A MARKET RECEPTIVENESS STUDY ON REPACKAGED FLAVOURED SODA DRINKS WITH REFERENCE TO COIMBATORE CITY

A Project Report

Submitted

By

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In partial fulfillment of the requirements

for the award of the degree of

MASTER OF BUSINESS ADMINISTRATION

KCT BUSINESS SCHOOL

Department of Management Studies
Kumaraguru College of Technology
(An autonomous institution affiliated to Anna University of technology, Coimbatore)

Coimbatore - 641 049

May, 2012

DECLARATION

I affirm that the project work titled "**A market receptiveness study on repackaged flavoured soda drinks with reference to Coimbatore city**" being submitted in partial fulfillment for the award of master of business administration is the original work carried out by me. It has not found the party other project work submitted for award of any degree or diploma, either in this or any other university.

Pritesh

Signature of the Candidate

PRITESH.P

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I certify that the declaration made above by the candidate is true.

Signature of the Guide

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BONAFIDE CERTIFICATE

Certified that this project report titled **"A Market receptiveness study on the repackaged Flavoured soda drinks with reference to Coimbatore city"** is the bonafide work of **Mr.Pritesh.P, 10MBA040** who carried out the project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

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I thank **Mr.Yogesh Hiran**, Managing Director – **Hiran Agroceuticals Pvt. Ltd** , for his valuable guidance throughout my project.

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May 10, 2012

To

The Director,

KCT Business School,

Kumaraguru College of Technology,

Coimbatore - 641 049

Dear Sir/Mam,

This is to inform that Mr. Pritesh P (10MBA40) of KCT Business school, Coimbatore has successfully completed his project in our organization with his sincere efforts & hard work. We congratulate him and look forward for his bright future.

Yours Sincerely

Yogesh

Yogesh Hiran

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Chapter 1

Introduction

1.1 Introduction to the study:

A **beverage**, is a liquid which is specifically prepared for human consumption. In addition to fulfilling a basic need, drinks form part of the culture of human society. Despite the fact that all beverages contain water, water itself is not classed as a beverage. The word *beverage* has always been defined as not referring to water.

India has one of the fastest-growing economies in the world today. It is presently the tenth-largest economy and the third-largest food processor worldwide. Due to the extraordinary developments in all important industrial sectors, the demand for machinery and equipment has grown rapidly in the last ten years, generating demand that cannot be met exclusively by domestic production. Despite a considerable increase in the supply provided by local food processing and packaging machinery manufacturers, there is strong demand for foreign machinery featuring state-of-the-art technology. For the manufacturers of food processing and packaging machinery, India has become a very important market with strong growth potential. In the last five years the Indian imports of food processing and packaging machinery increased by 200% and were valued at US$ 550 million in 2008. The carbonated soft drinks industry in India counts more than 100 plants spread throughout the country. At some US$ 1,049 million, this sector accounts for a large share of the foreign direct investments undertaken in India.

Soft drinks constitute the third-largest packaged food segment in India after packaged tea and packaged biscuits. But the penetration level of carbonated soft drinks in India is still low compared with other developing markets, a sign that this market has potential for rapid growth. The market size for bottled water in India had an estimated set to increase rapidly over the next five years. The market for juice will also grow dramatically in coming years with an annual growth rate of almost 15%.

Sales volume of Non-Alcoholic drinks in India :

Litres Mn	**2009**	**2010**	**2011**	**2012**	**2013**	**Annual Growth (2009-13)**
Bottled Water	3290	3885	4515	5169	5825	14.5%
Carbonated Soft Drinks	1323	1430	1536	1639	1738	6.7%
Juice	456	538	623	709	796	14.9%

Source : Euromonitor International 2009

International scenario:

The global food and beverage (F&B) sector, which comprises farming, food production, distribution, retail and catering, was valued at $5.7 trillion USD in 2008. The industry is one of the major contributors to growth of all economies and has historically witnessed consistent growth. The industry is expected to increase at a CAGR of 3.5 percent to $7 trillion USD by 2014. In terms of structure, the industry is highly fragmented and the top few players—Nestlé, Kraft Foods, Unilever and Cargill—account for less than 5 percent of the overall value. Europe accounts for the largest share in the global F&B industry, generating revenues of $1.4 trillion USD in 2007 and employing 4 million workers, followed by the US, which contributed $1 trillion USD. However, Asia, led by China and India, is now emerging as a major contributor of raw material to the F&B industry. India's F&B market was valued at $182 billion in 2007-08 while the food processing sector alone was worth $72 billion in 2008. China's food processing sector increased by 13.6 percent from $44 billion in 2007 to $50 billion USD in 2008. The economic slump has had an adverse impact on most industries including the F&B industry. The major problems faced by the industry are rising food prices, increasing transportation costs due to a rise in oil prices, and decline in consumer spending. Nevertheless, the F&B industry has been relatively less affected when compared to other industries. This is mainly attributed to the fact that food products continue to be essential to consumers in spite of the slowdown. A comparison between the S&P 500 and the Dow Jones US Food and Beverage Index in 2008 is testimony to the resilient nature of this industry. In 2008, the S&P 500 declined 37.6 percent against a fall of 22.9 percent by the Dow Jones US Food and Beverage Index.

Beverages – Market potential:

Coconut water is expected to become an integral part of the $19 billion global market for sports recovery drinks, driven by its natural hydrating qualities, great taste and nutritional benefits. According to Beverage Marketing Corp, the coconut-water market doubled to $20 million USD in 2009. On the other hand, Merrill Lynch estimates this market to be worth $35 million USD in 2009 and expects it to grow further. The growth potential in this sector is evident from the recent acquisitions by major beverage makers such as Pepsi and Coca Cola. While Pepsi acquired Brazilin coconut-water manufacturer Amacoco Nordeste Ltda, Coca Cola bought a minority stake in California based Zico LLC.

The drinking of either natural or artificial mineral water was considered a healthy practice. The American pharmacists selling mineral waters began to add herbs and chemicals to unflavored mineral water. They used birch bark (see birch beer), dandelion, sarsaparilla, fruit extracts, and other substances. Flavorings were also added to improve the taste. Pharmacies with soda fountains became a popular part of American culture. Many Americans frequented the soda fountain on a daily basis. Due to problems in the U.S. glass industry, bottled drinks were a small portion of the market in the 19th century. (However, they were known in England. In *The Tenant of Wildfell Hall*, published in 1848, the caddish Huntingdon, recovering from months of debauchery, wakes at noon and gulps a bottle of soda-water.) In America, most soft drinks were dispensed and consumed at a soda

soda increased exponentially. In the second half of the 20th century, canned soft drinks became an important share of the market.

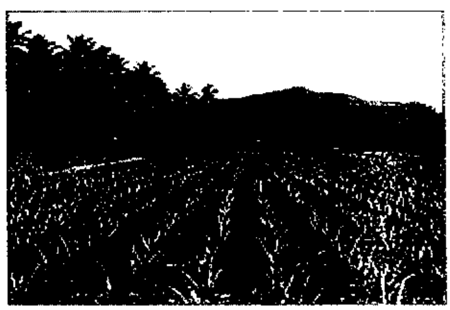
Over 1,500 U.S. patents were filed for either a cork, cap, or lid for the carbonated drink bottle tops during the early days of the bottling industry. Carbonated drink bottles are under great pressure from the gas. Inventors were trying to find the best way to prevent the carbon dioxide or bubbles from escaping. In 1892, the "Crown Cork Bottle Seal" was patented by William Painter, a Baltimore, Maryland machine shop operator. It was the first very successful method of keeping the bubbles in the bottle.

1.2 Organization Profile :

Hiran Agroceuticals Private Limited is a part of the Daspan group, a multi-product / service enterprise founded in 1963, based at Madurai, South India. The activities of the group comprises manufacturing bulk drugs, home appliances, electrical accessories & cables, plastic molded furniture and electrical contracting with many successful brands, having wide channels and distribution network in India and abroad.

At Hiran Agroceuticals they believe that NATURE reigns supreme over mans' inventions, without belittling his efforts. Therefore, the answer to most problems faced by the human body can be found in nature. Aloe vera, a sun loving succulent, is at its best when grown in tropical climate. India, with its rich traditional knowledge of herbal remedies, firmly believes in direct herbal extracts than concentrated substitutes and we offer this with a blend of standardization.

They have, after dedicated research, developed a **UNIQUE COLD PROCESSING METHOD** by which the nutrients are not disturbed during extraction. The state - of - the - art processing unit is located amidst our Aloe Vera farm, eliminating the chance of loss of crucial ingredients during post harvest and transportation of raw material. The fresh leaves after careful harvest are filleted before processing. Water being a depleting natural resource, the company is socially obliged to conserve water, by resorting to drip irrigation. As a mark of quality assurance, our farms are under Organic Certification Programme by **BIO INSPECTA** of **Switzerland**. It is also an Active Member of **International Aloe Science Council (IASC), Texas, U.S.A.**



Their manufacturing facility is fully equipped with the latest lab equipments to ensure standardization in every batch. The factory is centrally air conditioned to maintain a pathogen free environment. The organization is backed by a competent team of personnel, technically qualified and experienced in all related fields. Hiran Agroceuticals Private Limited has been floated to manufacture and market Aloe Vera extracts, replacing synthetic chemicals, keeping in view the global

The company believes that the research and development should be the first priority of manufacturing process. The vision is to be a global player in the HERBAL EXTRACT market, which is forecast by industry experts to grow in volumes, given the fact that the human population is moving closer to nature.

They Manufacture :

- Personal Care products
- OTC Pharma Products &
- Health supplements.

1.3 Statement of the Problem :

Flavoured Soda drinks are available but not as like other Beverages in a packaged manner. This product is available at various places & acceptable by people but this study would focus on the repackaging of flavoured soda drinks & find out responses if such product comes in the market. So the Product repositioning will become inevitable to be successful in the market and even if repositioning is done we have to analyze whether the market accepts the repositioned Product.

1.4 Objectives of the study :

- To identify the awareness level of respondents towards the flavored soda drinks.
- To find out the acceptance level of flavoured soda drinks by the consumers.
- To identify their product preference in related category.
- To compare flavoured soda drink with competitive alternative of it.
- To identify consumers' future expectation towards flavoured soda drinks
- To find out consumer willingness to purchase newly packaged flavoured soda drink.

REVIEW OF LITERATURE

Chapter 2

Review of Literature

Edward M Tauber [1]states that "Product innovation is of growing importance in American business as reflected by the proliferation of new products, the decreasing life cycle of existing products, and the concern with which top management has become involved in the new product process." At the same time, new products continually fail in the market at a substantial cost to both business and society. The most basic premise of marketing is the marketing concept—the focus on anticipating and meeting consumer needs. With the growing level of consumer dissatisfaction as reflected in the consumerism movement," the marketing concept has increasingly come under attack." The plea in this paper is that rather than rejecting this concept, as some suggest, they are more firmly embrace it in their managerial and research practices by seeking out, developing, and introducing products that fill important unmet needs. Future research must be conducted to determine the predictive validity for forecasting adoption with the need fulfillment scale. Indeed, such a test would move a step closer to measuring the validity of the marketing concept itself.

Vinod Kumar Bishnoi and Bharti [2]states the consumption pattern of ruralites: select home, personal care products, and the awareness level about the existing brands. They also highlight the consumers' motives behind the purchase and the factors affecting their purchase decisions. The data have been collected from 415 respondents across the entire Haryana regarding the six products: detergent, washing soap, bathing soap, toothpaste, shampoo, and hair oil. Majority of them have been using Nirma, Nirol, Lux, Lifebouy, Colgate, Clinic Plus and Dabur Amla and local brands of mustard oil . The study reflects that brand awareness level of respondents is very high though it does not affect the product usage to a large extent. Majority respondents have been using these products purely due to the utilitarian value of the product rather than the peripheral aspects.

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[1] Edward M Tauber, July 1973, Reduce new product: Measure needs as well as purchase interest, Journal of marketing

[2] Vinod Kumar bishnoi & Bharti, April-June 2009, Home & personal care products: Awareness and

David Savastano [3]states that, "The printed electronics (PE) industry is one of much promise, with huge expectations going forward. There have been areas where significant gains have been made, while other segments remain relatively unfulfilled. There remain major questions to be answered, including the actual production of the printed products. When one considers it, the PE market can be roughly broken down into a few segments: photovoltaics, batteries and sensors, displays and lighting, and RFID. Some of these fields – RFID, lighting and photovoltaics come to mind – have enjoyed growth overall, while printing remains a key opportunity. Other segments, such as displays and batteries, have seen strong starts.

The **journal**[4] states the interaction effects between branding strategy (new brand versus established brand), advertising execution strategies (informational, positive emotional and negative emotional) and product category involvement (low and high) on consumers ' attitudes towards the product, purchase intention and the (parent) brand. Two analyses are performed in which involvement is manipulated at product category and at individual level. The results show that in general, line extensions of established brands are preferred over new brands. Furthermore, advertising strategy has little impact on consumer responses to line extensions of familiar brands. The type of advertising strategy used does have a significant impact on product and brand attitude and purchase intention for new brands, where negative emotional appeals lead to significantly more negative responses. The results are further moderated by product category involvement. Informational appeals score especially well in high-involvement situations, whereas positive emotional appeals perform better in low-involvement situations. Interestingly, the differences between advertising appeals in both low- and high-involvement conditions are greater for new brands than for extensions.

Stephen Wunker [5]states that Capturing new markets is an excellent way to grow. But if such markets were easy to crack, they would not hold so much potential for profit. By using strategies appropriate for this unique business environment, companies can vastly improve the odds that they will triumph in this uncertain terrain. He states the development & execution of five important strategies :

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[3] David Savastano, 2010, Strong potential for printed electronic market in 2010, Ink world, Rodman publishing

[4] Journal of Brand management, 2010, consumer responses to different advertising appeals for new products: The moderating influence of branding strategy & product category involvement, Pg 18, 50-65.

[5] Stephen Wunker, Nov/Dec 2011, Achieving growth by setting new strategies for new markets, IVEY Business

1. Generate demand before vanquishing competitors.
2. Time market entry rather than move immediately to exploit opportunities.
3. Sell to customers directly before leveraging on powerful sales channel.
4. Win in targeted footholds prior of targeting big markets.
5. Retain flexibility rather than leveraging on fixed cost.

Theodore J. Noseworthy and Remi Trudel [6]studies that Marketers struggle with how best to position innovative products that are incongruent with consumer expectations. Compounding the issue, many incongruent products are the result of innovative changes in product form intended to increase hedonic appeal. Crossing various product categories with various positioning tactics in a single meta-analytic framework, the authors find that positioning plays an important role in how consumers evaluate incongruent form. The results demonstrate that when a product is positioned on functional dimensions, consumers show more preferential evaluations for moderately incongruent form than for congruent form. However, when a product is positioned on experiential dimensions, consumers show more preferential evaluations for congruent form than for moderately incongruent form. Importantly, an increase in perceived hedonic benefits mediates the former, whereas a decrease in perceived utilitarian benefits mediates the latter. The mediation effects are consistent with the view that consumers must first understand a product's functionality before engaging in hedonic consumption.

Vijayan K and Jayshree Suresh [7]studies New product success rate is only 60% to 70% across industries, to avoid possible losses and trauma of failure, one needs to take care to do thorough homework on operations and alternative contingency plans. More importantly the antecedents and predictors of new product success need to be identified and incorporated in the new product ideation-concept development-testing-screening-business analysis-physical product development and test - launch process. Twenty four factors that are drivers of new product success have been identified from past studies. These drivers of new product success are classified under product characteristics, process characteristics, strategy characteristics and marketplace characteristics.

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[6] Theodore J. Noseworthy & Remi Trudel, Evaluation of incongruent product form depends on positioning.

[7] Vijayan K & Jayshree suresh, Oct 2011, Variables that influence new product success, Advances in

International Journal of Business and Society [8]explores the performance of different attributes in automobiles in giving satisfaction to the consumers. The marketing concept emphasizes delivering satisfaction to consumers and obtaining profits in return. As a result, overall quality of life is expected to be enhanced.

Ainsworth Anthony Bailey [9]reports on a study that was undertaken to assess consumer awareness, and use, of product review websites. Factors included the impact of e-opinion leadership, consumer susceptibility to informational influence, and gender on awareness and use of these websites. Participants completed a survey that solicited information on awareness of product review websites, extent of usage, the aforementioned individual difference factors, as well as demographic information. Results indicated that consumers, generally, are aware of the existence of product review websites and there is moderate usage of, and varied uses for, these types of websites. Gender and certain individual difference factors, in particular e-opinion leadership, have an impact on usage and perceptions of these types of websites. Limitations of the study and future research issues are presented.

(Ainsworth Anthony Bailey)

[8] International Journal of Business & Society, 2010, Consumer satisfaction, Dissatisfaction & Post purchase evaluation: An empirical study on small size passenger cars in India, Vol. 11 No. 2, P. 97-108

Chapter 3
Research Methodology

3.1 Research Design

- **Descriptive Research :**

This study is a descriptive research as there is no control over the variables and it's basically a fact finding research . we tend to find out the state of affairs as it exists at present about the purchase attitudes & Perception towards the flavoured soda drinks

3.2 Data collection :

1. **Primary:**

The primary data sourced through questionnaire and the data is gathered on various aspects like Demography, Purchase behaviour, Product preference, quantum of consumption, innovations required etc..

2. **Secondary:**

The secondary data was sourced through internet, magazines, concept books which helped to make this research more better in its approach.

3.3 Sampling design:

1. **Type of Universe:**

Universe refers to the type of population taken. This study involves respondents of all categories who have either tried or intend to try flavoured soda drinks in Coimbatore city were taken. It is the "Infinite Population".

2. **Sample Size :**

This refers to number of items to be selected from the universe to constitute a sample. The sample size taken for this study is 356. It was determined based on sample size formula given by Bill Godden. The formula for infinite population is as follows:

$$SS = \frac{Z^2 * (P) * (1-P)}{C^2}$$

SS = Sample size

Z = Z- value

P = Percentage of population picking a choice

C = Confidence Interval

3. **Sampling Technique: (Convenient sampling)**

Convenient sampling is the sampling technique where in the researcher can collect responses from his respondents on his convenience i.e, from any place or any person he feels to get response. This study is also done based on the convenient sampling.

3.4 Statistical tools used:

1. Simple percentage analysis
2. Frequency analysis
3. Cross tabs
4. Weighted average analysis

3.5 Limitations of the study:

1. This study was limited only to selected population of Coimbatore city, hence it cannot be generalised to other segments.
2. The study was also limited to the time and budget constraints.

ANALYSIS & INTERPRETATION

CHAPTER 4

Analysis & Interpretation

4.1 Simple percentage analysis

Table No : 4.1.1

Table showing the awareness level of respondents' towards flavoured soda drinks

S.No	Awareness Level	No. of Respondents	Percentage (%)
1.	Very High	47	13
2	High	172	48
3	Moderate	83	23
4	Low	20	6
5	Very low	34	10
Total		**356**	**100**

Source : Primary Data

Interpretation

From the table it can be interpreted that 48% of respondents have high awareness level of Flavoured soda drinks, 23% have moderate awareness level, 13% have very high awareness level, 10% have very low awareness level & 6% have low awareness level of flavoured soda drinks.

Inference

It can be inferred that most of the respondents' (48%) are highly aware about the flavoured soda drinks

Table No : 4.1.2

Table showing whether the respondents have tried or consumed flavoured soda drinks

S.No	Tried or Consumed	No. of Respondents	Percentage (%)
1.	Yes	338	95
2	No	18	5
Total		**356**	**100**

Source : Primary Data

Interpretation

From the table it can be interpreted that 95% of respondents have consumed Flavoured soda drinks & 5% of respondents have not tried yet.

Inference

It can be inferred that majority of the respondents (95%) have consumed this product which indicates good probability of success of the product.

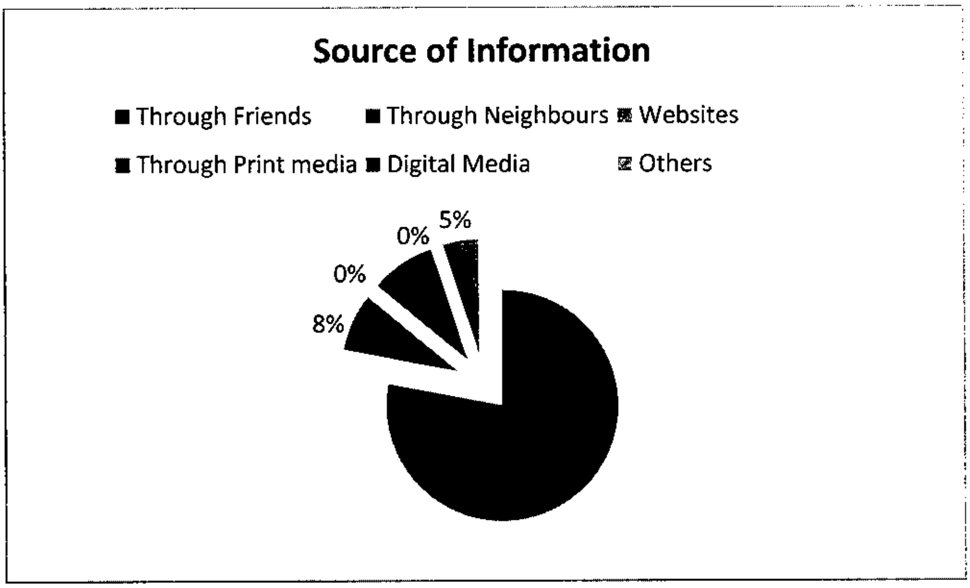
Table No : 4.1.2

Table showing source of information of respondents towards flavoured soda drinks

S.No	Source of Information	No. of Respondents	Percentage (%)
1.	Through Friends	276	78
2	Through Neighbours	30	8
3	Websites	0	0
4	Through Print media	32	9
5	Digital Media	-	-
6	Others	18	5
Total		**356**	**100**

Source : Primary data

Chart 1 : Figure showing the source of Information of respondents



Interpretation

From the above table it can be interpreted that 78% of respondents stated that their source of information where their friends. 32% of respondents had been aware of product through Print media, 30% of the respondents through their neighbours & 18% of the respondents fall under others category.

Inference

It can be inferred that peer groups word of mouth had been effective promotional tool for flavoured soda drinks. This enhances the probability of consumption by non-consumers.

Table No: 4.1.4

Table showing the where abouts of flavoured soda drink found by the respondents.

S.No	Places	No. of Respondents	Percentage (%)
1.	Exclusive outlet	163	46
2	Occasional parties	109	31
3	Kiosk	64	18
4	Ice cream parlours	0	0
5	Restaurants	20	5
6	Home	0	0
7	others	0	0
	Total	**356**	**100**

Source : Primary data

Interpretation

It can be interpreted that 46% of the respondents have consumed or seen this product at its exclusive outlets, 31% of respondents consumed in occasional parties or function, 18% of the respondents have found in kiosks & 5% of the respondents have found in restaurants.

Inference

It is inferred that most of the respondents have found flavoured soda availability in exclusive outlets & occasional parties.

Table No : 4.1.5

Table showing the recommendations made by the respondents towards flavoured soda drinks.

S.No	Recommendations made	No. of Respondents	Percentage (%)
1.	Yes	316	89
2	No	40	11
Total		**356**	**100**

Source: Primary data

Interpretation

From the table it could be interpreted that 89% of the respondents have recommended their friends, relatives etc., to try this product & 11% of the respondents have never recommended to anyone.

Inference

Here it could be inferred that most of the respondents are satisfied with flavoured soda drinks & so they have recommended it to others.

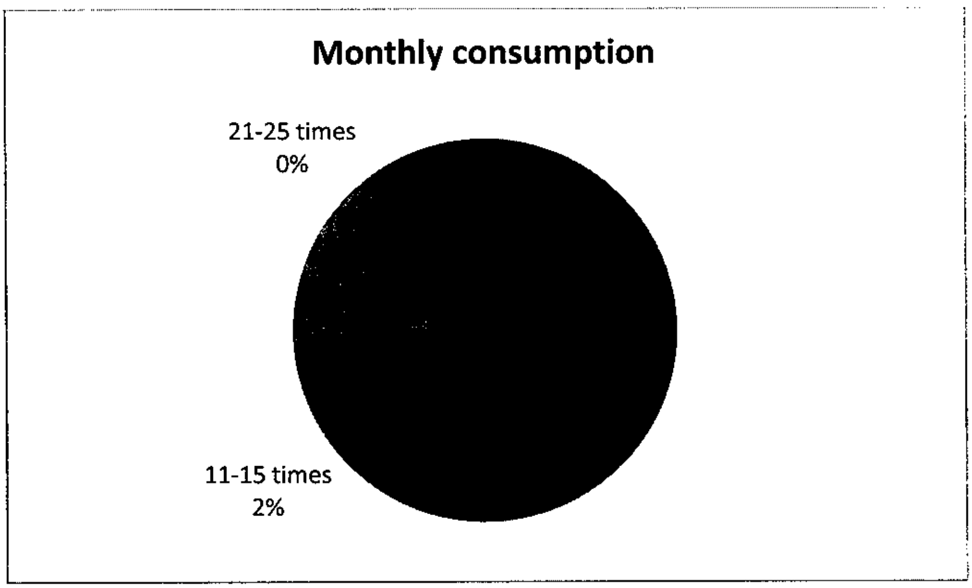
Table No : 4.1.6

Table showing frequency of consumption/month by the respondents

S.No	Frequency of consumption/month	No. of Respondents	Percentage (%)
1.	5-10 times	225	63
2	11-15 times	6	2
3	16-20 times	86	24
4	21-25 times	-	-
5	>25 times	39	11
Total		356	100

Source : Primary data

Chart 2 : Figure showing the monthly consumption of flavoured soda drinks



Interpretation

From the table given above it can be interpreted that 63% of the respondents consume flavoured soda drinks 5-10 times a month, 24% consume 16-20 times, 11% consume more than 25 times a month & 2% of the respondents consume 11-15 times a month.

Inference

It is inferred that very few respondents consume more than 25 times a month & most of the respondents (63%) consume 5-10 times only.

Table No : 4.1.7

Table showing perception of the respondents towards flavoured soda drinks

S.No	Perception	No. of Respondents	Percentage (%)
1.	Very good	53	15
2	Good	243	67
3	Neutral	60	18
4	Bad	-	-
5	Very bad	-	-
Total		**356**	**100**

Source : Primary data

Interpretation

It can be interpreted that 67% of the respondents perceive flavoured soda drinks as a good product, 18% of the respondents were neutral to their response, 15% of the respondents perceived flavoured soda drinks as a very good product.

Inference

From the following information it could be inferred that respondents have well perceived flavoured soda drinks & none of the respondents perceive it as a bad product.

Table No : 4.1.8

Table showing satisfaction level of respondents towards flavoured soda drinks

S.No	Satisfaction level	No. of Respondents	Percentage (%)
1.	Highly satisfied	53	15
2	Satisfied	237	67
3	Moderate	66	18
4	Dissatisfied	-	-
5	Highly dissatisfied	-	-
Total		**356**	**100**

Source : Primary data

Interpretation

From the table it could be interpreted that 67% of the respondents are satisfied with the product, 18% of the respondents are moderately satisfied with the product, 15% of the respondents are highly satisfied with flavoured soda drinks.

Inference

It can be inferred that majority of the respondents (67%) are satisfied with flavoured soda drinks & none of the respondents are dissatisfied with it. This ensures good market potential for flavoured soda drinks.

Table No : 4.1.9

Table showing respondents preference to consume flavoured soda drinks

S.No	Place preference	No. of Respondents	Percentage (%)
1.	Occasional parties	87	24
2	Street shop	50	16
3	Exclusive outlet	158	44
4	Restaurants	51	16
5	Ice cream parlours	-	-
6	Home	-	-
7	Others	-	-
Total		**356**	**100**

Source : Primary data

Interpretation

From the table it could be interpreted that 44% of the respondents would prefer to consume flavoured soda at its exclusive outlet, 24% of the respondents would prefer to consume at occasional parties, 16% of the respondents would prefer to consume at nearby shop and home.

Inference

It is inferred that majority of respondents (44%) would prefer to consume flavoured soda drinks at its exclusive outlet.

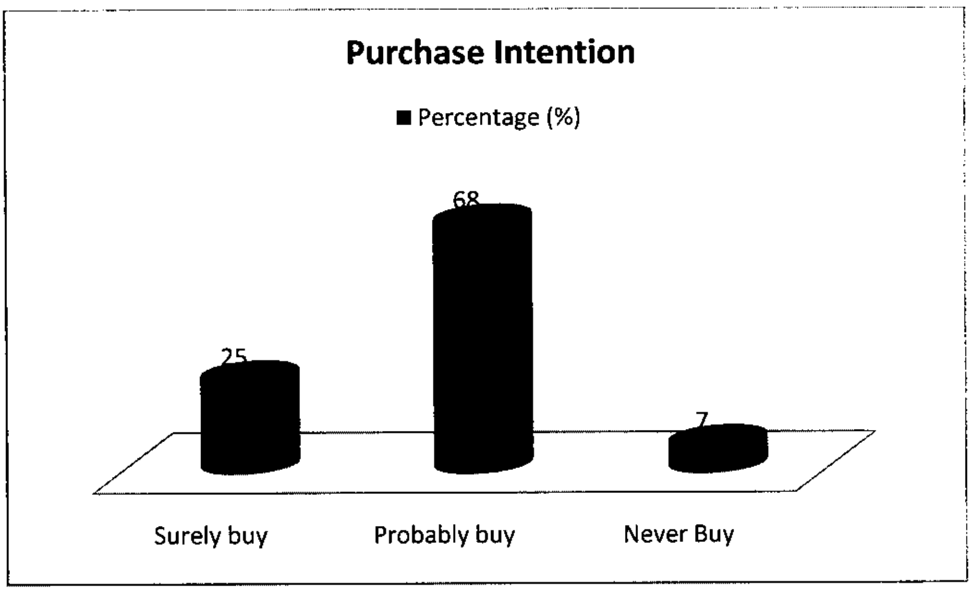
Table No : 4.1.10

Table showing purchase intention of the respondents towards newly packed Flavoured soda drink.

S.No	Purchase intention	No. of Respondents	Percentage (%)
1.	Surely buy	88	25
2	Probably buy	242	68
3	Never Buy	26	7
Total		**356**	**100**

Source : Primary data

Chart 3: Figure showing purchase intention of the respondents



Interpretation

From the table it could be interpreted that 68% of the respondents would probably buy newly packed flavoured soda drinks, 25% of the respondents would surely buy & 7% of the respondents will never buy in a newly packed flavoured soda drink.

Inference

It is inferred that majority of the respondents (68%) would probably buy newly packaged flavoured soda drinks.

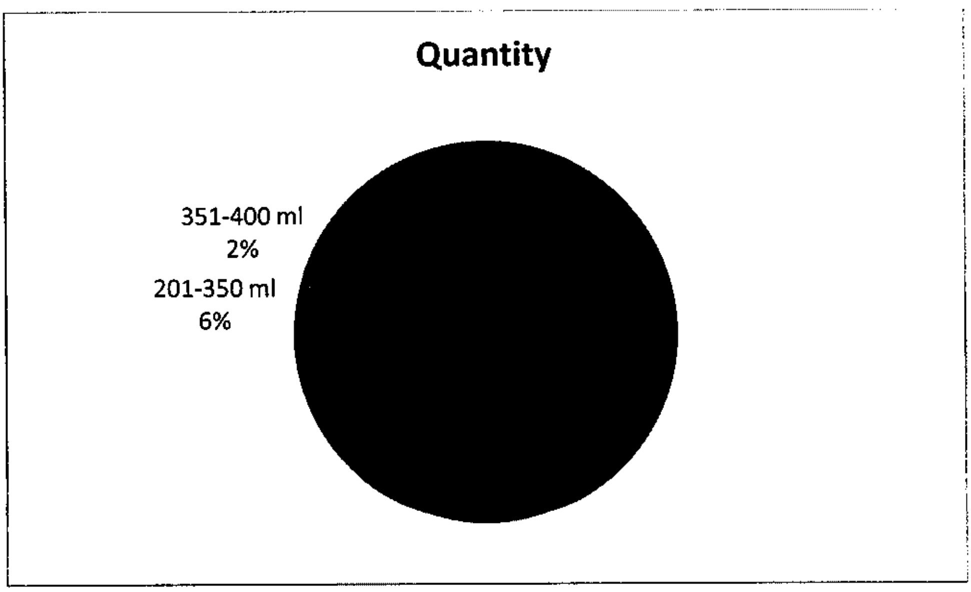
Table No : 4.1.11

Table showing the quantity the respondents would intend to purchase of flavoured soda drinks.

S.No	Quantity	No. of Respondents	Percentage (%)
1.	200-250 ml	190	53
2	251-300 ml	80	23
3	201-350 ml	20	6
4	351-400 ml	6	2
5	500ml -1 ltr	60	16
	Total	**356**	**100**

Source : Primary data

Chart 4: Figure showing the quantity respondents would prefer to purchase



Interpretation

From the table it could be interpreted that 53% of the respondents would intend to purchase 200-250 ml of Flavoured soda drink, 23% of the respondents would intend to purchase 251-300 ml, 16% of the respondents would intend to purchase 500 – 1 litre, 6% of the respondents would intend to purchase 301-350 ml & 2% of the respondents would intend to purchase quantity of 351-400 ml.

Inference

Here it could be inferred that most of the respondents (53%) to intend to purchase quantity of 200-250 ml, which would be apt quantity to package flavoured soda drinks.

Table No : 4.1.12

Table showing the innovations expected by the respondents with reference to FSD

S.No	Innovations expected	No. of Respondents	Percentage (%)
1.	Added with mint flavour	6	2
2	Added with herbs	20	5
3	New colours	59	17
4	Mixture of various flavours	271	76
5	Added with jelly	-	-
6	Others	-	-
Total		**356**	**100**

Source : Primary data

Interpretation

From the table it could be interpreted that 76% of the respondents would prefer to have mixture of various flavours , 17% of the respondents would prefer to have new colours, 5% of the respondents would prefer to have various herbs in it, 2% of the respondents say that it should be added with mint flavour.

Inference

It could be inferred that majority of the respondents (76%) would prefer mixture of various flavours, therefore the product could be launched with new mixed flavours.

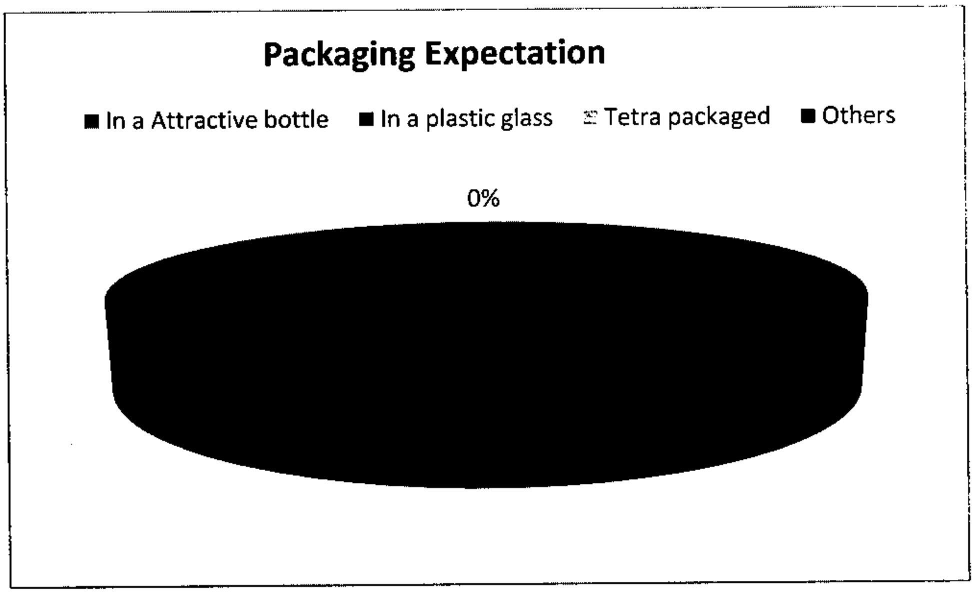
Table No : 4.1.13

Table showing the packaging expectation of respondents for flavoured soda drinks .

S.No	Packaging expectation	No. of Respondents	Percentage (%)
1.	In a Attractive bottle	198	56
2	In a plastic glass	84	24
3	Tetra packaged	74	20
4	Others	-	-
	Total	**356**	**100**

Source : Primary data

Chart 5: Figure showing the packaging expectation of respondents



Interpretation

From the table it could be interpreted that 56% of the respondents preferred to have flavoured soda drinks in an attractive bottle, 24% of the respondents preferred plastic glass, 20% of the respondents preferred it to be tetra packaged.

Inference

It is inferred that majority of respondents(56%) preferred to have flavoured soda in attractive bottles. So the product can be launched in newly packaged in bottles.

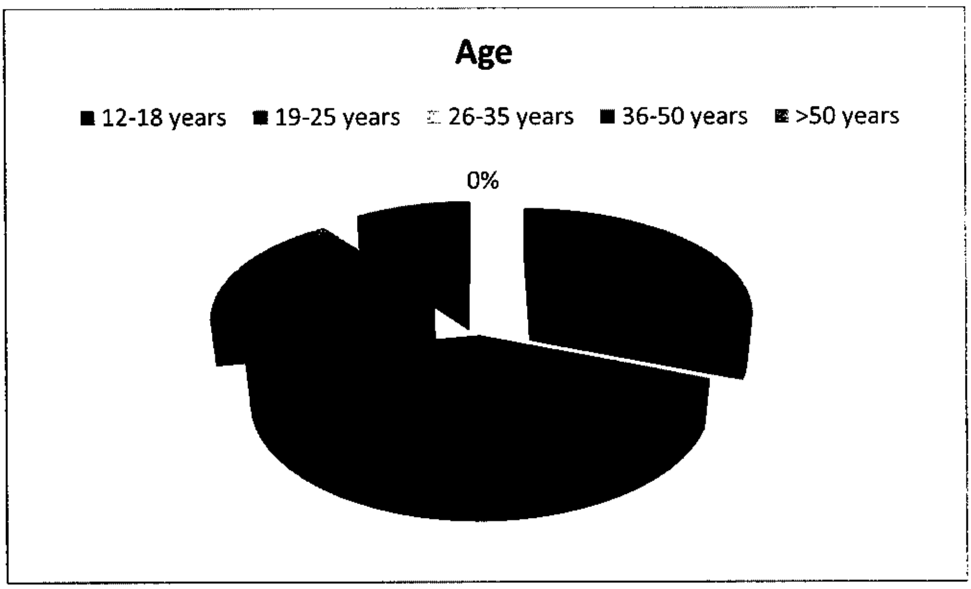
Table No : 4.1.14

Table showing the age of the respondents

S.No	Age	No. of Respondents	Percentage (%)
1.	12-18 years	111	31
2	19-25 years	147	41
3	26-35 years	64	18
4	36-50 years	34	10
5	>50 years	-	-
	Total	356	100

Source : Primary data

Chart 6: Figure showing the age of the respondents



Interpretation

It can be interpreted that 41% of the respondents belong to the age category of 19-25 years, 31% of the respondents belong to the age category of 12-18 years, 18% of the respondents are in the age category 26-35 years and 10% of the respondents belong to the age category of 36-50 years.

Inference

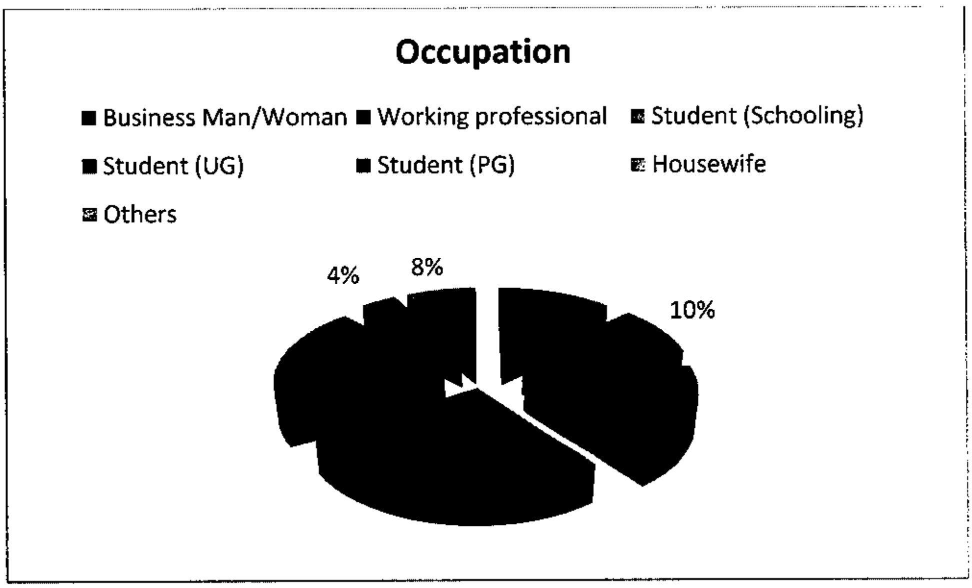
Table No : 4.1.15

Table showing the occupation of the respondents

S.No	Occupation	No. of Respondents	Percentage (%)
1.	Business Man/Woman	47	13
2	Working professional	35	10
3	Student (Schooling)	62	17
4	Undergraduate	93	26
5	Post-Graduate	77	22
6	Housewife	15	4
7	Others	27	8
Total		**356**	**100**

Source :Primary Data

Chart 7: Figure showing the occupation of the respondents



Interpretation

From the table it can be interpreted that 26% of the respondents are Undergraduates, 22% of the respondents are post graduates, 17% of the respondents are students (schooling), 13% of the respondents are business man, 10% of the respondents are working professional, 8% of the respondents belong to other category & 4% of the respondents are housewives.

Inference

It is inferred that majority of the respondents are students.

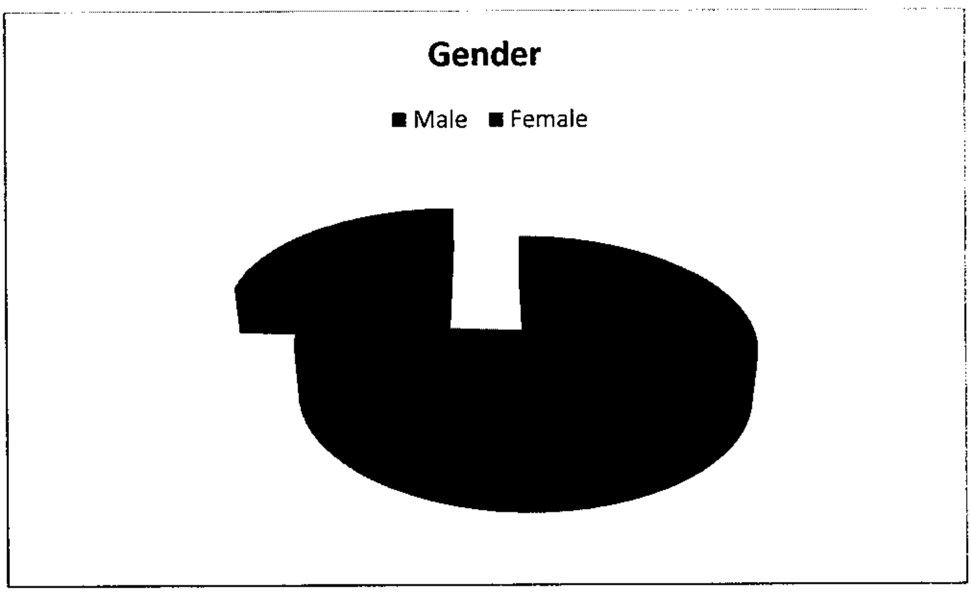
Table No : 4.1.16

Table showing the gender of the respondents

S.No	Gender	No. of Respondents	Percentage (%)
1.	Male	269	76
2	Female	87	24
Total		356	100

Source : Primary data

Chart 8 : Figure showing the gender of the respondents



Interpretation

From the table it could be interpreted that 76% of the respondents are male & 24% of the respondents are female.

Inference

It is inferred that majority of respondents were male (76%)

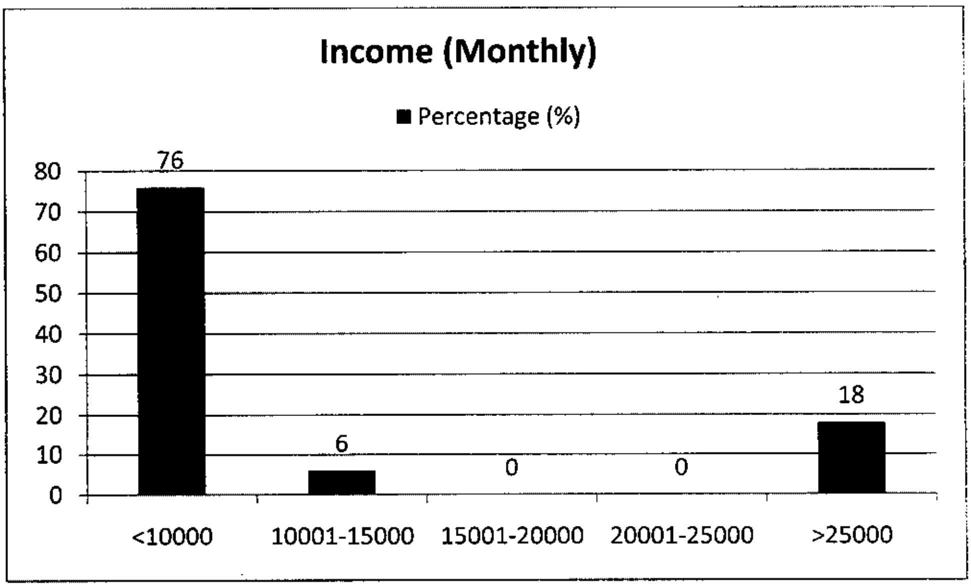
Table No : 4.1.17

Table showing the Income of the respondents

S.No	Monthly Income (in Rs)	No. of Respondents	Percentage (%)
1.	<10000	272	76
2	10001-15000	20	6
3	15001-20000	-	-
4	20001-25000	-	-
5	>25000	64	18
	Total	**356**	**100**

Source : Primary data

Chart 9: Figure showing the monthly income of the respondents



Interpretation

From the above table it could be interpreted that 76% of the respondents earn an income less than 10000, 18% of the respondents earn more than 25000 & 6% of the respondents earn in the range of 10001-15000.

4.2 Weighted Average Analysis

Table No : 4.2.1

Table showing Weighted score of the acceptance level of various attributes of Flavoured soda drinks.

S.No	Attributes	Frequency					Weighted score	Rank
		Highly Agree	Agree	Neutral	Disagree	Highly disagree		
1	Taste	93	223	40	-	-	1.851	1
2	Colour	107	106	133	-	-	2.073	3
3	Presentation	20	185	113	38	-	2.474	8
4	Variety	73	99	144	40		2.424	7
5	Served	33	64	148	45	66	3.132	9
6	Refreshment	93	223	20	20	-	1.907	2
7	Price	59	173	124	-	-	2.182	4
8	Quantity	88	66	196	6	-	2.353	6
9	Quality	93	107	150	6	-	2.193	5

Source: Primary Data

Interpretation

It is interpreted that the acceptance level of the respondents with respect to Taste (Rank 1), Refreshment (Rank 2) & colour (Rank 3) is higher than other attributes.

Inference

It is inferred that Taste, colour & refreshment are important attributes of flavoured drink. It can also be seen that the presentation of flavoured drink has been given least score by the respondents. This aspect can be concentrated & improved.

Table No : 4.2.2

Table showing flavour preference of respondents towards flavoured soda drink.

S.No	Flavours	Frequency					Weighted score	Rank
		Most often	Often	Sometimes	Rarely	Never		
1	Blueberry	160	59	103	-	34	2.126	2
2	Strawberry	-	73	169	35	79	3.337	3
3	Orange	34	46	88	90	98	3.483	6
4	Cool Mint	-	124	46	114	72	3.376	4
5	Green apple	-	46	75	121	111	3.842	7
6	Fruit Beer	-	-	20	149	187	4.469	9
7	Pineapple	-	-	80	46	230	4.421	8
8	Grape	19	39	164	26	108	3.463	5
9	Lime	173	90	73	-	20	1.887	1

Source: Primary Data

Interpretation

It can be interpreted that Lime (Rank 1), Blueberry (Rank 2) & strawberry (Rank 3) are much preferred flavours by the respondents.

Inference

It is inferred that majority of the respondents preferred flavours like lime, blueberry & strawberry. These flavours could be given more preference while launching the in the product.

4.3 Cross Tabs

Table No: 4.3.1

Table showing the know-how of flavoured soda drinks with respect to the age of the respondents.

S.No	Know How	Age					Total
		12-18 Years	19-25 Years	26-35 Years	36-50 Years	>50 Years	
1	Through Friends	72	126	49	29	-	276
2	Through Neighbours	2	14	11	3	-	30
3	Websites	-	-	-	-	-	-
4	Print media	32	-	-	-	-	32
5	Digital Media	-	-	-	-	-	-
6	Others	5	7	4	2	-	18

Source : Primary Data

Interpretation

It can be interpreted that respondents in the age group of 19-25 years are mostly influenced by their peer group (126). Most of the respondents are influenced by their friends rather than any other media.

Inference

It is inferred that word of mouth communication through peer groups is very effective way promotion & communication.

4.4 Frequency analysis

Table 4.4.1

Table showing the situational product preference of the respondents.

Product/Basis	Thirsty	Refreshment	Picnic	With Friends	Health	Habit
Cool Drink	79	59	158	159	20	126
Tender coconut	191	20	6	20	99	90
Flavoured soda drink	54	118	138	143	33	39
Fresh juice	32	125	20	-	104	26
Flavoured milk drinks	-	-	-	-	25	-
Hot beverages	-	34	34	34	55	75
Herbal drinks	-	-	-	-	20	-

Source : Primary Data

Interpretation

From the table, the following can be interpreted:

- When thirsty majority of respondents (191 respondents) prefer tender coconuts.
- For refreshment & Health related aspects Fresh juice is preferred by majority of respondents.
- When with friends, for picnic & also as a habit cool drinks are preferred by majority of the respondents .

Inference

It is inferred that cool drinks is dominant in situations like picnic, with friends & as an habit. It is also seen that flavoured soda is a next best alternative for cool drinks.

Table 4.4.2

Table showing the comparison between flavoured soda drinks & Cool drinks

Attributes/Product	Flavoured soda drinks	Cool drinks
Taste	217	139
Variety	324	32
Brand	40	316
Packaging	41	315
Quality	247	109
Refreshness	336	20
Pricing	198	158

Source : Primary Data

Interpretation

It is interpreted that for Taste, variety, quality, refreshness & pricing majority of respondents preferred flavoured soda and for brand & packaging majority of respondents preferred cool drinks.

Inference

Here it could be inferred that respondents do not prefer flavoured soda drinks when it comes to Brand & packaging. Hence these two areas can be concentrated to tap the highest market potential.

Table 4.4.3

Table showing Awareness & consumption of flavoured soda drinks & cool drinks.

Products	**Awareness**	**Consumption**
Cool Drinks	80	163
Flavoured soda drinks	-	95
Both	276	98

Source : Primary Data

Interpretation

From the table it could be interpreted that most of the respondents (276) are aware about both cool drinks & flavoured soda drinks but cool drinks are consumed more than flavoured soda.

Inference

It could be inferred that many consumers are aware of both flavoured soda drinks & cool drinks but flavoured soda drinks are less consumed than cool drinks. Thus it would require more marketing efforts & promotional activites.

Table 4.4.4

Table showing the product preference of the respondents.

S.No	Products	Frequency								Rank
		Rank (1)	Rank (2)	Rank (3)	Rank (4)	Rank (5)	Rank (6)	Rank (7)	Rank (8)	
1	Cool Drinks	46	6	86	45	89	64	20	-	4
2	Flavoured soda drinks	6	79	120	-	97	54	-	-	3
3	Tender coconuts	171	93	40	52	-	-	-	-	1
4	Fresh Juice	79	178	46	53	-	-	-	-	2
5	Flavoured milk drinks	-	-	-	118	171	47	20	-	5
6	Herbal Drinks	20	-	-	-	6	152	178	-	7
7	Hot Beverages	34	-	64	55	26	39	138	-	6
8	Others	-	-	-	-	-	-	-	-	8

Source : Primary data

Interpretation

Here it can be interpreted that tender coconut is given rank 1, Fresh juice is given Rank 2, Flavoured soda drinks is given Rank 3, Cool drinks is given Rank 4, Flavoured milk drinks is given Rank 5, Hot beverages are given Rank 6, Herbal drinks is given Rank 7 & Rank 8 for other categories.

Inference

It is inferred that Tender coconut, Fresh juice & Flavoured soda drinks will be most preferred products.

FINDINGS, SUGGESTIONS & CONCLUSION

Chapter 5

Findings, Suggestions & Conclusion

5.1 Findings

- It is found that most of the respondents (48%) have high awareness about the flavoured soda drinks.

- From the study it is found that most of the respondents have recommended (89%) flavoured soda drinks to other people.

- It is seen that the source of information about flavoured soda drinks for most of the respondents (78%) is mostly through friends.

- Form the study it could be found that majority of the respondents find this product at its exclusive outlet (46%).

- It is found that majority of respondents have consumed this Flavoured soda drinks.(95%)

- It is seen that majority of the respondents (63%) consume flavoured soda drinks 5-10 times a month.

- From the study it could be seen that most of the respondents (67%) well perceive flavoured soda drinks & none of the respondents perceive it as a bad product.

- It is found out that most of the respondents (67%) are satisfied with flavoured soda drinks.

- It seen that majority of respondents (44%) would prefer to consume flavoured soda drinks at its exclusive outlet.

- From the study it is evident that most of the respondents (68%) will probably buy newly packaged flavoured soda drinks.

- It is seen that most of the respondents (53%) to intend to purchase quantity of 200-250 ml.

- It is found that 76% of the respondents would prefer mixture of various flavours with respect to flavoured soda drinks.

- It is found that 56% of the respondents would prefer to have Flavoured soda drinks in attractive bottles.

- It is found out that 41% of respondents belong to the age category of 19-25 years, 31% belong to the age category of 12-18 years, 18% to 26-35 years and 10% belong to the age category of 36-50 years.

- From the study it is found that 26% of the respondents are students (UG), 22% of the respondents are students (PG), 17% of the respondents are students (schooling), 13% of the respondents are business man, 10% of the respondents are working professional, 8% of respondents belong to other category & 4% of the respondents are housewives.

- It is found out that 76% of the respondents are male & 24% of respondents are female.

- The study unveils that 76% of respondents earn an income less than 10000, 18% of respondents earn more than 25000 & 6% of respondents earn in the range of 10001-15000.

- The study shows that respondents are not satisfied with the presentation of flavoured soda drinks & also with the way it is served.

- It is seen that most of the respondents prefer flavours like lime, blueberry & strawberry.

- It is found that word of mouth communication through friends works more faster than any other communication practices mostly in the age category of 12-18 years.

- It is seen that respondents do not prefer flavoured soda drinks when it comes to Brand & packaging.

- It is found out that most of the respondents (276) are aware of both flavoured soda drinks & cool drinks but flavoured soda drinks are less consumed than cool drinks.

Customer Profile

Criteria	Particulars
Age	19-25 (41%)
Occupation	Under Graduates (26%)
Gender	Male (76%)
Income	Less than 10000 (76%)
Awareness	High (48%)
Source of Information	Peer group (78%)
Where-Abouts	Exclusive outlet (46%)
Consumption Frequency (Monthly)	5-10 times (63%)
Perception	Good (67%)
Response	Satisfied (67%)
Purchase Intention	Probably Buy (68%)
Quantity	200-250 ml (53%)
Innovations Expected	Flavour Mix (76%)
Packaging expectation	Attractive bottles (56%)
Ranked	3
Likliness	Taste, Colour, Variety, quality & refreshment

5.2 Suggestions

- The awareness level of flavoured soda is high among the respondents (48%), still it Would require strong marketing efforts to promote the product due to heavy competition from established branded beverages.

- Respondents well perceive flavoured soda & are satisfied with the product. Hence positioning flavoured soda among other alternative beverages will be easier.

- Flavoured soda is usually preferred for its taste, colour, Variety, Quality & refreshment. But when it comes to brand & Packaging it is not preferred. Thus Flavoured soda can be repositioned with a brand & in a newly packaged form.

- When compared to cool drinks, flavoured soda is less consumed by the respondents. Hence flavoured soda is to promoted aggressively to make people consumed & establish good market growth.

- Respondents expected the flavoured soda to be packaged in attractive bottles & it should be given with mixture of various flavours. Thus flavoured soda can be launched with new flavours & in attractive bottles.

- Majority of respondents said that would probably buy newly packaged flavoured soda. Though their expectations will be met, there would be need of strong promotional activities & also establishment of strong distribution network.

5.3 Conclusion

Evaluating the market receptiveness is inevitable part of marketing plan. From this study the main factors that influence the respondent's choice when buying any consumable product like beverages is understood. In this study its understood that brand value & customer satisfaction play a vital role for any successful product. There is no promotional programmes for this product , So aggressive promotional activity backed up with

5.4 Scope for further study

The future scopes are

- ✓ Increasing the geographical boundary of the study, this study is done only inside Coimbatore city so in future we can extend this study to other parts of Coimbatore and in new districts also.

- ✓ The sample size is small because of the time constraint but in future we can increase the sample size which will be favorable for doing in depth analysis.

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ANNEXURE

Annexure

Questionnaire

1. **What is level of awareness towards flavoured soda drinks?**
   (a) Very High (b)High (c) Moderate (d) Low (e)Very Low

2. **Have you ever tried or consumed these drinks?**
   (a) Yes (b) No

3. **How did you know about flavoured soda drinks?**

   (a) Through friends (b) Through neighbours (c) From website

   (d) Through Print media (Posters, Newspapers etc.) (e) Through Digital media (Tv Advertisement etc.) (f) Others (specify)__________________

4. **Where do you usually find this product ?**
   (a) At an exclusive outlet of it (b) At occasional parties (c)At a street shop (Kiosk) (d) Ice cream parlours (e) Restaurants (f) In home (g) Others (Specify) ___________

5. **Have you ever recommended your friends or relatives to try out this product?**

   (a) Yes (b) No

6. **How frequently do you consume Flavoured soda drinks on monthly basis?**

(a) 5-10 times (b) 11-15 times (c) 16-20 times (d) 21-25 times (e)More than 25 times

7. **What do you feel about the flavoured soda drink?**

   (a) Very good (b) Good (c) Ok (d) Bad (e) Very bad

8. Please tick your acceptance level on the following attributes of Flavoured soda drinks?

Particulars	Highly Agree	Agree	Moderate	Disagree	Highly Disagree
I just love the Taste of it !					
I like the colour of it					
The presentation of it makes me feel good					
The variety is wide & acceptable					
I like the way it is given (in a plastic glass)					
It is refreshing					
The price is acceptable					
I get a good quantity of it					
The quality is good					

9. How would you rate this product based on your satisfaction level ?

(a) Highly satisfied (b) Satisfied (c) Moderate (d) Dissatisfied (e) Highly dissatisfied

10. Which product among the following you would prefer based on the following situations ?

Particulars	Cool Drink	Tender coconut	Flavoured soda Drink	Fresh Juice	Flavoured Milk drinks	Hot beverages (Coffee,Tea etc.)	Herbal drinks
When thirsty but you Don't							

For refreshment							
When you go for picnic							
When you hang out with friends							
For Health							
As your Habit							

11. Which of these flavours you prefer ?

Particulars	Most Often	Often	Sometimes	Rarely	Never
Blueberry or Blue Monday					
Strawberry					
Orange					
Cool Mint					
Green Apple					
Fruit beer					
Pineapple					
Grape					
Lime					

12. Where would you prefer to consume flavoured soda drinks?

(a) At occasional parties
(b) At a roadside shop
(c) At an exclusive flavoured soda outlet
(d) In a restaurant
(e) In Ice cream parlours
(f) In home
(g) Others ___________ (specify)

13. Compare the following attributes based on your liking or preference between Flavoured soda drink and cool drinks . (For example : If you like the taste of cool drinks than Flavoured soda drinks , then mark a tick on that box)

Attributes	Cool Drink	Flavoured soda drinks
I love the Taste of it		
I have lot of variety in it		
I have prestige due to brand		
It is really refreshing		
I like the packaging of it		
Quality is good		
Pricing is reasonable		

14. Which of these products you are much aware & consume the most ?

Particulars	Cool drink	Flavoured soda drink	Both
I am aware of			
But I consume this the most			

15. Which of these products you like the most among the following? Please rank it based on your preference

(a) Cool drinks ________
(b) Flavoured soda drink ________
(c) Tender coconut ________
(d) Fresh juice ________
(e) Flavoured milk drinks ________
(f) Herbal drinks ________
(g) Hot beverages (Coffee , Tea etc.) ________
(h) Others (Specify) ____________________ ________

16. If flavoured soda drinks available in the market , packaged in bottles as like cool drinks & other beverages what would you do among this ?

(a) Surely buy (b) Probably buy (c) Never buy

17. Why do you like flavoured soda drink ?

(a) Taste (b) Colours (c) Variety (d) Refreshness (e) Price (f) Quality (g) Packaging
(i) Others(Specify) ____________

18. What quantity you would intend to purchase ?

(a) 200-250 ml (b) 251-300 ml (c) 301-350 ml (d) 351-400 ml (e) 500-1 ltr

19. What innovations you expect in flavoured soda drinks ?

(a) Added with a mint flavour
(b) Added with certain herbs
(c) New colours
(d) Mixture of various flavours
(e) Added with jelly
(f) Others __________________________ (specify)

20. How do you want the flavoured soda drink to be packaged to you?

(a) In a attractive Bottle (Ready to consume)
(b) In a plastic glass
(c) Tetra packaged
(d) Others (Specify) _____________

Demographic details :

21. Name : ________________________________

22. Age :

(a) 12-18 years (b) 19-25 Years (c) 26-35 years (d) 36-50 Years (e) >50 years

23. Occupation:

(a) Business man/woman (b) Working professional (c) Student (Schooling) (d) Student (UG)
(e) Student (PG)

24. Gender :

(a) Male (b) Female

25. Income (Monthly) :

(a) Less than 10000 Rs (b) 10001-15000 (c) 15001-20000 (d) 20001-25000
(d) More than 25000