

An Analysis of Retailers' Preference Towards Agaram Paints

Ivan Kenny Raj L¹, Jones Roosevelt Rai A²

Assistant professor, Mepco School of Management Studies, Mepco Schlenk Engineering College Sivakasi,
Virudhunagar District, Tamil Nadu, India

2nd Year PG Student, Mepco School of Management Studies, Mepco Schlenk Engineering College Sivakasi,
Virudhunagar District, Tamil Nadu, India

Abstract

The study on retailer preferences towards Agaram Paints offers an in-depth analysis of the key factors influencing retailers' choices in a competitive market. As the paint industry evolves, understanding retailer behaviour becomes essential for manufacturers aiming to grow their market share. The research focuses on multiple dimensions, including product quality and pricing strategies. Attributes such as durability, smooth finish, and ease of application significantly impact how retailers perceive Agaram Paints. High product quality directly affects customer satisfaction, encouraging retailers to stock the brand. Pricing strategies, including competitive pricing, discounts, and promotional offers, are also crucial in decision-making. Retailers prefer products that offer good profit margins while remaining attractive to customers. The study further explores the importance of effective distribution channels. Timely delivery and efficient supply chain management help retailers maintain stock and fulfil demand. The distribution network of Agaram Paints plays a key role in retailer satisfaction and brand promotion. Using both qualitative and quantitative methods, including surveys and interviews, the study gathers insights from retailers across different regions. Ultimately, it provides actionable recommendations for Agaram Paints to improve marketing efforts and strengthen retailer relationships.

Key words: Retailer Preferences, Agaram Paints, Product Quality, Pricing Strategies, Retailer Satisfaction, Profit Margin, Paint Industry, Discounts and Promotional Offers.

I. INTRODUCTION

The study of retailers' preferences towards paints, particularly focusing on Agaram Paints, is essential in understanding market dynamics and consumer behaviour in the paint industry. Retailers play a crucial role in influencing consumer choices, and their preferences can significantly impact brand performance and market share. Agaram Paints, known for its quality and innovation, has emerged as a notable player in the market. This introduction will explore various factors that shape retailers' preferences, including product quality, brand reputation, pricing strategies, and marketing efforts. Additionally, it will delve into the competitive landscape of the paint industry, examining how Agaram Paints positions itself against competitors and the implications of these strategies on retailer relationships.

Understanding the motivations behind retailers' choices can provide valuable insights for various find of manufacturers and marketers, enabling them to tailor their offerings and strategies to better meet the needs of their retail partners. This research will also highlight the importance of building strong relationships with retailers, as their support is vital for successful product distribution and brand visibility in the market. The paint industry is a vital segment of the broader manufacturing sector, contributing significantly to the economy through its diverse applications in residential, commercial, and industrial settings. As a product that enhances aesthetics and provides protection, paints are essential for both new constructions and renovations. Within this industry, the preferences of retailers play a crucial role in determining which brands succeed in the marketplace. This study focusses on retailers' preferences towards paints, with a special emphasis on Agaram Paints, a brand that has carved a niche for itself in a competitive land. Retailers serve as the critical link between manufacturers and consumers. Their preferences can influence product visibility, sales volume, and ultimately, brand loyalty among end-users. Retailers consider various factors when selecting paint brands to stock, including product quality, pricing, brand reputation, and marketing support. Understanding these preferences is essential for manufacturers like Agaram Paints, as it allows them to align their strategies with the needs and expectations of their retail partners. Agaram Paints has established itself as a reputable brand in the paint industry, known for its commitment to quality and innovation. The company offers a wide range of products, including interior and exterior paints, primers, and specialty coatings. Agaram Paints

emphasizes the use of advanced technology and eco-friendly materials in its formulations, catering to the growing demand for sustainable Product. The paint industry is characterized by intense competition, with numerous brands vying for market share. Retailers often have a plethora of options to choose from, making it essential for Agaram Paints to differentiate itself. Analysing competitors' strengths and weaknesses can provide valuable insights into how Agaram Paints can position itself more effectively in the market. This includes identifying gaps in the market that Agaram Paints can fill, such as offering unique product features or targeting specific customer segments.

II. REVIEW OF LITERATURE

Perceived Quality

Perceived quality plays a critical role in shaping consumer preferences and influencing purchase decisions, especially in the paint industry. It refers to the customer's perception of a product's overall excellence or superiority based on various tangible and intangible factors. In the context of paints, attributes such as durability, finish, ease of application, and long-term performance significantly impact perceived quality. Consumers often equate higher quality with well-known brands, even if actual performance differences are minimal. According to several studies, including those by Shenbhagavadivu & Jenifer (2019) and Vhembe (2019), quality is one of the main factors motivating both retailers and consumers to prefer certain paint brands.

Retailers are more likely to stock products they perceive as high quality because it leads to higher customer satisfaction and repeat purchases. Moreover, brand reputation, technical reliability, and visible outcomes like smooth finish or weather resistance also shape perceptions. As seen in the findings of Mathews (2016), painters and dealers greatly influence customers' perception of quality due to their expertise. When these influencers endorse a brand, consumers tend to trust the product's quality more. Promotional strategies, such as advertisements and endorsements, further strengthen this perception by associating the brand with trust and performance.

Brand Loyalty

Brand loyalty is a crucial factor in the paint industry, as it reflects consumers' consistent preference for a particular brand despite the availability of alternatives. Several studies highlight that consumers often stick with paint brands they trust, even when influenced by external factors such as celebrity endorsements or market trends (Mishra, 2017). This loyalty stems from positive past experiences, perceived product quality, and strong emotional connections with the brand. As noted by Vhembe (2019), attributes like product quality, brand name, and effective promotions significantly impact repeat purchases. Moreover, studies like those by Mathews (2016) and Shamsuzzaman (2019) reveal that influencers such as painters and dealers reinforce brand loyalty by consistently recommending the same products to customers. Consumers often follow these expert suggestions, forming a habit of purchasing the same brand. Jenifer (2020) emphasizes that strong customer service, advertisement, and dealer relationships further strengthen brand loyalty. While celebrity influence can draw attention, lasting brand loyalty depends more on satisfaction, reliability, and consistent value delivery. Paint companies that maintain product standards and foster strong stakeholder relationships are more likely to retain loyal customers.

Brand Awareness

Brand awareness plays a crucial role in influencing consumer behaviours, especially in the paint industry, where purchase decisions are often shaped by perception rather than deep product knowledge. With increased urbanization and rising disposable income, consumers are becoming more brand-conscious, recognizing well-known paint brands for their quality, durability, and aesthetic appeal. Studies show that advertisements, them especially on television and digital platforms, significantly contribute to creating and reinforcing brand and awareness. Celebrity endorsements also aid in improving recall value and trust in a brand, though loyalty tends to remain with the brand rather than the endorser. Moreover, the influence of micro and macro influencers on social media is growing, helping brands connect with specific consumer segments. Retailers, dealers, and painters further enhance awareness at the point of sale by recommending popular or trusted brands. Customer today associate branded paints with better performance, innovation, and environmental safety. Consequently brands with strong awareness often enjoy greater market share and customer loyalty.

Reference groups

Reference groups play a pivotal role in shaping consumer decisions, especially in the paint industry where technical knowledge and product differentiation are not always easily understood by the end-user. Painters, architects, contractors, and dealers serve as key influencers in the selection of paint brands, categories, and even the application process. Studies reveal that in many cases, over 70% of consumers rely on these reference groups, particularly painters, for guidance during purchase decisions. This influence is even more pronounced in repainting or renovation scenarios, where dealers and painters are often the primary source of information. The endorsement of a brand by a trusted painter or dealer can outweigh advertising efforts, particularly among less-informed consumers. In newer constructions, architects and engineers tend to have a stronger impact on the brand and category choices. Reference groups bridge the knowledge gap between manufacturers and consumers, making their role critical in driving sales and brand loyalty. Companies that maintain strong relationships with these influencers often enjoy better market penetration. Thus, understanding and leveraging reference group influence is essential for marketers aiming to influence consumer behaviour in the decorative paint segment.

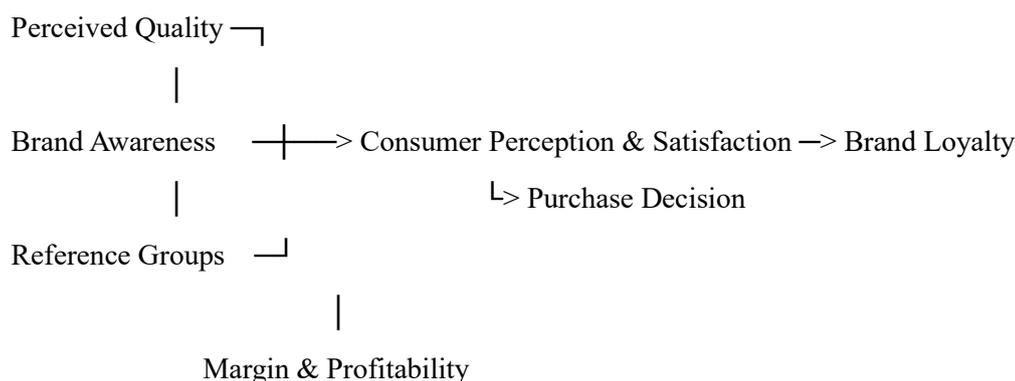
Margin & Profitability

Margin and profitability are crucial indicators of success in the paint industry, where competition, input costs, and consumer expectations are constantly evolving. Paint manufacturers aim to strike a balance between offering premium quality and maintaining competitive pricing to ensure healthy profit margins. Companies with a strong brand presence, like Asian Paints, benefit from economies of scale and brand loyalty, allowing them to command higher margins. Profitability is often influenced by factors such as raw material costs (like pigments and solvents), distribution efficiency, and product mix between decorative and industrial paints. Decorative paints, due to higher consumer demand and frequent repurchase cycles, tend to offer better margins. Additionally, brands that invest in innovation and automation often reduce operational costs, further improving profitability. Strategic sourcing and retailer relationships, as discussed by Cherian & Jasim (2017), also contribute to reducing supply chain costs and enhancing margins. Sales promotions and celebrity endorsements may temporarily affect margins but are often seen as investments in long-term brand equity. Overall, consistent quality, effective marketing, and streamlined logistics play pivotal roles in sustaining profitability in the competitive paint market.

III. RESEARCH FRAMEWORK

The research framework for this study is designed to examine the various factors influencing consumer behaviour, preferences, and satisfaction in the decorative paint industry, with a specific focus on branded paint products. Drawing insights from prior studies (Shenbhagavadivu & Jenifer, 2019; Mehra & Singh, 2019), the framework incorporates variables such as brand image, quality, price, promotional strategies, green product awareness, and influencer impact.

Reference groups like painters, architects, and dealers (Shamsuzzaman, 2019; Mamun, 2017) are also included as mediating factors in purchase decisions. The role of marketing mix elements (product, price, place, and promotion) is considered critical in shaping consumer perceptions (Srinivas Kumar, 2015). In addition, the framework integrates consumer demographics, including age, gender, and income, to explore their moderating effects. Strategic sourcing and retailer relationships (Cherian & Jasim, 2017) contribute to understanding the backend influence on consumer-facing outcomes. The framework uses a mix of qualitative and quantitative approaches, aiming to provide a holistic view of the commercial consumer landscape in the Indian paint market.



Dependent Variables: Brand Loyalty, Purchase Decision

Independent Variables: Perceived Quality, Brand Awareness, Reference Groups

OBJECTIVES OF THE STUDY

- To know the availability of various paint brands in Retail stores.
- To identify the brand suggested to the customers by the retailers.
- To study the brand awareness and satisfaction towards Agaram paints.

IV. RESEARCH METHODOLOGY

The research design used in this study is Descriptive in nature. Primary data and secondary data are used for research. The

Model	Unstandardized coefficient		Standardized coefficient	T	Sig.
	B	Std. error			
	4.727	.189		24.983	.000
Brand reputation	.061	.149	.047	.407	.685
Promotion and discounts	.015	.107	.016	.141	.888
Price	-.097	.093	-.141	-1.048	.297
Customer review and feedback	-.032	.089	-.046	-.356	.722
Quality and performance	-.027	.069	-.048	-.383	.702

information required for this research was collected from the respondents, using a Structured Questionnaire through Physical form. The primary data was collected by direct survey method using Physical form from retailers of the Agaram paints. The Questionnaire contains 5-point scale, ranking questions and demographic questions. Structured Questionnaire was used as the data collection instrument. Population size is unknown. Population represents retailers of the Agaram paints. The sample size is 105 and it is collected from retailers of the Agaram paints. The sampling period starts from 2nd June to 30th June 2025. The sampling method used in this research is convenience sampling method. The following tools are used for analysing the data like ranking and Regression analysis.

V. DATA ANALYSIS AND INTERPRETATION

Regression Analysis

Association between type of decision to recommend specific paint brand to customers and satisfaction towards current dealing brand

Null hypothesis: There is No significance relationship between brand reputation and satisfaction towards current dealing brand

Alternative Hypothesis: There is significance relationship between Promotion and discount and satisfaction towards current dealing

Equation:

$$Y = 4.727 + 0.061(\text{Brand Reputation}) + 0.015(\text{Promotion and Discounts})$$

Inference:

The results of the multiple regression analysis indicate that the independent variables—brand reputation, promotion and discounts, price, customer review and feedback, and quality and performance—have varying effects on the dependent variable. Brand reputation and promotion and discounts show a positive relationship, suggesting that increases in these factors may slightly increase the dependent variable. In contrast, price, customer review and feedback, and quality and performance exhibit a negative relationship, implying that higher values in these variables may slightly decrease the dependent variable. However, the significance values ($p > 0.05$) for all variables indicate that none of these effects are statistically significant. Therefore, while some trends are observed, the independent variables do not significantly predict the dependent variable in this model.

Association between type of decision to recommend specific paint brand to customers and satisfaction towards current dealing brand

Null hypothesis: There is No significance relationship between brand reputation and satisfaction towards current dealing brand

Alternative Hypothesis: There is significance relationship between Promotion and discount and satisfaction towards current dealing brand

Model	Unstandardized coefficient		Standardized coefficient	T	Sig.
	B	Std. error			
	4.079	.556		7.330	.000
Brand reputation	.380	.571	.069	.665	.507
Promotion and discounts	.092	.115	.091	.801	.425
Price	-.048	.094	-.065	-.506	.614
Customer review and feed back	.043	.097	.061	.443	.659
Quality and performance	-.034	.093	-.052	-.369	.713

Equation:

$$Y = 4.079 + 0.380(\text{Brand Reputation}) + 0.092(\text{Promotion and Discounts}) + 0.043(\text{Customer Review and Feedback})$$

Inference:

The multiple regression analysis shows that the dependent variable is influenced by brand reputation, promotion and discounts, price, customer review and feedback, and quality and performance. The regression equation indicates that brand reputation (0.380) and promotion and discounts (0.092) have a positive relationship with the dependent variable, while price (-0.048) and quality and performance (-0.034) show a negative relationship. Customer review and feedback (0.043) also show a slight positive effect. However, all independent variables have significance values greater than 0.05, indicating that none of these effects are statistically significant. Therefore, although some trends are observed, the independent variables do not have a meaningful or significant impact on the dependent variable in this model.

VI. FINDINGS, SUGGESTIONS AND CONCLUSION

1. Location of Respondents

Majority of shops are located in Metro areas (62.9%), followed by Urban (31.4%). Rural (4.7%) and Semi-urban (1%) locations have minimal representation.

2. Type of Retail Outlet

Franchise Stores (34.3%) are the most common, followed by Specialty Stores (31.4%) and Department Stores (30.5%). Convenience Stores (3.8%) are least common.

3. Paint Brands Dealt

Agaram Paints dominates (92%) among retailers.

Other brands like Asian Paints (2%), Indigo (4%), Nerolac (1%), and Nippon Paints (1%) have very low presence.

4. Customer Types Visiting Stores

Painters (63%) are the largest customer group, followed by Contractors (23%) and General Public (14%).

5. Customer Order Cycle

Most common order frequency is twice a week (45%), followed closely by once a month (43%).

6. Fast-Moving Paint Products

Exterior wall paints (38) and Interior wall paints (37) are the most demanded products.

Lesser demand for Wall Paints (15), Spray Paints (9), and Metal Paints (6).

7. Customer Preference Factors

Quality & Performance (60) and Price (56) are the top factors influencing brand choice.

Brand Reputation (37) and Discounts (10) are less influential.

8. Brand Awareness

Agaram Paints Awareness: 99% of respondents are aware.

Source of Awareness: Mainly through Advertisements (60%) and Trade Promotions (8%). Sales representatives have minimal impact (1%).

9. Product Sales Movement (Wall Care Putty, White Cement, Niko Products)

- “1” category dominates sales for all products, followed by “2” category.
- Very low demand for smaller or larger sizes (1KG, 5KG, 50KG). Implication: Standard sizes/types are most preferred by customers; smaller or larger quantities are less practical.

10. Regression Analysis (Factors Influencing Satisfaction & Recommendation)

- Independent variables tested: Brand Reputation, Promotion & Discounts, Price, Customer Review & Feedback, Quality & Performance.
- Positive relationships: Brand Reputation, Promotion & Discounts.
- Negative relationships: Price, Quality & Performance.
- Significance ($p > 0.05$) for all variables → none of the factors are statistically significant predictors

Suggestions:

- Agaram Paints should increase advertising and promotional activities to improve brand awareness among retailers and customers.
- The company should maintain consistent quality and performance to compete with well-known brands like Asian Paints.
- Agaram Paints can focus more on interior and exterior wall paints, as they are the fastest-moving products in retail stores.
- The company should strengthen its relationship with retailers by providing better incentives, schemes, and support.
- Increasing the number of sales representatives and regular store visits can help improve product visibility and retailer engagement.

Conclusion:

Through this study on retailers' preferences towards paints, with a specific focus on Agaram Paints, several key insights have emerged. Firstly, Agaram Paints has gathered a notable level of attention and favourability among retailers, with many expressing satisfactions with its product quality, pricing, and customer service. Secondly, while Agaram Paints has gained attraction, it faces stiff competition from established players in the market. Retailers highlighted the importance of factors such as brand reputation, product variety, and promotional incentives in their decision-making process. Additionally, this research indicates that retailers perceive Agaram Paints positively in terms of its product innovation and environmental sustainability initiatives. These aspects have contributed to enhancing the brand's image and attracting environmentally conscious consumers. However, there are areas where Agaram Paints could further improve to solidify its

position in the market. Addressing concerns related to distribution channels, ensuring consistent product availability, and providing comprehensive training and support to retailers were identified as potential areas for enhancement.

By continuing to focus on product quality, innovation, and collaborative partnerships with retailers, Agaram Paints can further strengthen its competitive edge and capture greater market share in the dynamic retail landscape.

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