

ASSESSMENT OF DEMAND AND CONSUMPTION OF DAIRY PRODUCTS IN MYMENSINGH AND DHAKA CITY

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Abstract

The present study was undertaken to determine the households' demand and consumption of dairy products, analyze households' preference for dairy products, analyze brand preference of various dairy products, and describe quality and safety aspect of dairy products in the study area. In total, 600 households from Dhaka city and 300 households from Mymensingh city were selected randomly. A two-stage LES-AIDS model was used to analyze demand function. Average age of the respondents in Mymensingh city was about 42 years and in Dhaka city about 46 years. Average number of family members was 5 in Mymensingh city and 4 in Dhaka city. About 37.80% of the respondents were university graduate, 21.70% respondents had secondary schooling and 13.20% respondents were in others education category in all areas. About 32% respondents had annual income between Tk. 10000-20000 and only 1.2% respondents had an annual income between Tk. 1250-2500 in all areas. About 68% households in Mymensingh city and 63% households in Dhaka city consumed raw fresh milk usually. Average consumption of raw fresh milk was 19.32 liter per month in Mymensingh city and 14.87 liter per month in Dhaka city. The prices of all dairy products were higher in Dhaka city than in Mymensingh city. The co-efficient of multiple determination (R^2) of food expenditure share was 0.77. In case of food expenditure share, the co-efficients of inverse of total expenditure, log of total expenditure, district dummy and family size were found to be significant. At second stage the co-efficient of multiple determination (R^2) was 0.445. In case of all product items the results show that share of some co-efficients did not have expected sign. Expenditure elasticity of all food items were lower than 1. Overall preference of raw fresh milk for both Mymensingh and Dhaka city was the highest among all milk items (8.86 and 8.21 points out of 10 respectively). Respondents in both Mymensingh and Dhaka city gave highest points for local animal breed, low fat content, creamy color and good flavor of fresh milk and pasteurized milk about its quality and safety. Respondents in all areas always preferred branded fresh milk and pasteurized milk for its good quality. About 59% of households in Mymensingh city thought the quality of raw fresh milk was very high quality product. The second highest opinion for very high quality dairy items was for pasteurized milk and its portion was 43.4%, 34.2% and 36.3% for Mymensingh, Dhaka and all areas respectively. In case of raw fresh milk 38.40% of the respondents assessed quality on the basis of good taste and 39.00% of them on freshness. Respondents in Dhaka city were more concerned about high fat content and low fat content of the products.