

# A Study on Impact of Consumer Behavior on Soft Drinks

Dr. Pradeep kumar asthana – Amity Business School, Amity University Chhattisgarh

Kalash Kesharwani, Student, Amity Business School, Amity University Chhattisgarh

E-Mail id – [kalashkesharwani07@gmail.com]

## Abstract

The basic aim of every business organization is to survive and earn sufficient profit in the competitive business environment. This is possible only when the business organization is able to satisfy the needs and wants of the customers because customers are the king of the market and their preference is affected by a number of factors. The businesses face ever increasing pressure from the customers side.

Many of them are therefore considering ways of making themselves more efficient, so that they can provide products which are worth customers money. But many times it so happens that in order to fulfill the above objectives, the companies start producing unhealthy products as these products require low quality raw material and hence cost of production decreases.

My project on "A study of consumer behaviour on soft drinks" is an attempt to analyze the factors influencing the purchase division of soft drinks and the initiatives that the government can take to stop the production and distribution of unhealthy products.

## INTRODUCTION

The consumer behaviour refers to those acts of a person who are directly involved in obtaining and using economic goods and services, including the choice processes that precede and determine these acts.

Consumer behaviour studies "why people buy", so that it becomes easier to develop strategies to influence consumers as once a marketer knows why people buy certain products or brands.

The study of consumer behaviour answers the subsequent questions on the consumers- what they buy, why they buy, how they buy, where they buy, when they buy, and the way often they buy. India may be a huge country with 28 states, over one billion populous and 120 dialect/languages.

The Indians contain diverse segments of consumers, counting on the varied social classes, places of inhabitancy, caste, race and various other spectra. The Indian consumers have a towering scale useful orientation, which projects them together of the foremost sensitive

consumers within the world. Indian consumers have a high degree of family orientation. Thus, communication with consumers and receiving feedback for them may be a crucial part of consumer behaviour which is of the good interest to marketers.

The beverage industry consists of companies that manufacture non alcoholic beverages and carbonated mineral waters or concentrates and syrups for the manufacture of carbonated beverages. beverage products have well accepted by consumers and are gradually overtaking hot drinks because the biggest beverage sector within the world. within the midst of the rapidly growing beverage demand, the industry within the whole is encountering new opportunities and challenges. Changing consumer demand and preference requires new ways of maintaining current demands and attracting new ones. Amid ever increasing competition, beverage companies must intensely court customers, offer top quality products, efficiently distribute them, ensure safety and keep low prices. Recent developments in beverage consumption and challenges in marketing have highlighted the necessity for searching the consumers needs and preferences.

It is becoming increasingly difficult to ignore the existence of sentimental drinking today's market. Since the inception of sentimental drinks in 1830's, its consumption steadily increased with technological advances in production and increased product availability. Recent statistics suggest that despite India's huge population and therefore the incontrovertible fact that around 47% of the population consists of persons below 30 years aged, the per capita consumption of sentimental drinks in India remains very low at approximately at 5.2 liters which indicates huge potential for market of sentimental drinks in India.

Consumer preference is employed primarily to mean to pick an option that has the best anticipated value among variety of choice to buy the buyer so as to satisfy his needs or desires. Preference indicates the alternatives among natural or more valued options available. The preferences of the buyer are their behavior they show during searching, buying and disposing the merchandise.

Marketing strategies for beverage is conceptually very simple. It begins with analysis of the target market which incorporates company, condition, competitors and consumer. Next market segmentation: This involves identifying product related need sets, grouping customers with similar sets. Describing each group.

## Consumer Behaviour

Marketing concepts start with the consumer needs and in behaviour in meeting these needs.

Every action of a person is based on needs. The real problem is to learn what a customer takes into consideration when he chooses a particular brand. Such a study is concerned with

### Consumer Behaviour.

Consumer/ buyer behaviour is that subset of human behaviour that is concerned with decisions and acts of individuals in purchasing and using products. Consumer behaviour is a subset of customers behaviour, is concerned with decisions that lead up to the act of purchase.

Consumer behaviour refers to the behaviour that consumers display in searching for purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. The study of consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption related items.

It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it? Take the simple product-toothpaste.

What types of toothpaste do consumers buy (gel, regular striped); what brand (national brand, private brand, generic); why do they buy it (to prevent cavities, to remove stains, to brighten or whiten teeth, as a mouthwash, to attract romance); where do they buy it (supermarket, drug stores, convenience stores); how often do they use it (when they wake up, after each meal, when they go to bed, or any combination thereof); how often do they buy it (weekly, bi weekly, monthly)? Or consider a more durable product.

The fax machine. What kinds of consumers buy fax machines for home use? What features do they look for? What benefits do they seek? What types of documents do they fax? For what reasons? How likely are they to replace their old model when new models with added features become available?

The answers to these questions can be found through consumer research, and provide fax manufacturers with important input for product scheduling, design modification and promotional strategy.

A human being by nature is very complex. It is very difficult to understand human behaviour.

It is the human brain which directs all the activities of a human being. It is said that the human brain is like a black box. It is very difficult to see it. In the fig. we can see input and output but

not the real mechanism how the inputs are transformed into the output.

Personal Factors:

Include age and life cycle stage, occupation, economic circumstances, lifestyle and personality and self-concept.

(a) Age and Life Cycle Stage:

People buy different goods and services over their lifetime. Consumption is also shaped by the stage of the family life cycle. There are nine stages of the family life cycle (Table 3.4) and in these stages the person behaves in a different way.

(b) Occupation:

A person's buying behavior pattern is also influenced by his occupation. For example, a company president will buy expensive suits, credit card membership etc. The marketer turns to find out the different occupational groups of the segment and draft the plan accordingly.

(c) Economic Determinants:

Economic considerations are very powerful and influence-able as far as the behaviour is concerned. Marshall was the first person to examine the role of economic factors on human Behaviour. The human being wants to maximize his satisfaction by his limited resources. Before making any decision, a consumer collects various information. Economic model is based on the assumption that the price of the product affects its demand. The important economic factor is income and liquid assets.

(a) Life Style:

16

People coming from the same subculture, social class and occupation may lead quite different lifestyles. A person's lifestyle is the person's pattern of living in the world as expressed in the person's activities, interests and opinions.

e) Personality and Self Concept:

Each person has a distinct personality that will influence his behaviour. According to Philip Kotler, Personality means the person's distinguishing psychological characteristics that lead to relatively consistent and enduring responses to his or her environment. Personality is usually described in terms of traits like self confidence, dominance, defensiveness, adaptability etc.

4. Psychological Factors: Include motivation, perception, learning attitudes and beliefs.

(a) Motivation:

Motivation is an internal urge to do something. Why does a person act at all? The answer can be given by understanding those forces which affect these actions. A person acts because he wants to fulfill his needs. All the acts of a person are based on his desire to fulfill the needs and the need is the rationality of each and every action.

(c) Perception:

Perception is the meaning which a person gives to a stimuli. Perception influences and shapes the behaviour. It can be defined as a complex process by which people select, organize and interpret sensory stimulation into a meaningful and coherent picture. The marketer must know how a customer perceives a product as a whole, its features, its packaging, its price etc., and then formulate the broad plans.

A motivated person is ready to act. Act of a motivated person is influenced by his perception of the situation. Perception not only depends upon physical stimuli but also the stimuli in relation to the surrounding field and conditions within the individual.

(d) Attitudes and Beliefs:

Attitudes are the emotional predispositions to respond positively or negatively to an object or class of objects. Predispositions are the result of constant learning influenced by perception and personality. It is very difficult to change the perception because it is the result of continued learning. Attitudes led people to behave in a fairly consistent way toward similar objects. If a consumer is brand loyal then it is very difficult to change his attitude and belief towards that brand. The market must try to identify the attitudes and beliefs of the customer segment and then develop the appropriate positioning strategy.

### **OBJECTIVES OF THE RESEARCH**

The objectives of the study is to review the buyer behaviour of consuming soft drinks. And understand the measures that the govt can do to prevent the unhealthy practices carried down by beverage companies. to understand the foremost preferred beverage and therefore the flavor liked the foremost by the consumers. To know their views about the frequency of consumption of sentimental drinks

## SCOPE AND LIMITATIONS OF THE RESEARCH

In this research every attempt was taken to be error free. There was a limited number of respondents. There was the time limit to compelling the project. The information obtained from the consumer based on questionnaire was assumed to be factual. The survey is based on sampling method. The study is undertaken with limited resources as it is conducted by students.

## LITERATURE REVIEW

The review of literature can help a researcher to build up the conceptual framework about certain topics. Some selected reviews have been presented below to find out the specific research gaps.

William R. George (1999), objective was that factors responsible for brand preference in soft drink industry, increasing competition more, due to globalization is motivating many companies to base their strategies almost entirely on building brands. Brand preference means to compare the different brands and adopt the most preferred brand. This brand preference is influenced by various factors. In the identification of factors affecting the brand preference, it was concluded that Brand persona is the most effective factor that affects the brand preference. This Brand persona deals with the personality aspects or the external attributes of brand, thus it can be said that consumer prefer any brand by looking at the external attributes of a brand.

Stephen Daniells (2008), objective was that to measure the quality of the soft drink and preference. Four factors were identified for the formulation: four color intensities, three flavourings, two label types (soft versus hard), and two pack sizes (standard versus oversize). By using both quantitative (hedonic testing) and qualitative (focus group) approaches, the researchers found that the main factors which drive consumer preference for this concept are colour intensity and flavouring. Indeed, colour intensity accounted for 43% and flavor 32% of the consumers' overall liking. "Pack size and label type" are taken into account by the consumer to a lesser extent

## Research Methodology

Research methodology of a qualitative screening associated to a conjoint analysis on relevant sensory attributes has shown good performances to fit consumers' exception: it has now to be reproduced, as every brand concept and product is a unique combination designed for a specific consumer group.

N. Meher & Sunny (2013), objective was that to determine the factors influencing on brand loyalty of soft drinks. As the stimuli of soft drinks was selected. Pearson correlation and multiple regression models were used to examine the variables and to test the hypotheses; where the perceived quality, price, brand trust and promotion were the independent 20 of the study. The empirical results demonstrated that perceived quality, price, brand trust and promotion have significant influence on consumers' brand loyalty of soft drinks in Bangladesh.

H. Muzakkeerul & Alam's (2009) objective was that to measure consumers' attitudes for bottle mineral water in Bangladesh. As the stimuli, Mum, Fresh and Spa were selected. Fishbein's Multi-attribute attitude model was used to measure the variables. The result of the study is that people have the highest positive attitude towards Mum and then Spa and Fresh are in the second and third position respectively. Five salient beliefs (price, brand image, packaging, availability and taste) have been selected from pretest and were used to predict consumers' attitude.

After reviewed some related literatures it is clear that in all articles discussed about different branded soft drinks and their attention toward beverage items. Though adequate research has been undertaken to measure consumer attitudes and to find out factors affecting consumer attitudes, basing on a country or continent, there is no such direct and solo research as this study that is based on a perspective of Bangladeshi consumers. Again, they only research on why the consumers react and which factors affect consumer attitude towards soft drinks in Bangladesh or other countries. So, this study tries to fill up the gap by using intrinsic and extrinsic attributes of soft drinks for measuring consumers' attitude towards soft drinks items. With this study, soft drinks industries may be able to find out their loopholes and thereby take necessary steps to improve their product's attributes, services and benefits and to compete in better ways.

## **FINDING AND SUGGESTIONS**

### **FINDINGS**

- Out of 100, more than 80% of respondents like soft drinks.
- More than 50% of respondents think that soft drinks are not good for health.
- There are around 80% of people who never faced any health problems due to

consumption of soft drinks and only 20% who faced health problems due to soft drinks.

- We found that 23.60% of respondents are affected by the television advertisements and 24.72% of respondents are affected by the television advertisements.
- It is also observed that out of 100 respondents 34 respondents like coca cola, 19 respondents like Pepsi, 3.57% like mirinda, 10.71% like maza and 19.5% like others.

It means that coca cola is the most preferred brand.

## **SUGGESTIONS**

- Maximum people are induced to purchase soft drinks due to its taste. Therefore, soft drink companies should focus on improving the taste of soft drinks.
- A large proportion of respondents say that canned juices have artificial flavours. Therefore, the soft drink companies can reduce the production of canned juices and start providing more and more fresh juices.
- A large number of people are attracted by the television advertisements, so in order to attract and retain customers the soft drink companies should make investments in advertisements.
- In order to increase the sale of soft drinks the soft drink companies should focus on improving the quality of the soft drink.

## **Conclusions**

From the above analysis of the study of consumer behaviour on consumption of sentimental drinks, we will see that the important factors that influence the acquisition decision for a beverage is taste and flavor. Besides this the opposite important factor that influences the acquisition decision is the initiative taken by the govt to prevent the unhealthy practices of frequent checks carried down by the beverage companies.

## **References**

- Alam, Md. Jahangir and N. Meher, (2009), "Measuring Consumer Attitude towards Beautification Products: A Study on Some Selected Brands in Bangladesh". Journal of Business and Technology (Dhaka), Vol.4, issue-2, (July-December), pp. 59-69.
- D. Stephen, (2008), "Soft Drink Quality and Preference". European Journal of Marketing, Vol.27, Issue-7, pp. 25-35.



edupedia.educarnival.com/the-current-market-scenario-of-beverage-industry

- Fishbein, Mi (1963), “An Investigation of the Relationship between Beliefs about an Object and the Attitude towards the Object”. Human Relations, Vol.16, pp. 233-240.
- H. Muzakkeerul and Alam (2009), “Measuring Consumers” Attitudes for Bottled Mineral Water in Bangladesh: An Empirical Study on Mum, FRESH, and SPA”, Journal of Business and Technology (Dhaka), Vol.iv, Issue-i, (January-June), pp. 130-143.
- 58
- Mia Md. Abdul Hunnan (1999), “Measurement of Brand Attitudes of Brand Loyal of Detergent Powder and their Advertising Implication”. Dhaka University Journal of Business Studies, Vol.20, No.2, pp. 265-292.
- Monroe, K. B and Krishnan, R. (1976), “ The Effect of Price on Subjective Evaluations”, in Jacoby, J, and Olson, J. (Eds). Perceived Quality, Lexington Books, Lexington, MA. N. Meher and Sunny, (2013), “Factors Influencing on Brand Loyalty: An Empirical Study on Soft Drinks in Bangladesh”. Rabindro Journal, Vol.15, No.1, (October), pp. 201-214.
- William R. G., (1999), “Brand Preference in Soft Drink Sector”. Advances in consumer Research, Vol.26, pp. 485-490.
- Zeithamal, V. A., (1988), “ Consumer Perceptions of Price, Quality and Value: A Means-End Model and Synthesis of Evidence”. Journal of Marketing, Vol.52, Issue-3, pp.2-22.