Consumer Attitude and Behaviour towards Soft Drinks

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Abstract:

Since consumers are the most important factor for business continuation, the understanding of consumer behavior is one of key elements in preparing marketing strategy. Consumer behavior is the study of what to buy, how to buy, where to buy, and when to buy in what quantity. Apart from the decision of to buy and not to buy, there is also a decision regarding which source to buy. Consumer behavior is also the study of factors that affect the behavior both internal and external such as, self-concept, social and cultural background, age, family, attitudes, personality and social class. In this study, an attempt is made to investigate the consumer preference on buying behaviour towards soft drinks. For this purpose, 300 sample respondents are selected from selected municipal corporations in Andhra Pradesh base on purposive sampling and collect data is analysed with the help of correlation and regression analysis. The results reveal that 54.56% of the observed variability in buying behaviour can be explained by the differences in both the independent variables namely product, price, place, promotion and remaining 45.5% of the variance in behaviour related to other variables.

Keywords: Consumer Behavior, Consumer Preference, Place, Price, Product and Promotion

I. INTRODUCTION

Carbonated Drinks; In late 18th century, scientists made important progress in replicating naturally carbonated mineral water. In 1767, Englishman Joseph Priestley first discovered a method of infusing water with carbon dioxide to make carbonated water when he suspended a bowl of distilled water above a beer vat at a local brewery in Leeds, England. His invention of carbonated water, (also known as soda water), is the major and defining component of most soft drinks.

Priestley found water thus treated had a pleasant taste, and he offered it to friends as a refreshing drink. In 1772, Priestley published a paper entitled Impregnating Water with Fixed Air in which he describes dripping oil of vitriol (or sulfuric acid as it is now called) onto chalk to produce carbon dioxide gas, and encouraging the gas to dissolve into an agitated bowl of water.

Another Englishman, John Mervin Noot, improved Priestley's design and sold his apparatus for commercial use in pharmacies.

Swedish chemist Torbern Bergman invented a generating apparatus that made carbonated water from chalk by the use of sulfuric acid. Bergman's apparatus allowed imitation mineral water to be produced in large amounts. Swedish chemist Jons Jacob Berzelius started to add flavors (spices, juices and wine) to carbonated water in the late 18th century (Bettman & James, 1979).

Soft Drinks; A soft drink (also referred to as soda, pop, soda pop, coke or fizzy drink) is a drink that typically contains no alcohol, though may contain small amounts (typically less than 0.5% by volume) and is usually referred to as a sugary drink. Soft drinks are often carbonated and commonly consumed while chilled or at room temperature. Some of the most common soft drinks include cola, flavored water, sparkling water, iced tea, sweet tea, sparkling lemonade (or other lemon-lime soft drinks), squash, fruit punch, root beer, orange soda, grape soda, cream soda, and ginger ale.

The term "soft" is employed in opposition to "hard", i.e. drinks with high alcoholic content by volume. Generally, it is also implied that the drink does not contain milk or other dairy products.
Hot chocolate, hot tea, coffee, tap water, juice, schorle or spritzer and milkshake also do not fall into this classification. Many carbonated soft drinks are optionally available in versions sweetened with sugar or with non-caloric sweeteners, such as diet soda.

II. HISTORY OF SOFT DRINKS

Soft drinks trace their history back to the mineral waters found in natural springs. Ancient societies believed that bathing in natural springs and/or drinking mineral waters could cure many diseases.

Early scientists who studied mineral waters included Jabir ibn Hayyan, Alkindus, Rhazes, Paracelsus, Robert Boyle, Fredrich Hoffmann, Antoine Laurent Lavoisier, Hermann Boerhaave, William Brownrig, Gabriel F. Venel, Joseph Black, and David Macbride.

The earliest soft drinks were sherbets developed by Arabic chemists and originally served in the medieval Near East. "Alkaline Substances", "A kind of Saltwort" from which soda is obtained, probably from Arabic suwwad, the name of a variety of saltwort exported from North Africa to Sicily in the Middle Ages, related to sawad "black," the color of the plant. These were juiced soft drinks made of crushed fruit, herbs, or flowers (Bourque & Fielder, 2003).

From around 1265, a popular drink known as Dandelion & Burdock appeared in England, made from fermented dandelion (Taraxacum officinale) and burdock (Arctium lappa) roots, and is naturally carbonated. The drink (similar to sarsaparilla) is still available today, but is made with flavorings and carbonated water, since the safrole in the original recipe was found to be carcinogenic. The first marketed soft drinks (non-carbonated) in the Western world appeared in the 17th century. They were made from water and lemon juice sweetened with honey (Bettman & James, 1979). In 1676, the Compagnie des Limonadiers of Paris was granted a monopoly for the sale of emonade soft drinks. Vendors carried tanks of lemonade on their backs and dispensed cups of the soft drink to thirsty Parisians (Bruner & Hensel, 1996).

III. REVIEW OF LITERATURE

Consumer buying behavior is a human behavior with a procedure associating numerous events which involves analyzing, feeling and behaving, as an individual address the existing needs. As a field of study, consumer behaviour is the science of studying a set of value-seeking activities in exchange of their existing resources such as; time, money and effort of consumers which is motivated by addressing real needs. There are several definitions of consumer buying behaviour, however most of the definitions are similar in scope. As stated by Solomon, consumer behaviour is the study of process when individuals make selection, usage or disposal of products and services during purchase in order to meet their needs and fulfil their desires (Solomon, Bamossy, Askegaard, & Hogg, 2010).

Consumer behaviour focuses on the behaviour of frequently changing human needs and wants that an individual parade in searching for, purchasing, utilizing, evaluating the products and services that they expect will fulfil their wants and desires (Schiffman, Kanuk, & Hansen, 2012).

Consumers make different types of decisions in everyday life. The decision consumer makes while purchasing is the focal point that marketers try to study. In this competitive business world, it has become important for every organizations to put great effort on researching consumer buying behaviour to find out detailed information on what consumers purchase, where, when and why they purchase, how and how much they purchase (Kotler & Armstrong, 2012). This research intends to investigative study by using Black Box Model of buyer behaviour as the main theory in order to understand the influencing factors of young consumers buying smart phones.

Various marketing efforts are used by companies to influence the decision of consumers. But it is full of challenge to know exactly how buyers will respond to them. Marketing stimuli comprise 4 Ps, which would be Product, Place, Price and promotion. Mobile phone companies use these stimuli to persuade consumers to buy new mobile phone. Environmental stimuli that the consumer may take into account are political, economic, cultural and technological factor.

These stimuli presented to consumer by various marketers of smart phone is dealt with by the buyer’s black box. Black box is a metaphor used for consumer mind. Marketers know nothing, but can only predict about what goes inside black box. Buyers’ Black Box comprises of consumer’s personal characteristics and buyer decision process. All these marketing and environmental stimuli enter the buyers’ black box, which is
where characteristics of consumer will be taken into account in order to initiate the buyer decision. After processing all the information, buyer come up with the observable buyer response: product choice, brand choice, retail choice, dealer choice, purchase timing, purchase amount and purchase frequency (Kotler & Armstrong, 2012).

![Stimulus Response model](image)

**Figure 1 Stimulus Response model**

Usually a buyer uses large number of factors as a basis for making decision in the process of purchase.

A buyer usually passes through five different stages to reach his/her buying decision. They are need recognition, information search, evaluation of alternatives, purchase and post-purchase. A consumer goes through all these stages while purchasing a smartphone. These stages help buyer to evaluate his/her needs, choose the best one according to his/her need and available resources (budget) and purchase it.

Problem recognition appears when consumer sees a significant difference between his/her current state of affair or actual state and some desired or ideal state (Belch & Belch, 2003). A person’s actual state can decline if they are not satisfied with the current state of affairs, or if they are out of stock, or if new needs or wants are evolved (Solomon, Bamossy, Askegaard, & Hogg, 2010). In general consumer behaviour theory, a need can be triggered by either internal stimuli such as hunger and thirst or external stimuli such as advertisement or suggestion from friends (Kotler & Armstrong, 2012).

Consumer will acquire information after the problem has been recognized. The information can be obtained from various sources like family, friends, acquaintances, websites, trader, mass media, promotion and displays in shops, advertising, or using the product (Kotler & Armstrong, 2012).

In stage of evaluation, consumers will upgrade their own evaluation standard by comparing acquired alternatives from various information search. Criteria of evaluation that consumer can use may be objective like price and warranty, and subjective attributes such as image and performance (Belch & Belch, 2003).

Purchase decision is an outcome of evaluation of alternatives. Blech and Blech (2003) describe this stage as the end goal of a customer which starts with mind makeup of the product that customer desires or wishes to purchase. Buyer solves his/her problems and satisfy his/her needs and desires and evaluate various alternatives and make product selection and ultimately make a purchase. This ultimate stage is the stage of purchase decision.

Kotler (2012) stated that “a marketer’s job does not end when the product is bought”. Also, Blech and Blech (2003) mentioned post purchase evaluation as an important stage for marketers where customers evaluate and analyses the product after experiencing its performance if the purchase met their expectations, exceeded expectations or left them disappointed.

IV. IMPORTANCE OF THE STUDY

In this competitive world manufactures introduce new brands in the market and new competitors enter the market by introducing new brands or close substitutes. Hence, a detailed study of the consumer behaviour towards soft drinks has become a necessity to understand the uniqueness of the marketing strategies and help the
The marketer to do the job better. It will also help to understand when and how the soft drinks are consumed and what product attributes are expected leading to the consumer satisfaction.

STATEMENT OF PROBLEM
The stiff competition in the marketing of cold drinks has forced the marketers to adopt a variety of marketing tools and techniques in the market place. The manufactures in a variety of Medias use different types of advertisement. As a result of competition between new established companies’ industries are developing rapidly. This development in the industries sector has provided varieties of different type of product, different brands of even a single product, to the consumers. Every product is made for the fulfillment some needs and wants product are used or consumed by the customer’s different way and in different occasions. Customers want different attributes from the same product. Therefore, usage pattern, brand positioning and band image are also important to be taken into account. The consumers are provided with different brands and they are quite free to choose the one they think the best. We can see different brand of cold drinks in market just as Pepsi, Coke, Mirinda, Fanta, Sprite, 7’up, Slice, Lemon Fanta etc. The competition is very tough in the cold drink market. Demands of cold drinks are increasing day by day and many new companies are emerging to fulfill the demand. However, the new brands they are not in the stage to compete with Coca-Cola and Pepsi products.

RESEARCH OBJECTIVES
- To study the consumer preference towards soft drinks
- To Study the Influence of Personal Factor, Product Culture, Price, Social Factor, Place, Promotion, Psychological Factor on buying behavior on soft drinks.

HYPOTHESIS OF THE STUDY
- $H_{01}$: There is significant relationship between consumer preference and buying behavior on soft drinks
- $H_{02}$: There is a significant association between price and buying behavior on soft drinks
- $H_{03}$: There is a significant impact of price on buying behavior on soft drinks
- $H_{04}$: There is a significant association between promotion and the buying behavior of soft drink

V. RESEARCH METHODOLOGY AND DESIGN
For this research, deductive reasoning was adopted. In this type of research, conclusions are drawn from logical reasoning where assumptions come first and impact the whole research process. (Ghauri & Gronhaug, 2010). To some extent this research is also exploratory.

Geographical Area of the Study
The study was carried out at selected municipal corporations in Andhra Pradesh

Target Population
Population is a group of individuals who have the same characteristics in common that is of interest to the researcher (Kothari, C. R., 2004) The target population of this study included consumer who buy soft drinks.

Sample Size and Sampling Procedure
Sample size is a subset of the target population and it is used to represent the population under the study (Kothari, C. R., 2004) This means that if the sample is carefully selected and if the sample is optimum to fulfill the requirements of efficiency, representative, reliability and flexibility then the information gathered from the sample can be used to generalize the general population. The research applied the purposive sampling for the survey. It is one of the most frequently used form of non-probability sampling which is also known as judgmental sampling (Saunders, Lewis, & Thornhill, 2012). The sample size for the present study is 300 respondents.

<table>
<thead>
<tr>
<th>s.no</th>
<th>Name</th>
<th>District</th>
<th>Type</th>
<th>Population (2011)</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tirupati</td>
<td>Chittoor</td>
<td>Municipal Corporation</td>
<td>287,482</td>
<td>50</td>
</tr>
<tr>
<td>2</td>
<td>Chittoor</td>
<td>Chittoor</td>
<td>Municipal Corporation</td>
<td>153,835</td>
<td>50</td>
</tr>
</tbody>
</table>
Research Data
According to the requirements of the research questions, combination of both qualitative and quantitative method research approach was used. This method is commonly known as mixed method research approach which provides the best understanding of a research problem (Creswell, 2003).

Sources of data
In order to lay out the foundation of theoretical framework on decision making of consumers during purchase of soft drink, secondary data was collected from books, international journals, articles, newspaper articles, reports and documents. Primary data was collected through survey and interview to further verify the buying behaviour of targeted consumers.

Data Collection
According to the need of the research and the reliability of data, both primary and secondary sources were used to collect data. Primary data are the data collected from original sources that were previously unknown. These data are collected particularly for the research project (Saunders, Lewis, & Thornhill, 2012). It can be collected by various methods. For this research, primary data were collected through personal interview and survey.

Validity and Reliability
To assure the validity and reliability of the survey questions, the questionnaire was pre-tested with 10 persons. This helped refine the questionnaire, which otherwise would have been underestimated and resulted with irrational findings and conclusion. Reliability was established with an overall Cronbach’s alpha. It was compared our reliability value with the standard value of 0.7 advocated by Cronbach(1951), a more accurate recommendation (Nunnally & Bernstein’s,1994) or with the standard value of 0.6 as recommended by Bagozzi & Yi’s (1988).

Methods and Measures
In the quantitative approach, various statistical methods were employed to compare the data collected from the respondents. These methods included (1) descriptive statistics, which involved in collecting, summarizing and presenting data. This analysis had given the information for the data through the frequency distribution, central tendency, and the dispersion. (2) Inferential statistics, which involved in drawing conclusions about a population based only on sample data. It included correlation and multiple regression analysis.

Multiple Regression Analysis was used to find out the impact of consumer preference on consumer’s buying behavior on soft drinks. Correlation Analysis was used to find out the relationship between consumer preference and consumer’s buying behavior on soft drinks and also the data analysis for the proposed research was performed with the help of the latest SPSS computer package.

VI. DATA ANALYSIS
Data analysis method Various statistical methods have employed to compare the data which collected from 300 respondents. These methods include (1) descriptive statistics which involves in collecting, summarizing and presenting data, this analysis is given information for the data through the frequency distribution, central tendency, and the dispersion. (2) Inferential statistics which involves in drawing conclusions about a population based on sample data. It includes multiple regression analysis, independent sample and one-way Anova (t-test) analysis used.

Reliability
The internal consistency of the research instrument should be tested by reliability analysis (Ndubisi, 2006). Nunnally (as cited in Ahsan et al., 2009) suggested that the minimum alpha of 0.6 sufficed for early stage of research.
The cronbach’s alpha in this study was much higher than 0.6, the constructs were therefore deemed to have adequate reliability. (Overall Cronbach alpha value was 0.875.)

### Table 3 Descriptive Statistics

<table>
<thead>
<tr>
<th>Source: field survey</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Variables</th>
<th>Personal Factor</th>
<th>Product</th>
<th>Culture</th>
<th>Price</th>
<th>Social Factor</th>
<th>Place</th>
<th>Promotion</th>
<th>Psychological Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median</td>
<td>3.5000</td>
<td>4.0000</td>
<td>4.0000</td>
<td>3.3333</td>
<td>3.6667</td>
<td>4.0000</td>
<td>3.5000</td>
<td>3.6667</td>
</tr>
<tr>
<td>Mode</td>
<td>3.55</td>
<td>4.00</td>
<td>4.50</td>
<td>3.33</td>
<td>4.00</td>
<td>4.00</td>
<td>4.00</td>
<td>3.67</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>.658</td>
<td>.667</td>
<td>.679</td>
<td>.627</td>
<td>.672</td>
<td>.694</td>
<td>.672</td>
<td>.668</td>
</tr>
<tr>
<td>Variance</td>
<td>.447</td>
<td>.381</td>
<td>.425</td>
<td>.394</td>
<td>.447</td>
<td>.452</td>
<td>.517</td>
<td>.482</td>
</tr>
<tr>
<td>Minimum</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Maximum</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

### Correlation analysis

The main statistical analysis used in this research is correlation analysis. Therefore, findings and recommendations are made using the result of this analysis. According to the correlation analysis following finding are made. There is significant relationship between consumer preferences and buying behavior on soft drinks is 0.679. It is the high positive correlation therefore these two variables have strong positive relationship. The consumer preference includes the main four variable products, price, place, promotion. These variables are individually relating to the buying behavior’s variable. There is asignificant association between 4Ps and buying behavior’s variables on soft drinks in the selected Municipal Corporation in Andhra Pradesh.

### Table 4 Correlation between consumer behaviour and independent variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Pearson Correlation (r)</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>.663</td>
<td>0.000</td>
</tr>
<tr>
<td>Culture</td>
<td>.673</td>
<td>0.001</td>
</tr>
<tr>
<td>Price</td>
<td>.564</td>
<td>0.023</td>
</tr>
<tr>
<td>Social Factor</td>
<td>.784</td>
<td>0.000</td>
</tr>
<tr>
<td>Place</td>
<td>.756</td>
<td>0.001</td>
</tr>
<tr>
<td>Promotion</td>
<td>.752</td>
<td>0.000</td>
</tr>
</tbody>
</table>
PsychologicalFactor | .563 | 0.000
Personal factors | .0656 | 0.000

**. Correlation is significant at the 0.01 level (2-tailed).

Product and Culture is 0.663 and significant result is 0.000, Product and Social factors is 0.673 and significant result is 0.000, Product and Personal factors is 0.656 and significant result is 0.0008, Product and Psychological factors is 0.563 and significant result is 0.000 at both 1% as well 5% significance level.

**Regression analysis**

The purpose of regression analysis is to find out the significant impact or influence of independent variable on dependent variable (Ndubisi, 2006). In this study, consumer’s preference was considered as independent variable or predictor variable, and the consumer’s buying behaviour was considered as dependent variable.

Regression analysis made to find out the equation, which describes the impact between these variables. From this analysis the dependent variable can be forecasted through the independent variable, regression line was Y = a + bx. Here the regression summary output was obtained through the statistical analysis.

**Table 5 Model Summary Table in the Regression Analysis**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>RSquare</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.688*</td>
<td>.567</td>
<td>.545</td>
<td>.5059</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), place, Price, product, promotion

The specification of the four such as perceived product, perceived price, perceived place and perceived promotion variables in the model revealed the ability to predict buying behaviour. R adjusted value 0.545 which are in the models denote that 54.56% of the observed variability in buying behaviour can be explained by the differences in both the independent variables namely product, price, place promotion Remaining 45.5% of the variance in behaviour related to other variable which did not explain, because they werenot depicted in the model. R^2 values of 56.7% indicates that there may be number of variables which can have an impact on buying behaviour that need to be studied. Hence this area is indicated as a scope for future research.

**Table 6 Anova-Regression Analysis**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>25.601</td>
<td>4</td>
<td>6.400</td>
<td>38.907</td>
<td>.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>48.528</td>
<td>295</td>
<td>.165</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>74.128</td>
<td>299</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Preference
b. Dependent Variable: Buying Behavior

An examination with ANOVA (F-value) indicates the most possible combination of predictor variables that could contribute to the impact of dependent variables. Results show significant impact of buying behaviour indicator. On the F-values of 38.907 (p = 0.000, < 0.05) for culture, social factors, psychological factors, personnel factor as Buying behaviour proxy, it clearly shows that there is a significant impact of the dependent variable (buying behaviour) and the independent variables (preference variables such as product, price, place and promotion).

**Table 7 Coefficients Regression Analysis**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients B</th>
<th>Std. Error</th>
<th>Standardized Coefficients Beta</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.098</td>
<td>.206</td>
<td>.249</td>
<td>5.330</td>
<td>.000</td>
</tr>
<tr>
<td>Product</td>
<td>.201</td>
<td>.041</td>
<td>.273</td>
<td>4.893</td>
<td>.000</td>
</tr>
<tr>
<td>Price</td>
<td>.217</td>
<td>.040</td>
<td>.156</td>
<td>5.375</td>
<td>.000</td>
</tr>
<tr>
<td>Place</td>
<td>.116</td>
<td>.037</td>
<td>.206</td>
<td>3.094</td>
<td>.002</td>
</tr>
<tr>
<td>Promotion</td>
<td>.143</td>
<td>.036</td>
<td>.206</td>
<td>3.913</td>
<td>.000</td>
</tr>
</tbody>
</table>
Dependent Variable: buying behavior

The above table indicates the coefficient of regression impact of consumer preference variables on buying behaviour the coefficient of regression $\beta$ is 0.201 for product. It indicates that if every product increased by one then buying behaviour increased by 0.201 amounts. The coefficient of regression $\beta$ is 0.217 for price. It indicates that if every price increased by one then buying behaviour increased by 0.217 amounts. The coefficient of regression $\beta$ is 0.116 for place. It indicates that if every place increased by one then buying behaviour increased by 0.116 amounts. The coefficient of regression $\beta$ is 0.143 for promotion. It indicates that if every promotion is increased by one then buying behaviour increased by 0.143 amounts.

VII. RECOMMENDATIONS

The marketing managers must constantly study the marketing environment and find new opportunities to increase the marketing activities. He/She must potential target of the market must be matched with marketing mixes and then best attractive strategies to be chosen for implementation. Thus, it is recommended some remedies and suggestions for all brand of soft drinks based on the findings.

- Make minor innovation over the product features such as colour, taste, packaging style, attractive shapes of containers and multi size for babies, younger and elders and also produce special varieties of shop drinks especially for sugar percent.
- Make attractive advertisement continuously and find new ways of advertising.
- Manufacturer should concentrate on new technologies of easy to packing containers and easy to remove features of their products since most of the consumers like that.
- By increasing the promotion activities more consumers may be gained.

VIII. SUGGESTION FOR THE FUTURE RESEARCH

Research concerns only selected municipal corporation in Andhra Pradesh. Researchers selected only samples for this research. But this is not enough to measure the satisfaction because selected only 300 lower numbers of consumers so future researcher can consider a large number of customers in the future research.

REFERENCES