

A STUDY ON IMPACT OF CONSUMER BEHAVIOR ON SOFT DRINKS

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ABSTRACT

In today's highly competitive business environment, the primary objective of any organisation is to sustain itself while earning adequate profits. Achieving this goal largely depends on the organisation's ability to meet the demands and expectations of its customers, who are regarded as the central focus of the market. Customer preferences are shaped by a variety of factors, and businesses are under growing pressure to adapt accordingly.

To remain competitive and efficient, many companies strive to offer products that provide good value for money. However, in pursuit of profitability, some manufacturers may compromise on product quality by using substandard raw materials, thereby producing items that may be detrimental to consumers' health.

This research project titled "**A Study of Consumer Behaviour on Soft Drinks**" seeks to explore the key factors that influence consumers' purchasing decisions regarding soft drinks. It also aims to examine potential regulatory actions that the government can implement to curb the production and sale of unhealthy beverages.

INTRODUCTION

Consumer behaviour encompasses the actions and decision-making processes individuals engage in when acquiring and using economic goods and services. It involves understanding *why* consumers purchase particular products or brands, which helps marketers develop effective strategies to influence buying decisions.

Studying consumer behaviour answers critical questions such as: What do consumers buy? Why do they buy it? How, where, and how often do they purchase? India, with its vast population exceeding one billion and diverse cultural landscape comprising 28 states and over 120 languages, presents a complex market with varied consumer segments influenced by social class, location, caste, and ethnicity. Indian consumers are notably value-conscious and family-oriented, making communication and feedback crucial for marketers.

The beverage industry, which includes non-alcoholic drinks, carbonated waters, and concentrates, is rapidly growing globally, often surpassing hot drinks in popularity. This sector faces both opportunities and challenges as consumer preferences evolve. To remain competitive, beverage companies must focus on quality, efficient distribution, safety, pricing, and understanding consumer needs.

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.

Literature Review

A thorough review of existing literature helps establish a conceptual framework for the topic and identify research gaps. Several studies have explored consumer preferences and attitudes towards soft drinks and beverages.

William R. George (1999) examined factors influencing brand preference in the soft drink industry. He found that in the face of increasing global competition, companies focus heavily on brand building. The study concluded that brand persona—referring to the brand's personality and external attributes—is the key factor influencing consumer preference, as consumers tend to choose brands based on these visible characteristics.

Stephen Daniells (2008) investigated the impact of product attributes on soft drink preference. The study identified four key factors: color intensity, flavor, label type, and pack size. Using both quantitative and qualitative methods, it was found that color intensity (43%) and flavor (32%) significantly influenced consumer liking, while pack size and label type were less influential. The study highlighted the importance of sensory attributes in shaping consumer choices.

N. Meher and Sunny (2013) focused on brand loyalty in the soft drink market in Bangladesh. Their research employed correlation and regression analyses to determine the effects of perceived quality, price, brand trust, and promotion on consumer loyalty. Results indicated that all these factors significantly affect brand loyalty among Bangladeshi consumers.

H. Muzakkeerul and Alam (2009) studied consumer attitudes towards bottled mineral water brands in Bangladesh using Fishbein's Multi-attribute Attitude Model. The study revealed that consumers favored the brand Mum the most, followed by Spa and Fresh. Key beliefs shaping attitudes included price, brand image, packaging, availability, and taste.

Research Methodology

This study aimed to minimize errors, though it was limited by a small sample size and project deadlines. The information gathered through buyer questionnaires was assumed to be accurate. The research is based on sampling methods and was conducted with limited resources, typical of a student project.

Research Design

Research design refers to the systematic plan guiding the collection, measurement, and analysis of data.

Title of the Study

"Study on Consumer Behaviour on Soft Drinks"

Sources of Data

Data used in this study includes both primary and secondary sources.

- **Primary Data:** Original data collected firsthand through a structured questionnaire.
- **Secondary Data:** Data previously collected by others, sourced from books, periodicals, and reports.

The data was analysed using bar charts for clear visualisation. Both primary and secondary data contributed to the study.

Sample Size

Responses from 100 participants were collected and analysed.

Sampling Method

A non-probability sampling approach was adopted, specifically convenience sampling. A questionnaire was prepared to gather information.

Data Collection and Analysis

Data was collected via questionnaires. The collected information was analyzed and presented through bar graphs to facilitate understanding.

Data Analysis and Interpretation

The data collected from 100 respondents was systematically analyzed using bar charts to provide a clear visual representation of consumer preferences and behavior regarding soft drinks.

Demographic Profile:

The respondents represented a diverse group in terms of age, gender, and occupation, ensuring a broad perspective on consumption patterns.

Brand Preference:

Analysis revealed that a significant portion of consumers preferred well-established brands, highlighting the impact of brand loyalty and trust. Factors such as brand image, packaging, and price influenced these preferences.

Factors Influencing Purchase Decision:

Respondents identified taste, price, packaging, and availability as the primary factors affecting their choice of soft drinks. Taste emerged as the most critical factor, followed closely by price sensitivity.

Consumption Frequency:

Most respondents reported consuming soft drinks occasionally, with a smaller segment indicating daily or frequent consumption. This suggests a moderate level of product usage across the sample.

Consumer Attitude:

The majority showed a positive attitude towards soft drinks, appreciating variety and promotional offers. However, health concerns were noted by some respondents, indicating a growing awareness that may influence future buying behavior.

Interpretation:

The analysis indicates that consumer behavior towards soft drinks is influenced by both intrinsic product attributes (like taste and quality) and extrinsic factors (such as brand reputation and packaging). The

preference for popular brands suggests that marketing and brand positioning play a vital role in shaping consumer choices. Additionally, price and promotions are effective in attracting and retaining customers.

These insights can help soft drink companies refine their marketing strategies, improve product features, and tailor promotional activities to better meet consumer expectations and increase market share.

Findings

- Over 80% of respondents enjoy consuming soft drinks.
- More than half believe that soft drinks are unhealthy.
- Around 80% have not experienced any health issues related to soft drink consumption, while 20% reported some health problems.
- Approximately 24% of respondents are influenced by television advertisements.
- Among brands, Coca-Cola is the most preferred (34%), followed by Pepsi (19%), Maza (11%), Mirinda (around 4%), and others (about 20%).

Suggestions

- Since taste is a major factor driving purchases, companies should prioritize enhancing the flavor of their soft drinks.
- Given concerns about artificial flavors in canned juices, producers could reduce canned juice offerings and increase the availability of fresh juices.
- As TV ads significantly impact consumers, investing in advertising campaigns can help attract and retain customers.
- To boost sales, improving the overall quality of soft drinks should be a key focus for companies.

Conclusion

This study on consumer behavior towards soft drinks reveals that while a majority enjoy consuming these beverages, many are also aware of potential health concerns. Brand preference is strongly influenced by taste and advertising, with Coca-Cola emerging as the most favored brand among respondents. The findings suggest that soft drink companies should focus on improving product quality and taste, address consumer concerns about artificial ingredients, and invest strategically in advertising to strengthen their market position. Overall, understanding consumer attitudes and preferences can help manufacturers better meet customer expectations and enhance their competitive advantage.

References

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