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## **A Study on ACC Cement and its Impact on Consumer Behaviour**

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### **ABSTRACT**

The cement industry in India is growing on a large scale. There are many competitors in the country where UltraTech is the leader and JSW, Ambuja and ACC are the market followers for it. It has been seen and observed that there has been a decline in the cement market share of ACC cement in the household sector. There was a complete marketing and financial strategy involved which are held responsible for this cement decline. The innovation in the marketing channels can be improved by identifying sales force organization, working on logistics, and customer touch points and adding value to the existing workforce organization.

The value-added proposition can be held responsible to the home builders when brand loyalty plays an important role. Here ACC brand tagline is cementing relationships where its major focus is on gaining more relationships. Gender, age, academic performance, personal financial status, and the number of youngsters were all investigated. Our findings imply that all of the sociodemographic characteristics stated above have an impact on green product awareness and purchasing behaviour.

Customers are always hesitant for changing their brand. Homemakers have no idea about cement chemicals, so they directly depend on their architecture or contractor. The contractor is the one who gives the final decision on which cement to purchase. An innovative way to enter into the cement distribution is to enter into the shoes of the contractor. ACC is now entering into cement which is good for the environment such as called the green revolution by sustainable development goals. The better one's financial status, the more likely they are to purchase green products. The ramifications for marketing are shown in the study. Furthermore, based on findings from the perspective of green consumer behaviour, our exploratory research indicates future research directions. The research is an in-depth evaluation of the elements that influence green purchasing decisions of ACC cement as home builders have a high level of influence on the decision-making of other individuals adding value to the brand.

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**Keywords** -- Cement, innovative distribution, awareness, contractor

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### **I. INTRODUCTION**

India is in a position where currently it is the 2<sup>nd</sup> largest producer in the world. There has been tremendous growth in the development of the country especially in the field of infrastructure and in the construction sector. The cement industry is expected to largely get benefit from such direct integration. As per the official reports, India's cement production overall has been around accounted at 294.4 million tonnes. A market survey is a real tool which is used to gather data on the new and existing consumers' satisfaction in the market, which directly helps in gathering the best possible way of making out a new solution to the problem. The information that comes out is then surveyed at a detailed level and helps in predicting future market trends.

ACC cement is currently a market follower and it's deemed to be a leader once. There are tough companies in the market and where many are having advancements day to day, this research gave insights about different levels of problems that came across during the personal level study of consumers and dealers in construction of House builders. This information and primary data were gathered while doing this project and an in-depth market analysis was done for the same.

The vision of ACC cement is to be one of the most respected companies in the country which will be recognised for challenging conventions and delivering on our promises. Many of the other competitors such as Ambuja, Ultratech, and JSW are expanding market share. ACC is trying out the traditional method of brand loyalty over durability and logistics for market expansion. ACC is currently working on its sustainable development goals by focusing on innovation and inclusivity.

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### **II. OBJECTIVES**

1. To know the brand preferred by consumers concerning cement.
2. To understand the attributes that influence consumers while purchasing cement.
3. To understand the problems faced by the consumers, if any, while purchasing cement.

### III. RESEARCH METHODOLOGY

This study is based on qualitative research. The majority of the data was collected through personal visits and one-on-one interaction. Along with verbal interaction, a questionnaire was prepared and filled out by retailers as well as dealers of cement.

### IV. LITERATURE REVIEW

(Anjay Kumar Mishra, 2019), “**Assessment of Consumer Influencing Factor in Decision Making for Selecting Cement Brands.**” The study is focused to assess factors influencing the selection of cement brands. The study is conducted at Madhyapur Thimi Municipality among different levels of consumers i.e., house owners, suppliers, contractor/mason and consultants/engineers. Out of 871 permitted under-construction buildings of the fiscal year 2016/17, 89 end consumers and 30 suppliers were selected for the questionnaire survey.

(T. Ramesh, 2021), “**E-COMMERCE AND CEMENT BRANDS.**” The future of trading in building materials lies in e-commerce. More and more companies in the construction industry recognize the significance of the digitizing process chains for their competitiveness,” says Christian Landes, founder and Managing Director of the company eBay. pro. All suppliers and buyers of cement can register on the website platform www. cement. pro and participate in the auctions. In addition, the platform acts as a broker for concrete technology consultation and logistics services. So the current paper aims at how the e-commerce industry gives an impact on cement brands.

(IRINLADA SUNANTAPORN, 2018), “**customer perspective on marketing mix related to the consumer buying behaviour of ready mixed concrete at Siam city concrete co., ltd.**” This research aims to study the customer perspective on the marketing mix related to buying behaviours of ready-mixed concrete. A questionnaire was constructed and used as the tool for data collection. The sample size of this research consisted of one hundred and eighty customers of Siam City Concrete. Consumers of different amounts of registered capital, business types, duration of operation and decision-makers in projects demonstrated different behaviours in terms of average purchase frequency to Siam City Concrete.

(jaiswal, 2013), “**Study brand equity to find out the consumer buying behaviour for a cement product category with emphasis on UltraTech Cement Limited.**” The objective of this study was to Study Brand Equity to find out the Consumer Buying Behaviour for the Cement Product Category with an emphasis on Ultratech Cement Limited. The focus was on identifying the areas which are important for customers and what are the performances of different brands on those attributes. The Scope of the study was Raipur City, Chhattisgarh with a focus on Individual House Builders. The nature of the industry is Oligopolistic with a large number of consumers and a small number of competitors- UltraTech Cement, Lafarge, Jaypee, Associated Cements Companies (ACC), Ambuja, Century Industries etc.

(Roubaud, 2017), “**Sustainable production framework for cement manufacturing firms: A behavioural perspective.**” Understanding sustainable production is becoming increasingly important for production and operations managers, mainly due to a shortage of natural resources. Sustainability requires many changes in behaviour at all levels. Few studies within the sustainable production literature have empirically disentangled the underlying behavioural concepts of sustainable production. To address this gap, this study utilizes the theory of planned behaviour (TPB) to develop a theoretical framework to explain sustainable production behaviour.

### V. ANALYSIS

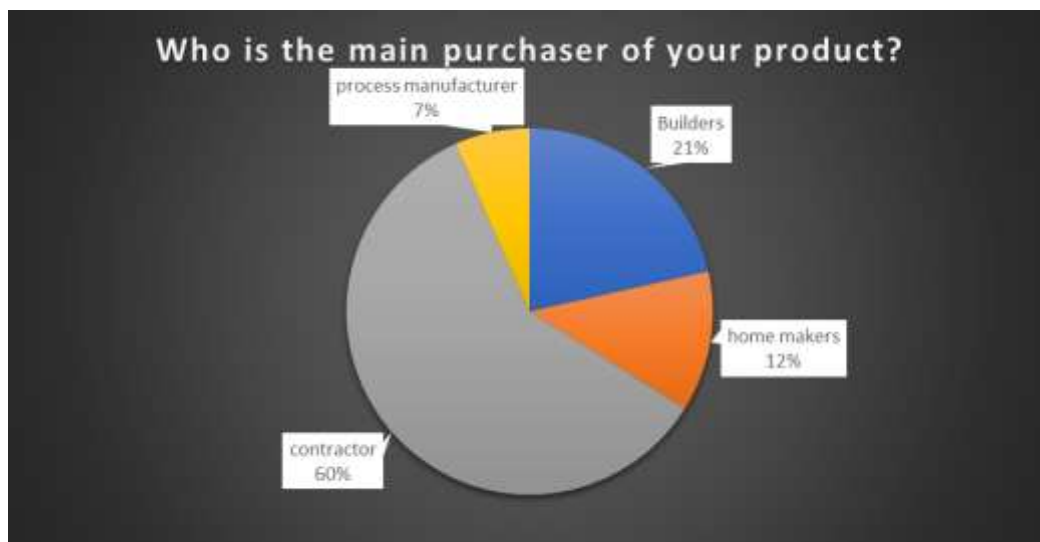
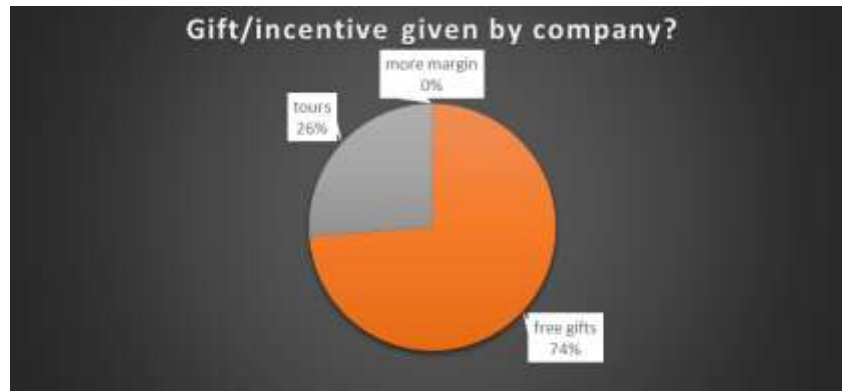


Fig.1: Prime purchasers of cement

Here, cement was purchased majorly by the contractor. So, dealing with the contractor will only help in the market increasing market demand for that product as a contractor is a middleman between the source of the order of the cement.



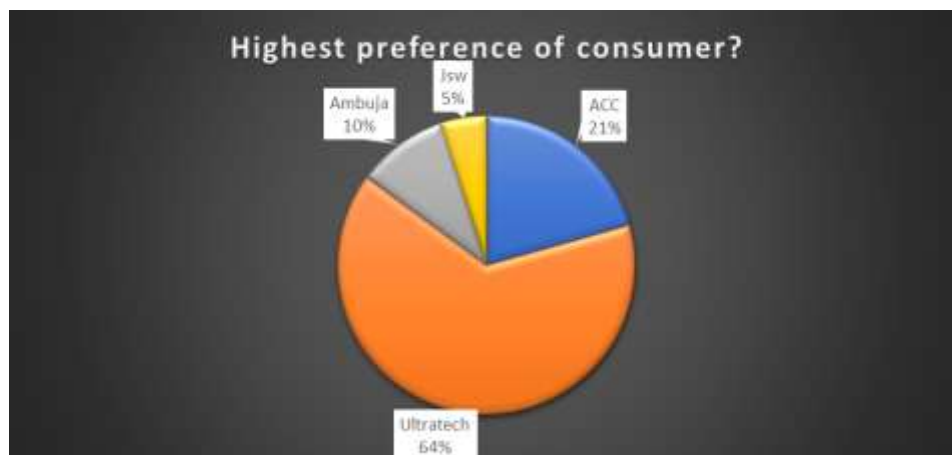
**Fig.2: Incentives provided by the company to retailers**

Here, apart from gifts which were given by the company, there were no additional benefits. Tours were given only to some dealers and they were also not considered free. After talking with many dealers, it came to notice that the gifts given by the company were cheap rather than the gifts given by the competitors. Shares and more margin were just the fake word of mouth that was done.



**Fig.3: Problems faced by consumers while purchasing cement**

With all the problems taken into consideration, it can be seen that the majority of the problem lies in the delivery of the product. As the homemaker doesn't have storage space, he orders as per his availability and delivery became an issue there. As an independent homemaker, money contains an important value in construction and 30.18 per cent of people find it difficult as there was seen a major uncertainty in the value of the cement which buying each time. The price fluctuates every day and can't be spotted or forecasted.



**Fig.4: The most preferable brand of cement**

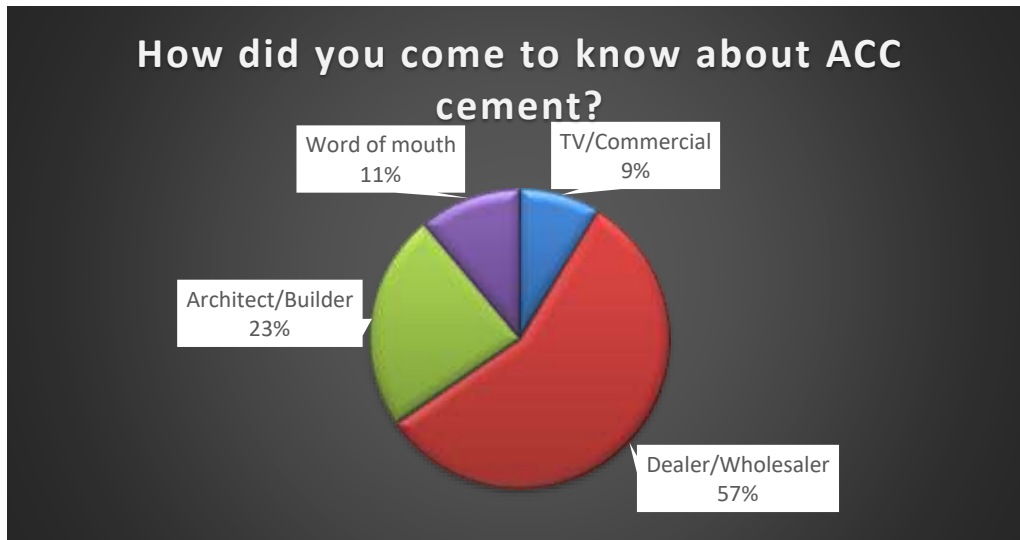
With contractors having a major role in the deciding factor of cement, seems with the benefits given by other competitors Ultratech cement has the highest market share of 64.45% in the level target audience. ACC is trying to increase its market share but can't grow over a certain stipulated growth. Ultratech

seems to soon grab the market share of small local companies and then work on the way of hard monopoly as they have been successfully making their dealers happy.

There was primary research done on the user where the independent home builders have the majority used ACC cement during their construction. This was done at an extreme level covering more than 150+ houses

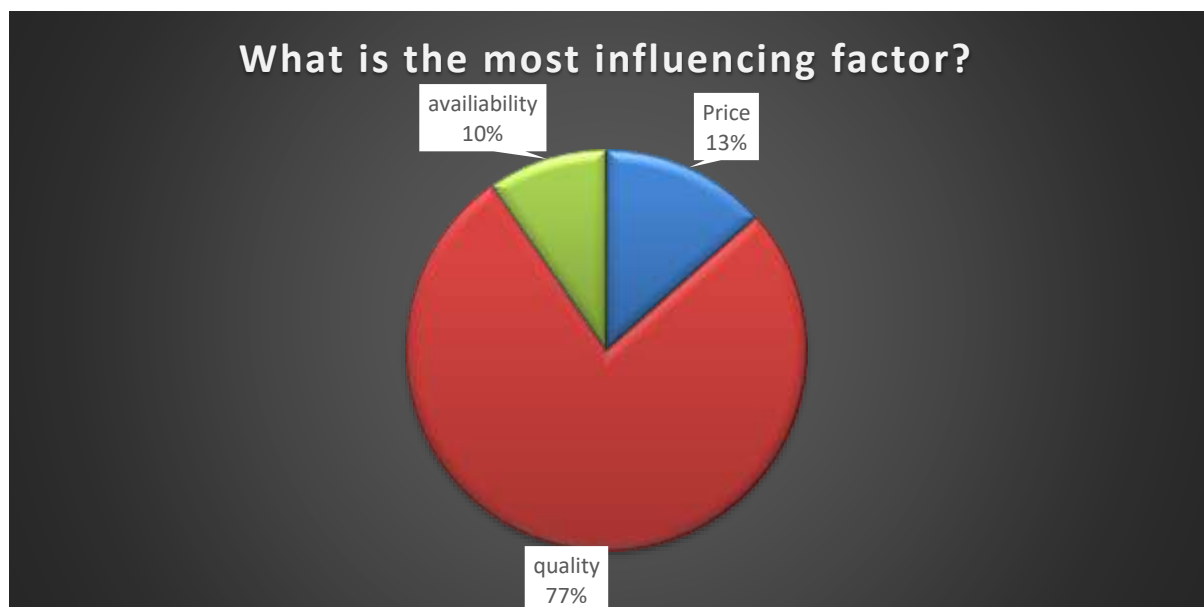
Here are the top 03 questions which played a major role in the survey

This question was asked to the end user/consumer -



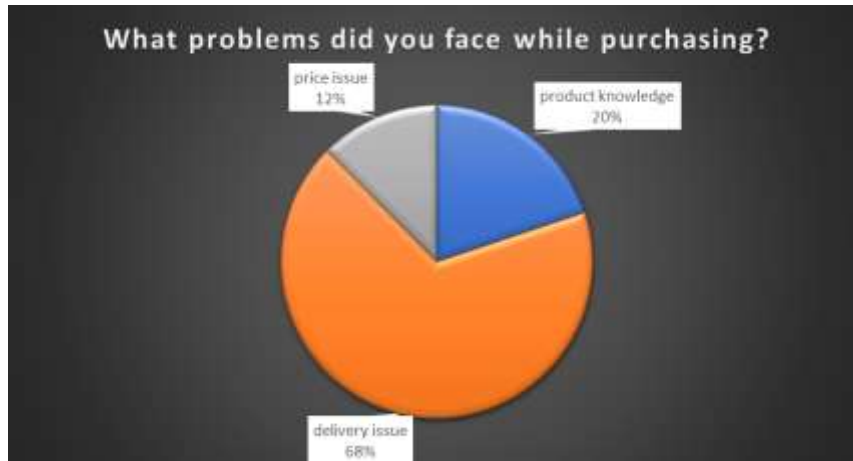
**Fig.5: Consumer awareness about ACC Cement**

ACC have no advertising expenditure so it can be seen that the majority was done by dealer and wholesaler. They are considered the major factor in influencing the target audience. Architects and builders also play an important role as they are also a core connection with the target audience. So, their influence plays an important factor in the decision-making area, still highest being 56.75% stand with Dealer.



**Fig.6: Factors influencing consumers while purchasing cement**

The quality with 76.89% is the most influencing factor as building a home is a one-time decision and an emotional one. Price is also important but with quality and durability of the cement are most important as it is considered a one-time long investment which will be kept the same for long years to go ahead with. Availability can be adjusted as the quantity of cement is less compared to the big institutional construction.



**Fig.7: Problems faced by consumers while purchasing cement**

The delivery issue which is around 67.67% is the one which affects the consumer more as their quantity is less and there needs to be a certain order level of 240 bags which needs to be ordered once while doing this delivery so delivery date and logistics can be considered as a major problem dealing which this cement of ACC. Product knowledge and price issue are also having a certain level of importance in purchasing problem decision-making.

## VI. WEBSITE ANALYSIS



**Fig.8: Website Analysis of ACC Cement**

Website analysis helps in gathering the traffic data that was there on the official website. This can in detail help in gaining more and more information regarding the company's interaction with its consumer as well as it can help in resolving the complaints that would come across. There was seen that while comparing it with 2 major competitors, JK cement has the highest traffic in all the terms whether organic or not. Compared with ACC, the companies such as JK cement have almost 04 times the data traffic on its site past 6 months. This can help them in reaching more audiences as well as more interactive offers or product awareness could have been done.

With the engagement seen every month, JK cement on its social media marketing always lies in the top level, but the change was seen when there is a need for unique consumers, UltraTech has the highest and a superb margin of the new consumer being into the site. ACC no-where leads as their site is dull and can be also considered a dead site.

The duplicated audience also who frequently visited UltraTech is more than its competitors, UltraTech is honestly a market leader with its advertising and promotional strategies giving a lot to the dealers and having a strong network.

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## VII. CONCLUSION

1. ACC cement has a good product but fails badly in marketing the product as their advertisement expenditure is very less and it's not connecting with the customer.
2. With the sales force organization, there has been a shortfall in the visits done to the client project during the span of cement being used by the consumers.
3. Product knowledge fails miserably as there was no direct connection with consumers as ACC has top-notch products with quality and durability.
4. While in data interpretation, clearly states that competitors take more care of the dealer as they understand the importance of the dealer in building the network of the Market share and adding wealth to the organization with the generation of more market share in the currency stated Market.
5. Unsatisfied dealers change from sole ACC dealers to mix brand dealers as they realise an untrustworthy experience for the ACC personnel so they end up not sharing and investing in ACC, with logistics and fake promises being the core issue.
6. Sustainable development goals are fulfilled with a grounded vision that can be an important area to showcase as ACC is also thinking towards the green revolution with eco-friendly cement.
7. To get into the innovative ways of entering the Market, advertisement, brand loyalty through campaigns and product knowledge at all levels must be done. Quality not being the issue at all.
8. More emphasis on its website as it lacks basic functions and more engagement require in all the terms for audience interaction and more visits towards the website. Basic changes can keep the consumer for more time rather than 2.36mins per user which was mentioned.
9. Right product at the right price in right place can be a simple formula for ACC to sustain and then go enter through innovative distribution ways.

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