An Empirical study on Channel Structure and Satisfaction of Vijaya Diary Distributors in Vijayawada

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Abstract-Vijaya diary is one of the most premium milk products in Andhra Pradesh It has complete wide range of milk products from milk to sweets. Which has a sophisticated distribution channel networks all over Andhra Pradesh? The objective of the study is to evaluate the channel structure and satisfaction of the Vijaya diary distributors in Vijayawada. Distributors play a vital role as a link between the producer and its consumers. The success of failure of a Company significantly depends on its distributor'sperformance. Therefore, an important responsibility of a manufacturer is strongly support to its distributors in Vijaya Diary firm of Andhra Pradesh. Data was collected via structured questionnaire and analysed using SPSS. distributor trust, distributor attitude, distributor Commitment, Co-operative norms and distributor loyalty are considered as independent variables or predictors and distributor satisfaction selected as dependent variable, relationships among the constructs was examined. The results provide evidence that the firm formulating strategies to satisfy its distributors by developing long-term and profitable relations.
Keywords: Channel structure, Distributors satisfaction, Vijaya Diary firm and Vijayawada.

1. Introduction

The inception of Vijay Dairy & Farm Products (P) Ltd took place in 1994. It is committed to its vision of procuring quality milk from the dairy farmers and producing milk and milk products through state-of-the art technology. It then processes them and make them available to customers at economical price. Vijay Dairy also aims at continuous improvement of quality, distribution management so that every customer will get the maximum satisfaction. In addition, the company the company has realised the importance of maintaining a win-win relationswith itsdistributors.

The paper analyses the factors that impact the satisfaction of the distributors. TheVijaya diary firm is a very dominant industry located in Vijayawada, Andhra Pradesh. Many local companies produce several dairy products in competition with Vijaya dairy. The distributor serves as an assisting hand for the manufacturer to satisfy the needs of the consumers.

2. Literature Review

James J.Csipaketal.,(1995)focused on the effect of the structure of channel distribution on perceived service quality which remains a puzzling issue. To resolve this, they explored the possibility of relationships

between channel distribution structure, consumer involvement and perceived service quality in the context of services marketing.

Victor Iglesias and Rodolfo Vazquez-Casielles, (2005) were defined satisfaction as "a positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm".

Objectives of the study:

1) The primary objective is to identify the crucial factors for the overall satisfaction of the distributors in Vijaya dairy firm.
2) To study the distribution channel of Vijaya dairy inVijayawada
3) To identify the factors affecting distributor satisfaction of Vijaya diaryfirm.
4) To assess the factors, influence on the dairy productsdistribution.
5) To study the distributor effectiveness of a Vijaya Dairyfirm.

Research Gap

Some of the researchers were very less focused on distributor's satisfaction of Vijaya Dairy in Vijayawada City. Hence, I focused on reasons responsible for less improvement in their growth; this gap can be addressed to overcome the problem of Vijaya Dairy.

Problem Statement

Distributor is the key member which act as a middleman between the supplier and the customer buttheirlevelofsatisfactioniskeyfortheorganizationthenthecompany'soverallgrowthcanbe responsible on the distributor satisfaction and their loyalty towards the organization in this study research problem is to identify the distributor satisfaction and loyalty of the Vijaya diaryfirm.

3. Type of Study

We are going with the Descriptive Study. Because of the research done by the past authors are not clearly investigated the problem.

Conceptual Framework

Hypothesis statements are developed depending on the literature review to build a conceptual model for the research. The causal relationships mentioned in the model includes relationships between the distributor trust, distributor Commitment, distributor attitude, Co-operative norms and between distributor overall satisfaction and distributor loyalty.

4. Research Methodology
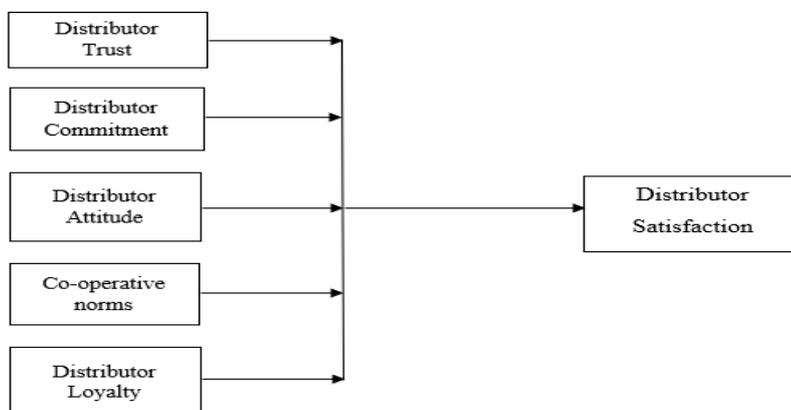
Need of the Study

1) The need of the study is used to understand the significance of distributionchannels.
2) This study is important to know the distributor trust towards the Vijaya Dairyfirm.
3) This study points out detailed information about the factors which influenced the satisfaction of thedistributors.
4) To determine the overall satisfaction of the Vijaya Dairy firmdistributor.
5) To know, how loyal the distributor towards Vijaya Dairyfirm.
6) In view of this, the present study attempts to understand the Satisfaction of Vijaya Diary distributors in Vijayawadaandalsoto analyze theproblems related to the Vijaya Diary firm

Scope of the Study

1) The study basically investigates the satisfaction of Vijaya Diary distributors in the area of Vijayawada city.
2) This study is based on Channel structure and distributor satisfaction of Vijaya diaryfirm.
3) TheactivitiesinvolvedinthisstudyareknowingtheAttitude, trust, Commitment, Loyalty of thedistributors.

Source of data: The data is collected from two sources (i) primary data and (ii) secondary data.

PrimaryData:1) Questionnaire; A Structured questionnaire has been issued to the selected sample of 145 respondents (Vijaya diary Distributors) invarious areas of Vijayawada city. Personal interview is also used and gather the first hand information.

Secondary Data: The Secondary data are collected from the official reports delivered by the government, research papers from prestigious journals, standard books, theses dissertations and resources related to the dairy industry.

Sample Size:

A Sample of 145 respondents (Vijaya diary Distributors) drawn from the all areas of Vijayawada city.

Statistical Analysis

Bar Graphs, Percentages, Regression analysis, Correlation and A nova a reapplied to analyze the data and to derive the validinterpretations.

Area of Study

This study was confined only to the Vijaya diary Distributors in the all areas of Vijayawada city.

Limitations of the Study

1) Thepresent studyisbasicallyamicrolevellimitedtotheaspects of the Vijaya diary Distributors.
2) The information being related to the distributors of Vijaya diary firmthroughthequestionnairesoftheVijayawada city may not be obtainedintact.
3) The personal opinions and expressions of the distributors also limits the present study as it was totally based on their experience with theVijaya diary firm
4) As the study is conducted in one city it may not be possible to generalize the findings for all products in the variouscities.

5. Statistical Analysis

Data is being analysedusing statistical software SPSS.

Table 1: Consolidated Reliability Analysis

Variable Name	No.of Items	Cronbach's Alpha α

Distributor Trust	3	0.890
Distributor Commitment	3	0.831
Distributor Attitude	3	0.869
Co-operative norms	3	0.821
Distributor Loyalty	3	0.873
Distributor Satisfaction	3	0.906

The Cronbach's Alpha of all the variables has more than 0.80, which indicates a high level of internal consistency of scales with this specific sample.

Pearson Correlation

 A. Predominant way to summarize the relationship between two or more variables with a single numerical value between -1 and +1 is a correlation coefficient.

Table 2: Pearson Correlation Matrix

Factors	Distributor Satisfaction	Distributor Trust	Distributor Commitment	Distributor Attitude	Co-operative Norms	Distributor Loyalty
Distributor Satisfaction	1.000	0.690**	0.600**	0.451**	0.394**	0.652**
Distributor Trust		1.000	0.783**	0.745**	0.578**	0.800**
Distributor Commitment			1.000	0.622**	0.588**	0.786**
Distributor Attitude				1.000	0.749**	0.669**
Co-operative Norms					1.000	0.633**
Distributor Loyalty						1.000

From the above table, all the 'r' values are more than 0.30 which reflects a positive relationship between variables.
H_0: Distributor Trust is not having significant positive influence on distributor satisfaction
H_1: Distributor Trust is having significant positive influence on distributor satisfaction

 Table2 shows that the correlation (r) between Distributor Satisfaction and Trust is 0.690 and which reflects that there is a fairly good amount of correlation between Satisfaction and Trust. The correlation (r) between Distributor Trust and commitment is 0.783 and which reflects that there is a good amount of correlation between Trust and commitment.
 The correlation (r) between Distributor Trust and Loyalty is 0.8 and which reflects that there is a Strong correlation between Trust and Loyalty.
 From Table 2, It was concluded that Distributor Satisfaction, Trust, Commitment, Attitude and Loyalty have fairly good amount of correlation among themselves. Cooperative norms have poor amount of correlation with other factors like Satisfaction, Trust, Commitment, Attitude and Loyalty.

Regression Analysis:

The literal Meaning of Regression is stepping back towards the average value. Regression provides the average relationship between the variables.

Table 3: Regression Analysis

Variables	Unstandardized coefficient (B)	SE of B	Standard co- efficient (beta)	T value	P value
Constant	2.022	0.674	-	3.001	0.003
Distributor Trust (X1)	0.033	0.057	0.043	0.573	0.567
Distributor Commitment (X2)	-0.185	0.112	-0.184	-1.643	0.102
Distributor Attitude (X3)	0.260	0.082	0.273	3.165	0.002
Co-operative norms(X4)	0.325	.072	0.322	4.504	.000
Distributor Loyalty(X5)	0.187	.070	0.176	2.652	.009

a. Dependent Variable: Distributor Satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.860[a]	.740	.731	1.40405

a. Predictors: (Constant), co-operative norms, distributor trust, distributor attitude, distributor commitment, distributor loyalty.

Multiple regression implies the model to be valid and reliable. The multiple regression equation is

$$Y = 2.022 + 0.033X_1 - 0.185X_2 + 0.260X_3 + 0.325X_4 + 0.187X_5$$

Here Y is the distributor's satisfaction is the dependent variable, and X1, X2, X3, X4 and X5 are Distributor Trust, Attitude, Commitment, Loyalty and Cooperative norms are considered to be Independent Variables. The results in Table 3 show that the combination of Distributor Trust, Distributor Commitment, Distributor Attitude, Co-operative norms and Distributor Loyalty together contributed 74.0% to the effect on distributor satisfaction. Byexamining the beta values, the inference can be drawn that Co-operative norms are most influential for distributor satisfaction with 32.2%. Strength of distributor trust, distributor attitude, and distributor loyalty explain 04.3%, 27.3% and 17.6% respectively.

Table 4: Analysis of Variance

Sources of variation		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	579.093	4	144.773		
2	Residual	398.377	146	2.729	53.057	.000[b]
	Total	977.470	150			

a. Dependent Variable: Distributorsatisfaction
b. Predictors: (Constant), co-operative norms, distributor trust, distributor attitude, distributorcommitment, distributor loyalty

The F value and P value show that distributor satisfaction has positive and significant impact on other factors such as trust, attitude, commitment and loyalty at 5% level of significance.

Findings

- Theinformationprovidedbytherespondentsmay be prejudiced assomeofthemmight be reluctant to give authentic information.
- Some of them were unable to answer the questions as they do not have required knowledge and time.
- There is limited sample size and limited time forresearch.
- MostDistributorsareoftheagegroup20-30observationisdonethatthereareagreater number of male distributors than female distributors for Vijaya diaryfirm.
- Majority of the distributors have an annual income of 2-4Lakhs.
- Chittinagar, Gollapudi, Gandhinagar are the highest concentration of Vijaya diary distributors.
- AspertheanalysisamongalltheVijayadairyproductsmilkisthemoststableandmost soldproduct.
- Two main factors which distributors consider for choosing Vijaya diary is Margin and Demand.
- Majority of the Vijaya dairy products are delivered to customer within 2-6 hours of ordering theproduct.
- MorethanhalfofthedistributorsarepleasedwiththereturnpolicyofVijayadairyfirm
- Most of the retailers and distributors buy products directly from the Vijaya diary firm
- UpontheanalysisofthesatisfactorylevelsofdistributionchannelofVijayadairyfirm majority of the distributors are found to besatisfied.
- Most distributors enjoy great working relationship with Vijaya diaryfirm.
- Distributors are more than willing to recommend Vijaya diary firm if in case someone ask them regarding advice fordistribution.

6. Conclusion

The research was focused on to predict the factors influencing distributor satisfaction in Vijaya diary firm in Vijayawada. A well structured questionnaire is used for survey. From 145 respondents, the data is collected and analysed using various statistical techniques. Vijayadiary maintains a good relation with its distributors and owns a strong channel to keep the products at the disposal of its customer base.Itisclear fromtheresearchthatdistributor'strustisthemostinfluencing factor. Finally, the research concludes that Vijaya Diary has a strong channel of distribution to provide goods and services to the ultimate consumers. Also the channel performing well and have satisfied with trust, loyalty, attitude, commitment towards the organization.

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