employed	35	44
		Professional	18	22
		Self-employed	21	26
		<b>Total</b>	<b>80</b>	<b>100</b>
4	Annual income	Less than 100000	6	8
		100000 – 300000	29	36
		More than 300000 – 500000	34	42
		More than 500000	11	14
		<b>Total</b>	<b>80</b>	<b>100</b>

*Source: primary data*

**Table: 2 ANOVA for significant difference among Occupation with respect to Factors of Level of Preference**

*Null Hypothesis:* There is no significant difference between particular governments Fuel Company preferred by respondents with respect to Factors of reason for Preference

*Alternative Hypothesis:* There is a significant difference between particular governments Fuel Company preferred by respondents with respect to Factors of reason for Preference

Reason for preference	Fuel stations			F value	P value
	IOCL	BPCL	HPCL		
Quantity	4.11 (1.02)	3.75 (0.79)	4.52 (0.71)	4.31	0.02
Quality	3.91 (1.09)	3.40 (1.23)	4.28 (0.94)	3.66	0.03
Quick service	3.46 (1.27)	4.15 (1.09)	3.40 (1.23)	2.64	0.08
Convenient location	3.80 (1.37)	3.15 (1.50)	3.56 (1.05)	1.56	0.22
Café on site	2.51	2.75	3.04	1.22	0.30

	(1.17)	(1.29)	(1.43)		
Convenient entrance and exit	3.29 (1.45)	3.35 (1.35)	4.00 (1.29)	2.18	0.12
Nearby house/work place	3.80 (1.18)	4.00 (1.03)	3.96 (1.40)	0.22	0.81

*Source: computed primary data*

**Inference:** from ANOVA analysis it was known that the p value is more than the significant level. Hence the null hypothesis is accepted and there is no relationship between particular governments Fuel Company preferred by respondents with respect to Factors of reason for Preference such as quick service, convenient location, café on site, convenient entrance and exit, nearby house/work place. In related to factors such as quantity and quality, the null hypothesis is rejected because the p value is less than the significant level. Hence there is a relationship between particular governments Fuel Company preferred by the respondents with respect to factors of reason for preference. So there is a strong relationship between the government fuel stations and the quality and quantity of fuel they are providing to their customers.

**Table: 3 Independent Sample t test: factors of preference and gender**

**Null hypothesis (H0):** There is no significant difference between gender and preferred fuel station.

**Alternate hypothesis (H1):** There is a significant difference between gender and preferred fuel station.

Factor	Gender				t value	P value
	Male		Female			
	Mean	SD	Mean	SD		
Preferred fuel station	2.00	0.79	1.8	0.90	1.04	0.31

*Source: computed primary data*

**Inference:** Independent sample t test analysis provide that p value is more than the significant value. Hence the null hypothesis is accepted and there is no significant difference between gender and preferred fuel stations.

**Table 4: Pearson Correlation Co-efficient**

*Null hypothesis:* There is no relationship between reasons for preferring government fuel stations.

Reason for preference	Quantity	Quality	Quick service	Convenient location	Café on site	Convenient entrance and exit	Nearby house/ work place
Quantity	1.00	-0.08	-0.13	0.02	0.02	0.37	0.06
Quality	---	1.00	-0.05	0.06	0.04	-0.05	-0.04
Quick service	---	---	1.00	-0.08	-0.14	-0.05	0.17
Convenient location	---	---	---	1.00	-0.12	-0.03	0.08
Café on site	---	---	---	---	1.00	-0.14	-0.35
Convenient entrance and exit	---	---	---	---	---	1.00	0.16
Nearby house/ work place	---	---	---	---	---	---	1.00

*Source: computed primary data*

*Inference:* correlation co-efficient between quantity and convenient entrance & exit is 0.37 which indicates 13.69 percentage positive relationship between the factors at 5% significant level. Relationship between quick service and nearby house or workplace is 0.17 which indicates 2.89 percentage positive relationship between the factors. 2.56 percentage positive relationship is there among the factors of convenient entrance and exit and nearby house or work place. The other related factors are having a negative relationship between the variables.

## FINDINGS

- Most of the respondents are preferred Indian Oil Corporation for their fuel consumption.
- It was found that there is a strong relationship between the government fuel stations and the quality and quantity of fuel they are providing to their customers.
- Reason for preferring the particular fuel station is quantity.
- Highest perception among the respondents about the government fuel stations are quantity, customer service and its location.
- It was known that there is no significant difference between gender and preferred fuel stations.
- Convenient entrance and exit, quantity, nearby house/ work place are having a positive correlated relationship in the lights of correlation analysis.

## CONCLUSION & RECOMMENDATIONS

Perception and preference of customers are vary from person to person and product to product. Depends upon their preference and perception their buying decisions also vary. Hence every marketing company has to set their goals according to the customers taste and preference. By making a unique marketing decision will fulfill the needs of the targeted customers. In this article we evaluate the perception and preference of buyers towards the government fuel stations and it is concluded that buyers are giving to importance to the quantity and quality to prefer the

fuel stations and the highest perception factor among buyers about fuel stations are location and employee services.

- Consumption pattern should be facilitate by the Government constantly to maintain the efforts on making consumption
- Technological improvement is needed to reduce the hazards like emission and gives environmental issues by the impact of transport vehicles.
- Prices should be regulated to increase the consumption fuel among all categories of people.
- Issuing transparent hoses to fuel stations will create a positive impact among the customers that they are not embittered.

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