



Brand Loyalty and Consumer Preferences for Dairy Products: A Study of AMUL in Rural Rajasthan

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ABSTRACT

In India's growing FMCG sector, dairy products have emerged as a crucial category, especially in rural regions where consumption is integrated into daily nutrition. AMUL, one of the most recognized dairy brands in the country, has developed a significant consumer base in rural Rajasthan. This research examines the dynamics of brand loyalty and consumer preferences for AMUL products among rural consumers. The study evaluates the key factors that influence repeat purchases and loyalty, such as quality perception, affordability, packaging, trust, and brand image. Based on a survey of 400 respondents across villages in Jhunjhunu district, the findings reveal that emotional attachment, perceived product quality, and positive word-of-mouth significantly contribute to loyalty, while price and availability continue to be decisive for preference. The paper offers insights for marketers aiming to strengthen rural brand engagement and recommends strategic approaches to sustain loyalty in competitive markets.

Keywords: Brand loyalty, consumer behavior, AMUL, rural marketing, dairy products, India, perceived value, purchase intention, trust, cooperative branding

1. INTRODUCTION

India, as the world's largest producer and consumer of milk, holds a unique position in the global dairy industry. Dairy products are deeply interwoven into the fabric of Indian dietary and cultural practices, serving as a primary source of nutrition across all socio-economic strata. Particularly in rural India, dairy consumption is not just a nutritional necessity but also a socio-cultural norm, associated with hospitality, festivals, traditions, and daily meals. In this context, AMUL—managed by the Gujarat Cooperative Milk Marketing Federation (GCMMF)—has become an iconic brand and a symbol of India's successful cooperative movement. It was instrumental in the White Revolution, which transformed India from a milk-deficient country into the world's largest milk producer.

The scale and penetration of AMUL into the rural markets of India exemplify the power of cooperative branding and trust-based marketing. Its success lies not only in its large-scale supply chain and advertising campaigns but also in its ability to create emotional and consistent relationships with consumers across demographics. The brand's reach into rural Rajasthan, particularly districts like Jhunjhunu, is a testament to this approach. These areas, which blend traditional values with increasing exposure to modern consumer goods, provide a fertile ground to examine patterns of consumer loyalty and preference.

Rural India comprises approximately 65–70% of the country's population and forms a substantial base for daily consumable products, including milk, curd, butter, and ghee. Unlike urban markets where brand switching is often driven by trends, discounts, or aggressive marketing, rural consumer loyalty tends to be shaped by habitual use, perceived reliability, interpersonal recommendations, and long-term satisfaction. Trust, once earned, becomes a cornerstone of brand loyalty, especially when coupled with consistent product quality and availability. Moreover, brand interactions in rural areas are frequently mediated through local retailers, community word-of-mouth, and visual familiarity at retail touchpoints, rather than through digital marketing or influencer endorsements.

The competitive landscape, however, has evolved. With the growth of regional dairy companies and private-label brands, rural consumers now face a wider array of choices. Many of these emerging competitors leverage low pricing, flexible distribution, and proximity advantages to disrupt long-standing brand loyalties. This poses a strategic challenge to established national brands like AMUL, which rely on standardized supply chains and large-scale logistics. It becomes imperative, therefore, to delve into the motivations and decision-making behaviors of rural consumers—what makes them stay loyal to AMUL, and under what conditions they consider switching brands.

Consumer preference in rural Rajasthan is influenced by a blend of economic, psychological, and social factors. These include affordability, perceived value, availability, packaging design, brand familiarity, and social influence. Furthermore, emotional elements such as attachment to cooperative values, associations with purity and trust, and community pride in using a nationally renowned Indian brand also play a role. In areas with limited exposure to competitive advertising, personal experience and peer feedback become even more critical.



This study seeks to explore and analyze the determinants of brand loyalty and product preference among rural consumers with respect to AMUL dairy products in the Jhunjhunu district of Rajasthan. It aims to identify the behavioral patterns, trust mechanisms, and key influencing variables that guide rural consumer choices. Through a structured survey methodology involving 400 respondents across ten villages, the research provides insights into the interplay between product experience, retailer influence, emotional branding, and perceived reliability.

Ultimately, the study aspires to inform marketers and policymakers about the nuances of rural consumer behavior and the strategic actions needed to foster long-term brand engagement. Strengthening brand loyalty in such markets requires more than promotional campaigns—it demands consistency, community integration, and culturally resonant engagement strategies. By understanding how trust and familiarity shape consumer loyalty, especially in rural markets, brands like AMUL can reinforce their position as not just dairy providers but trusted partners in everyday rural life.

2. REVIEW OF LITERATURE

Keller (1993) argued that a strong and positive brand image contributes significantly to consumer loyalty. His customer-based brand equity model emphasized that brands like AMUL, which build favorable brand associations through quality and consistency, are more likely to develop long-term consumer loyalty, especially in markets where trust plays a crucial role in decision-making.

Chaudhuri & Holbrook (2001) defined brand loyalty as the deeply held commitment to repurchase a product consistently in the future, which is heavily influenced by brand affect (emotional response) and brand trust. Their study emphasized that loyal consumers often become brand advocates, contributing to enhanced brand performance, particularly in competitive consumer markets like FMCG and dairy.

Gupta & Sharma (2014) examined rural consumer behavior in India's FMCG sector and found that price sensitivity, ease of access, and packaging design play a significant role in influencing purchase decisions. They highlighted that rural buyers often evaluate brands not only on quality but also on economic feasibility, which directly impacts preference and repeat buying.

Mehta (2015) focused on AMUL's cooperative model and its rural penetration strategy. The study found that AMUL's structure enabled it to build grassroots connections with consumers and producers alike, enhancing brand authenticity and trust in remote regions. It concluded that cooperative branding provided AMUL a unique edge in rural India.

Kotler & Keller (2016), in their foundational text on marketing management, argued that perceived value—not just functional utility—is the cornerstone of brand equity and loyalty. For rural consumers, the perceived value includes emotional satisfaction, safety, affordability, and reliability—factors that brands like AMUL need to manage simultaneously.

Kumar & Goyal (2017) analyzed the rural consumer perception of branded dairy products and concluded that these were often seen as more hygienic, reliable, and standardized compared to local alternatives. Their findings supported the notion that quality assurance and food safety play a vital role in brand preference in rural markets.

Singh et al. (2018) conducted fieldwork in rural regions and identified freshness, taste, and family influence as primary motivators for dairy consumption. Their study reinforced the idea that product experience, especially taste and safety, plays a central role in shaping consumer preference and loyalty.

Kapoor & Paul (2019) explored rural consumer behavior through the lens of emotional branding. Their findings indicated that price-based promotions often fail to retain loyalty in the long run, whereas emotional connection, brand storytelling, and social value have a more lasting impact, especially among culturally rooted rural populations.

Rani & Sharma (2020) observed that shopkeepers and retailers serve as influential opinion leaders in rural areas, especially in zones with lower literacy. Their study revealed that rural consumers often rely on these local influencers when exploring or trusting new brands, thereby underlining the need for retailer engagement strategies.

Roy & Dey (2021) studied the role of brand visibility and availability in sustaining loyalty among semi-rural consumers. They emphasized that consistent product supply, in-store visibility, and familiarity with branding elements like logos and signage significantly influence brand recall and trust.

3. OBJECTIVES OF THE STUDY

The primary objective of this research is to critically analyze the extent and nature of brand loyalty among rural consumers toward AMUL dairy products in the Jhunjhunu district of Rajasthan. In rural markets, where purchasing decisions are guided by habitual consumption, emotional trust, and community-based recommendations, understanding loyalty dynamics becomes essential. This study aims to assess how deeply consumers in these regions are committed to the AMUL brand and what specific factors sustain this loyalty over time.

Another key objective is to identify and evaluate the major determinants of consumer preference when it comes to purchasing dairy products. This includes analyzing the roles of affordability, taste, freshness, packaging design,



perceived product safety, and brand familiarity. In rural areas, where income levels and brand exposure vary significantly, such factors can influence first-time trials and long-term preferences alike.

The study also intends to examine the impact of trust, product availability, and pricing on rural consumers' purchase decisions. Trust in the brand—shaped through product experience, cooperative values, and retailer reinforcement—plays a pivotal role in rural contexts. Meanwhile, product accessibility and affordability remain non-negotiable criteria for purchase, especially in price-sensitive households.

Furthermore, this research seeks to explore how external influences such as retailer recommendations, word-of-mouth marketing, and brand visibility in local stores affect brand loyalty. Since many rural consumers depend on the advice of shopkeepers or base their decisions on social feedback rather than advertisements, the retailer's role is significant in shaping brand perceptions.

Lastly, the study aims to develop strategic recommendations for AMUL and similar brands to enhance their market retention and consumer engagement in rural areas. These recommendations will focus on improving brand communication, emotional engagement, community outreach, and product accessibility tailored specifically for rural audiences. By doing so, the study contributes to bridging the gap between national branding strategies and grassroots consumer expectations.

4. RESEARCH METHODOLOGY

This study adopts a **quantitative and exploratory research design** to understand consumer preferences and brand loyalty behavior toward AMUL dairy products in rural Rajasthan. The quantitative approach enables the systematic collection and statistical analysis of data from a large number of respondents, while the exploratory nature of the study allows for an open-ended investigation into emerging patterns, motivations, and behavioral tendencies in rural consumer markets. The objective is to generate reliable insights that can inform marketing strategies and brand positioning, especially in low-urbanized districts.

The research was conducted in the **Jhunjhunu district**, a semi-rural region in the state of Rajasthan known for its evolving consumption behavior and gradual shift from unbranded to branded FMCG products. To ensure diversity and representativeness of the population, the researcher employed a **multistage stratified random sampling method**. In the first stage, 10 villages were selected from different tehsils of the district to reflect variations in socio-economic conditions, literacy levels, and retail infrastructure. In the second stage, households within each village were chosen randomly, and from each household, one adult respondent was interviewed—ensuring gender and age diversity.

The **sample size** for the study was 400 respondents, which provided a robust base for statistical analysis. The demographic spread included a mix of male and female consumers, various income brackets, and different educational backgrounds. The inclusion of these variables allowed the researcher to assess how socio-economic and demographic factors influence brand loyalty and product preference.

For **data collection**, a structured questionnaire was designed comprising both close-ended and Likert-scale based questions. The questionnaire was translated into **Hindi**, the local language, to enhance clarity and ensure accurate responses from participants with varying literacy levels. The questionnaire focused on consumer habits, brand perception, purchasing frequency, retailer influence, and emotional attachment to AMUL products. Personal interviews were conducted with each respondent to facilitate deeper understanding and to minimize misinterpretation of questions.

Once the data were collected, **statistical techniques** were applied for analysis. Descriptive statistics were used to summarize consumer profiles and general preferences. Cross-tabulation helped in identifying relationships between variables such as income and product preference, or education level and brand loyalty. In addition, **chi-square tests** were employed to determine the statistical significance of observed differences, while **correlation analysis** was used to explore the strength of association between trust, price sensitivity, and repeat purchasing behavior.

This rigorous methodological framework ensures that the study captures not just surface-level responses but deeper consumer insights. By combining statistical rigor with context-sensitive sampling, the methodology strengthens the validity and relevance of the findings for rural marketing strategies.

5. RESULTS AND DISCUSSION

5.1 Demographic Profile of Respondents

The demographic composition of the 400 respondents offers valuable context for interpreting consumer behavior in rural Jhunjhunu. Out of the total, 55% were male and 45% female, indicating a relatively balanced gender representation. A majority (67%) of the respondents reported a monthly household income below ₹25,000, confirming the high price sensitivity and economic constraints typically observed in rural areas. Regarding education, 40% had completed secondary education, 30% had attained higher secondary qualifications, and 18% were graduates. These



figures suggest that while literacy is improving in rural Rajasthan, a significant portion of the population still relies on intuitive or experience-based brand decisions rather than formal knowledge of branding or advertising.

5.2 Product Usage and Consumer Preferences

Among AMUL's product range, milk was the most widely purchased product, with 86% of respondents indicating regular consumption. Curd and butter followed at 68% and 60% respectively, showing the popularity of these dairy items in everyday rural diets. Furthermore, 61% of the consumers reported purchasing dairy products 3 to 5 times per week, reflecting the regularity and centrality of dairy consumption in rural households.

When analyzing the **drivers of product preference**, taste and freshness emerged as the most dominant factors, with 78% of respondents citing them as the main reasons for choosing AMUL. Brand trust followed closely at 70%, highlighting the significant emotional and psychological bond between consumers and the brand. Additionally, brand familiarity (65%) and affordability (48%) were critical, demonstrating that while AMUL enjoys high trust, price considerations continue to influence brand choices. Packaging appeal (42%) also played a notable role, especially among younger and more educated respondents, indicating growing aesthetic awareness in rural markets.

5.3 Brand Loyalty Patterns

A substantial 59% of the respondents claimed they "always buy AMUL if it is available," suggesting a strong inclination toward brand loyalty. Even more significantly, 34% of respondents revealed that they have **never switched brands**, despite price variations or promotional offers from other brands. This reinforces the idea that trust and consistent product quality outweigh minor price advantages in brand commitment.

When asked to elaborate on their loyalty, 52% associated AMUL with **purity, hygiene, and safety**, aligning with previous findings (Kumar & Goyal, 2017). Furthermore, 31% of the consumers reported an **emotional attachment** to AMUL, often referring to it as "the family's brand." This emotional branding—rooted in trust, nostalgia, and long-standing use—strengthens consumer retention far beyond the rational domain of pricing and promotions.

5.4 Role of Retailers and Word-of-Mouth

In rural ecosystems, retailers function not just as sellers but as **informal brand ambassadors**. Nearly 49% of respondents said they rely on their local shopkeeper's advice when trying new products. This makes **retailer trust a critical link** in the marketing chain, especially in low-literacy areas where advertisement reach is limited.

Also notable was the impact of **in-store visibility**, with 46% of respondents claiming that seeing AMUL's signage or refrigerator branding gave them confidence in the product's authenticity. This highlights the importance of **visual brand presence** in small village shops where consumers often make impulsive or trust-based buying decisions.

Discussion in Relation to Objectives

These findings directly support the study's objectives, particularly in identifying the key factors influencing brand loyalty—such as taste, trust, and emotional attachment—and understanding consumer preferences shaped by price, packaging, and availability. The study confirms that loyalty in rural markets is **not purely transactional** but deeply relational, built on consistent experience, interpersonal trust, and socio-cultural comfort. These results also echo the insights of Kapoor & Paul (2019) and Roy & Dey (2021), who emphasized the role of emotional branding and brand visibility in rural loyalty building.

6. RECOMMENDATIONS

Based on the study's findings, several targeted recommendations can be proposed to help AMUL strengthen its brand loyalty and expand its consumer base in rural Rajasthan. These strategies are designed with a grassroots approach, keeping in mind the specific behavioral patterns, preferences, and challenges identified among rural consumers.

1. Strengthen Last-Mile Delivery and Rural Distribution Networks: One of the key issues that emerged from the study is the importance of product availability. Inconsistent supply can prompt even loyal customers to shift to alternative brands. AMUL should invest in optimizing its rural logistics by collaborating with local distributors and dairy collection centers to ensure timely restocking, especially in remote villages. Enhancing cold-chain infrastructure and providing portable cooling units to retailers can preserve product freshness and reduce spoilage.

2. Leverage Emotional Branding through Storytelling: Given the emotional attachment many consumers feel toward AMUL, the brand should deepen this relationship through culturally resonant campaigns. Emphasizing AMUL's cooperative legacy, its role in rural empowerment, and its long-standing presence in Indian homes can create a sense of pride and loyalty. Storytelling through local folk narratives, radio jingles, and short films in regional dialects can personalize the brand experience and embed it in the rural cultural fabric.

3. Introduce Affordable and Localized Packaging Options: Affordability remains a crucial driver in brand choice. AMUL should offer smaller, more economical SKUs (stock keeping units) for products like curd, butter, and cheese, making them accessible to low-income households. Localized packaging using vernacular language and culturally



familiar symbols can also increase emotional engagement and brand recall. Sustainable, biodegradable packaging can further align with the growing environmental consciousness, even in rural consumers.

4. Empower and Train Rural Retailers as Brand Advocates: Since many rural consumers rely on retailer recommendations, AMUL must consider implementing structured retailer training programs. These programs can equip shopkeepers with product knowledge, brand stories, and promotional material to share with consumers. Offering incentives such as margin benefits, loyalty schemes, or branded display infrastructure (e.g., fridges, boards, and uniforms) can motivate retailers to prioritize AMUL over competitors.

5. Enhance In-Store Visibility and Point-of-Purchase Marketing: In rural markets, brand confidence is often built through physical cues. AMUL should invest in increasing the visibility of its products at the point of sale. Branded signage, posters, refrigerator stickers, and AMUL-themed wall paintings in local shops can act as powerful brand recall tools. Strategic shelf placement and neat product displays can further enhance visibility and influence spontaneous purchases.

6. Engage in Community-Centric Outreach and Dairy Awareness Campaigns: Participating in or sponsoring local events, health camps, school programs, and dairy nutrition awareness drives can position AMUL as a socially responsible and community-oriented brand. Collaborating with local panchayats, women self-help groups, or youth clubs can foster grassroots connections and boost brand goodwill.

7. Utilize Rural Media Channels for Targeted Communication: To amplify reach, AMUL should focus on rural media platforms such as community radio, loudspeaker announcements during local fairs, wall writings, and mobile video vans. These channels are cost-effective and have deep penetration in rural India, especially where digital media access is limited. Using local dialects and testimonials from real village consumers can improve relatability and trust.

8. Monitor and Counter Competition through Rural Market Intelligence: With local and private dairy players becoming increasingly active, AMUL should continuously track competitor pricing, new product entries, and promotional strategies in rural markets. Deploying a rural market intelligence cell can help AMUL stay agile and respond effectively with counter-promotions or localized campaigns.

These recommendations, rooted in the behavioral insights uncovered by this research, offer AMUL an opportunity to go beyond conventional marketing and build **authentic, long-term relationships** with rural consumers. By combining emotional appeal with affordability, accessibility, and trust, AMUL can reinforce its position as a preferred and culturally resonant brand in rural India.

7. CONCLUSION

This study sheds critical light on the complex yet highly relational nature of brand loyalty and consumer preference for dairy products in rural India, with a specific focus on AMUL in the Jhunjhunu district of Rajasthan. In an environment where daily consumables like milk, curd, and butter are deeply embedded in cultural routines, consumer choices go far beyond mere product utility. Loyalty in these markets is not solely built through advertising or promotional pricing—it is cultivated through repeated satisfaction, trust in quality, emotional attachment, and familiarity with the brand.

The research confirms that AMUL has successfully positioned itself as a reliable and emotionally resonant brand among rural consumers. Key drivers of brand preference—such as taste, freshness, perceived purity, and affordability—are all strongly associated with AMUL by the respondents. A significant proportion of consumers demonstrated high brand loyalty, with many expressing that they consistently choose AMUL even in the face of price fluctuations or the availability of alternative brands. This loyalty is often sustained through intangible factors like community trust, brand familiarity, and even nostalgia, reflecting the success of AMUL's cooperative identity and consistent product experience.

However, the study also highlights emerging challenges. The presence of regional and private dairy firms, who often compete on pricing and local access, is gradually influencing consumer behavior, particularly among lower-income segments. In such a scenario, the continued dominance of national brands like AMUL depends on their ability to adapt to rural market dynamics without compromising on quality or brand values. The role of rural retailers and word-of-mouth influence also emerged as a significant factor, reaffirming the importance of grassroots-level brand engagement and community participation.

The findings suggest that for brands to sustain and grow their consumer base in rural India, they must embrace a **holistic approach to loyalty-building**—one that combines emotional branding, community integration, affordability, product reliability, and robust retail partnerships. Merely relying on national reputation or supply chain strength may not be sufficient in the face of evolving consumer expectations and rising competition.

In conclusion, this study not only provides valuable insights into rural consumer behavior but also serves as a strategic guide for dairy brands seeking to deepen their presence in India's vast rural markets. AMUL, with its strong foundation



and cooperative ethos, is well-positioned to continue leading the sector—provided it remains responsive, innovative, and emotionally connected with the people it serves. The research reinforces the idea that in rural India, branding is not just about visibility—it is about **being trusted, remembered, and chosen every day**.

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