CHAPTER II

REVIEW OF LITERATURE

2.1 INTRODUCTION

The research relating to preference of branded soft drinks is very few. The available studies are in the form of research articles, various committee’s reports and surveys conducted by ministry of food processing industry etc. No widespread study has been taken up so far on consumers’ preference towards branded soft drinks. An effort has been made in this chapter to review briefly the previous studies made in the area of preference of branded soft drinks and arranged in the order of reviews dealing with consumers’ preference, consumer satisfaction, consumer perception, consumer behavior and so on in order to identify the research gap. The literature reviews on the previous studies made has been coordinated as Reviews of Related studies in India,Reviews of Related studies in Abroad and Research Gap.
Adiant Beverly (1998) stated in his research that the relative contributions of taste and health considerations on consumer liking and purchase intent of cola drink. Eight types of commercial cola drinks were evaluated by 305 adult consumers who also completed a brief questionnaire on food habits. Data were analysed using factor analysis. These data suggest that in spite of current concern about reducing dietary fat, health remains secondary to taste in the selection of cola drinks for consumers in this population.

Alexander Chernev (2001) in his study on “The Impact of Common Features on Consumer Preferences: A Case of Confirmatory Reasoning” revealed that the impact of attractive and unattractive common features on consumer preferences. Building on the existing research on confirmatory information processing and the motivated reasoning framework, I propose that consumers evaluate common features in a way that supports their already established preferences. In a series of three studies, I show that the impact of common features is moderated by their attractiveness and the strength of individuals’ already established preferences. In the context of a choice task, only attractive features were found to enhance individuals’ already established preferences, and this effect was more pronounced for consumers with already established brand preferences compared to consumers who were indifferent to the options. The effect of attractive and unattractive features was reversed in the context of a rejection rather than a selection task. These findings are interpreted in the context of consumers confirmatory reasoning aimed at reaching a consistent and readily justifiable decision.

Adeolu B. Ayanwale (2005) in their study “The Influence of Advertising on Consumer Brand Preference” mentioned that the proliferation of assorted brands of food drinks in the country has led to cut-throat competition for increased market share being witnessed


among the operators in the food drink industry. When competition is keen and the consumers are faced with brand choice in the market, it becomes imperative for the manufacturers to understand the major factors that can attract the attention of buyers to his own brand. These then form the basis for marketing panning and action. This study, which was based on a survey of 315 randomly selected consumers of food drinks in Lagos, Ibadan and Ile-Ife, cities in South-western Nigeria, examined the role played by advertising in influencing consumers’ preference for Bournvita, which is one of the leading food drinks in the Food and Beverage industry in Nigeria. Results revealed that both male and female and different age groups were equally influenced by advertising in their preference for the brand. 38.73% of the consumers showed preference for Bournvita out of the various brands of the food drink studied. The major reasons advanced for the preference are its captivating advertising (42.62%) and rich quality (40.16%). TV advertising was most preferred by 71.43% of the respondents of all the media used in advertising Bournvita. The need for high preference to advertising is therefore highlighted for companies that want to not only retain their market but take positive steps to increase their market share.

**Attiya Kanwal (2011)** in his study “*Consumer preference of International brands over local brands*” aimed at determining consumer preference of international brands instead if national or local brands. Consumer evaluates products based on information cues, which are intrinsic and extrinsic. If a consumer is satisfied with a product, he will buy it again, become loyal and over time develop a relationship with the brand. There are various factors which influence consumer purchase decision. The price of a brand plays a fundamental role in the consumer’s choice of brand. If a brand is priced too high then a consumer will avoid it. The price of a brand is an indication of the quality of the brand as well. The country of origin of products is another cue used as a sign of quality of a product. Products from developed countries are perceived to be of better quality. Other factors include fashion, family and friends, brand name, availability, advertising campaigns etc. The sample for this research is taken from Islamabad and Rawalpindi. Simple random sampling was the technique used and the sample size was 100. Data collected for research was through a questionnaire, which was distributed among both males and females of

---

12 Attiya Kanwal (2011) “*Consumer preference of International brands over local brands*” Field research U.P.Technical University, Lucknow.
various age groups and income levels. Calculations were then analyzed and interpreted using percentage of respondents and frequency distribution. Consumers are seen to give preference to international brands if asked to choose between an international brand and a national brand. Consumers regard international brands to be of better quality, more durable and reliable. Furthermore, they are more price and quality conscious and not very brand loyal. Local companies need to emphasize on the quality of their products in advertisements and their advertisements need to be more targeted and up-beat to attract the younger market segment.

Annamalai Solayappan, Jothi Jayakrishnan (2010)\textsuperscript{13} in their article “Customer Preference for Branded Computers with Special Reference to Post Graduate Students” noted that purchase decision making is a complex amalgam of needs and desires. It is influenced by factors such as consumer's societal role, social and cultural environment, aspiration and inhibitions. In this article, the researcher’s tries to find out the customers’ preference for branded computers. Exploratory research has been made with postgraduate students of various disciplines in leading institutions in Chennai to find out the most important factors influencing the purchase of branded computers. After the influencing factors are identified, a self- structured questionnaire has been developed with 5 point scale. It was circulated to the postgraduate students of Arts, Science and Professional courses. Factor analysis and ANOVA have been employed to establish the important influencing factors on the purchase of branded computers and differences of opinion among the students. According to this study, Quality, Specification / Configuration, Reasonable price, Credit, Service, Experience person, Offers, Style, Guarantee, Warrantee and Product availability are the inducing factors for the purchase of branded computers among post graduate students of Chennai.

Arens (1996),\textsuperscript{14} in his book titled “Contemporary Advertising” stated that, Advertisement tend to be informative and present the customer with a number of important product attributes or features that will lead to favorable attitudes and can be used as the basis for a

\textsuperscript{13}Annamalai Solayappan, Jothi Jayakrishnan (2010) “Customer Preference for Branded Computers with Special Reference to Post Graduate Students” project report, Annamalai University, Tamil Nadu, India.

\textsuperscript{14}Arens W.F (1996), Contemporary Advertising, 5 \textsuperscript{th} ed., Pearson Education Inc, India
rational brand preference. People get information from the advertisement through the attractiveness it holds, the attention it creates and the awareness it gives.

Agarwal (2009)\(^{15}\) in his study on “Use of Soft Drinks Multinational Positioning Strategy” concluded that rural India has widely diverse cultures and subcultures. Also, there is large number of like of soft drinks and regular use of consumer’s soft drinks which vary from region to region and state to state within the country. This makes the promotion task difficult as the act message has to be delivered in the local soft drinks according to the rural populations. A low level of literacy of rural people also leads to the problem of communication for promotion purposes. The demand for goods and services is seasonal in nature India and it is directly as well as closely connected with manufacturer of soft drinks which itself is seasonal . Therefore, there is considerable fluctuation in demand in rural area.

Batra and Homer (2004)\(^{16}\) believes that brand image include all the association that consumers bong with the brand. Many of the brand association that make brands unique and strong are of non-functional nature; they go beyond the perceived quality of the brand functional product and services criteria and deal instant with ‘intangible’ prosperities of the brand.

Banumathy and Hemameena (2006)\(^{17}\), while studying consumer brand preference with respect to soft drinks, found that after globalization most of the consumers like the international brands such as Pepsi and Coca-Cola. Consumers preferred a certain brand or a particular drink mainly because of its taste and refreshing ability.

Boddewyn and Kozlowski (2001)\(^{18}\), in his study entitled “Soft drinks marketing and aggregate consumption in US” concluded that the researchers point to several demographic and socio-cultural factors and influence aggregate consumption more than soft drinks advertising expenditure. The researcher point of view to income, price, information


available about regular consumer and temporary consumer regulations as potential factors impacting consumption of low-level price of soft drinks. (Fanta, Coco-Cola). Pepsi, 7up consumption was related to demographic changes, with increased consumption correlating with increased numbers of 20 to 35 year old.

**Berker (2008)**—in his study on “Comparing strategies, innovation trajectories and knowledge sources in Dutch soft drink production” concluded that their supplier and the business need for product diversification. He decided to enter the market for non-alcoholic beverage with a new kind of soft drink almost at the same time. He also managed to ever the market for soft drinks in the late 1930. It was more than just the difference in financial backing that led to this alternative innovation strategy, for it seems there was also a disparity in business culture. Their main suppliers suggested they develop fruit and vegetable based soft drinks, which seemed an interesting path. The horticulturists contacted the food preserving industry, both individually and through their existing horticultural networks. He was probably attracted to the idea as a result of the promotional activities of the national horticultural network, which had been activated by the regional network.

**Bart J. Bronnenberg (2011)**—in their study entitled “The Evolution of Brand Preferences Evidence from Consumer Migration” evaluated that the brand preferences, using new data on consumers’ life histories and purchases of consumer packaged goods. Variation in where consumers have lived in the past allows us to isolate the causal effect of past experiences on current purchases, holding constant contemporaneous supply-side factors. We show that brand preferences form endogenously, are highly persistent, and explain 40 percent of geographic variation in market shares. Counterfactuals suggest that brand preferences create large entry barriers and durable advantages for incumbent firms, and can explain the persistence of early-mover advantage over long periods.

---


Chandrasekhar (2012)21 in his study on “Consumer Buying Behavior and Brand Loyalty in Rural Markets: FMCG”, aims to study brand loyalty of various brands in rural markets and identify the presence and the importance of local brands. The primary data was collected through a questionnaire. This study was conducted on a sample of 60 respondents in the village’s Satanapalli, Tadipattiri and Mallapur.

Chia-Hsien Chu, (2000)22, has investigated in his research article that the factors of marketing communications and consumer characteristics that induce reminder impulse buying behavior. Study 1 applies the antecedent, process and consequence approach to investigate the essential differences between reminder impulse buying and pure impulse buying. The results of Study 1 reveal that reminder impulse buying significantly differs from pure impulse buying on motivation, buying goal and decision evaluation. Study 2 further examines how sales promotion strategy might affect reminder impulse buying, with product appeal and consumer traits as moderating factors. Both sales promotion strategy and its interaction effects with product appeal are found to have significant influences on reminder impulse buying. Specifically, an instant reward promotion promotes stronger reminder impulse buying than a delayed-reward promotion. Furthermore, both utilitarian product appeal with a price discount promotion and a hedonic product appeal with a premium promotion can encourage greater reminder impulse buying.

Chintagunia (1993)23 in his analyses on “Estimating a multinational companies of soft drinks brand choice and purchase quantity decisions of households” concluded that the band choice alone in categories with multiunit quantity purchases only accounts for part of the total price response and, in some instances, generates inelastic price elasticity’s. In addition to providing incomplete estimates of consumer preferences, the misspecification of the demand for carbonated soft drinks could also lead to in correct managerial predictions for these categories.

Clow & Back (2002) brings out from his research that one key concern for the adviser is whether the advertisement or commercial conveys the meaning intended. The receiver is viewed as very active, involved participant in the communication process whose ability and motivation to attend, comprehend and evaluate massages are high. If the consumer or the audience gets the message and understand it as the adviser has it in mind, it is a great success for the advertiser. That understanding leads the person to prefer and purchase the brand.

Christopher and Navin (1998) in their research work titled “A study into the reasons behind doctors recommending soft drinks in Madurai city”, stated that out of 100 sample respondents, nearly 60 percent consumed soft drinks because of their pruning of water compared to ordinary water. Doctors who have completed 40 years of age recommended Torino to the consumer from the health point of view. Mirinda was recommending for its multinational brand image. Further, Doctors recommended the reduction of aeration 38.5 percent, the addition of nutritive value 33 percent and the reduction” removal of artificial agent 27 percent.

Dhandhapani (1997) in his research titled , “A study on the acceptance of Fountain Pepsi in Madurai City”, revealed that Pepsi consumption was 69.23 percent in the case of 150 sample respondents, and Coco-cola market was only 13.46 percent and thumps up was only 10.36 per cent.

Dobni et al (1990) argues that a customer’s decision to purchase a product such as a soft drinks, often relies on the customer’s past consumption experience (in the case of an existing customer) or recommendation by others and or awareness of a brand. Customers tend to purchase from brands they trust and have more familiarity with would be identified

---

25 Christopher, B and Rajappa Navin, “A study into the reasons behind doctors recommending soft drinks in Madurai city”, MBA Project Work, Department of Management Studies, American College, Affiliated to Madurai Kamaraj University, Madurai, April 1998.
by a “great deal and fair amount” by the recognition and familiarity of the brand name (i.e. brand awareness component of brand equity). For these consumers, a brand name operates as “shorthand” for quality about the intangible product or service.

David S. Luck (1992)\textsuperscript{28} in his book entitled, “Marketing Research” pinpointed that the Coco-Cola company has conduct a study (USA) with its stores to measures those effects. It studied to various sales districts, of where a well matched pair. San Antonic has past of using the Coco-cola brand name for its FCB sales the BR out lets to be placed in each group would be chosen by whatever method Coco-cola wished to use.

Gluckman (1986)\textsuperscript{29} studied the factors influencing consumption and preference for wine. The explicit factors identified were, the familiarity with brand name, the price of wine, quality or the mouth feel of the liquid, taste with regards to its sweetness or dryness and the suitability for all tastes. Some of the implicit factors identified through extensive questioning were, color and appearance. Most consumers seemed to prefer white wine to red. Packaging, appearance, color, ornateness, use of foreign language and graphics were taken as important clues for quality and price. Consumers preferred French or German made wines to Spanish or Yugoslavian wines.

Guthery (2005)\textsuperscript{30} in his study on “Coco-Cola’s marketing challenges in Brazil” concluded that sale of soft drink have grown globally an average of 5% a year. The company’s “Global soft drinks report 2002” state that in 2001 consumer around the world drink 4,12,000 million liters of soft drinks which represents 67.5 litters per capital. Coco-cola Company has resigned as the supreme soft drink market leader. The company sells its products in more than 200 countries. In U.S, Coco-Cola and Pepsi hold, respectively (44%) and (31%) market shares. The Coco-Cola brand was the leader in the Brazilian soft drink market with 35.6% of market share. It was a major investment destination of global companies, particularly manufacturers of mass consumer goods.

\textsuperscript{29}Gluckman (1986), The Influence of Salesperson selling Behaviors on Customer Satisfaction with drinks Journals of Retailing Volume 73(2), ISSN No-022-4359, 171-183.
Jacobson (2000)\textsuperscript{31} in his study on “Small taxes on soft drinks and snack food to promote health”, concluded that small taxes on soft drinks, candy, gum and snack food are politically feasible and, when revenues are applied to health programs, are likely to be supported by many consumers. He suggest that public health professionals consider recommending snack taxes as a means of funding health eating and physical activity programs. Such programs could result in better health and lower health care costs.

Johnson and Peppas (2003)\textsuperscript{32} in their study on “Crisis Management in Belgium the Case of Coca-Cola” concluded that the Coca-cola comp. has been a standard bearer of management and leadership practices against which other companies have been measured. The Coca-cola brand has become a symbol of globalization the second most recognized phrase World Wide. It also enjoyed unparalleled loyalty and commitment from employees, customers and stockholders. The company had a reputation for doing the right thing and for doing thing right.

Keller (1998)\textsuperscript{33} concluded from his research that a famous brand mane can disseminate product benefits and lead to higher recall of an advertised benefit than a non-famous brand name leading to high recall and repurchase. The last factor studied was product promotion. Promotion is a component of a marketing mix which takes the form of commutation between the product and the correct or potential consumers. Several studies suggest that promotion, especially in form of a well-targeted advertisement cannot only make the consumers less price sensitive and more loyal, but also change their knowledge, attitude and behavior towards the product.

Kurtz and Boone (1984)\textsuperscript{34} in their research work entitled “consumer behavior interpersonal and social influences in rural area” concluded that one’s family is also an inter-personal determinant of consumer behavior. The influence of household members is often significant in the purchase decision process. Because of the close, continuing

\textsuperscript{34}Kurtz and Boone (1984), “Marketing Management as consumer behaviour interpersonal and social influence in rural area”, 1984, P.158.
interactions among family members, the family often represents the strongest source of
group influence on the individual”.

**Kamalaveni and Nirmala (2000)**\(^{35}\) found from their study titled “*Consumer behaviour in instant food products*” that there is complete agreement between ranking given by the housewives and working women regarding the reasons promoting them to buy Instant Food Products. Age, occupation, education, family size and annual income had much influence on the per capita expenditure of the Instant Food Products.

**Krishna (1994)**\(^{36}\) in his study on “*The effect of deal knowledge on consumer purchase behavior*” concluded that soft drinks buyer purchase behaviour can be influenced not only by the current price of a soft drink product, but also by what prices they expect in the future.

**Kumar (1990)**\(^{37}\) in his research report entitled “*Consumer preference for soft drinks in urban area of Coimbatore*”. The objectives of the study were the preference of consumer regarding soft drinks and to know the satisfaction of consumers about quantity availability. Percentage analysis has been used for majority of male and female consume soft drinks- among male Gold Spot is the most popular drinks and female Thumps-up is the most popular drinks.

**Kumar (1991)**\(^{38}\) in his research work entitled “*Marketing of soft drinks - A case study of Gold Spot in Madurai City*” examined a sample of 150 consumers. The study revealed that, most of the people liked to consumer Gold Spot and Limca for their taste and freshness, irrespective of the price. Besides aged and young people preferred Gold spot, 31 percent and 21 percent preferred Limca.

---


Krishna Kumar (1995) in his study entitled, “A study of retail outlets and consumer preference in the markets of Gold Spot, Limca and Thumps up” described the attitude of the consumer towards various brands of soft drinks and flavors preferred. The study revealed that advertising and representatives visits had increased the sale of popular brands.

Kapferer (1998) in his study on “Strategic brand management: creating and sustaining brand equity long-term”, say that under the brand equity, includes only the financial aspect of brand equity. Brand equity is a result of brand assets which include brand awareness, brand image, the perceived quality of the brand, evocations and the familiarity or appeal of the brand. These elements of brand assets bring added value to the products. The financial value of the brand (brand equity) is equal to the brand added value minus the costs of branding and the cost of invested capital.

Kubendran and Vanniarajan (2005) in their study on “Comparative analysis of rural and urban consumers on milk consumption” studied that the change in consumption pattern was due to changes in food habits. If income and urbanization increase among consumers, the percentage of income spent on consumption increased. The urban consumer’s preferred mostly branded products compared to rural consumers. The most significant factors influencing buying decisions were accessibility, quality, regular supply, door delivery and the mode of payment.

Kamalaveni and Nirmala (2000) in their study titled “Consumer behaviour in instant food products” reported that, there is complete agreement between ranking given by the housewives and working women regarding the reasons promoting them to buy Instant Food Products. Age, occupation, education, family size and annual income had much influence on the per capita expenditure of the Instant Food Products.

---

Lawrance (1984)\textsuperscript{43} in his study on “Effective publicity how to reach the public people” concluded that as Coco-cola occupied that the major soft drinks market position in rural area. Consumer mind would obviously tilt towards Coco-cola so by correct product positioning in the market 7 up could differentiate it from other Coco-cola brands and could sell more. 7-up did so positioning itself as alternatives to Coca-Cola. They suggested that most of the rural area people would buy coco-cola may be disappointed and it offered Pepsi consumers have strong brand preference for fast moving products power of relations.

Lars Lien (2006)\textsuperscript{44} in his study on “consumption of soft drinks and hyper activity, mental distress, and conduct problems among adolescents in Oslo, Norway” concluded that high consumption level of sugar containing soft drinks were associated with mental health problems among adolescents even after adjustment for possible confounders.

Mei Mei et al (2006)\textsuperscript{45} investigated the influence of brand name, product promotion and the influence of age bracket on brand loyalty in soft drinks segment. In this study six factors were identified and studied. The first was repeat purchase of the same brand. Repeat purchase is a behavioural tendency where customers purchase the same product or brand regularly and consistently. When this happens over time, the customer develops loyalty to the brand due to unique attributes identified during the frequent purchases).

Matraves (2002)\textsuperscript{46} concluded in his study on “European integration and market structure in the soft drinks industry” that the evidence is consistent with the market size increased; this raised the incentive for Pepsi to and other concentrate producers to escalate their soft drinks advertising expenditure. However, no such escalation was observed by later entrants, indeed the evidence suggested that Coco-cola was increasingly their advertising expenditure even faster. This implies that the first-mover advantage is stronger than the market size expansion effect in the EU soft drinks industry.

\textsuperscript{43}Lawrance, “Effective Publicity How to Reach the Public People”, P.42 (1984).


Murugesan (1990)\textsuperscript{47} in his dissertation entitled, “A study of consumer behaviour towards soft drinks in Madurai City” revealed that the 76.35 per cent of the consumer bought soft drinks only because they were satisfied with the quality. Only meagre 2.65 percent of the consumers bought them because of cheaper price. Beside 51.72 per cent of the consumer changed their brands occasionally and 48.28 per cent changed their preference frequently.

McCracken (1986)\textsuperscript{48} found from his research that the brand associations are created or developed from brand and product category experience, positing in promotional communication, or user imagery. Those brands benefit from associations with endorsers, because endorser acquire or possess a variety of desirable meaning (e.g., Pepsi becomes more attractive to teenagers when endorsed by Madonna, because of her anti-establishment image).

Mishra (2010)\textsuperscript{49} in his study on “Rural Marketing India towards Soft Drinks Opportunity and Challenges” concluded that the rural markets have opened new front for the modern marketers. The income of run population in India aid their purchasing power has also increased in recent years. Soft drinks companies have to ascertain their needs and exploit the vast potential of rural markets with appropriate marketing strategies. The Indian rural market can be considered soft drinks which need to be explored. However, broadly scattered and heterogeneous rural markets, inadequate and insufficient rural transportation, inefficient communication and warehousing facilities, overall backwardness, preference for conventional way of life of the rural people, etc., are some such factors which must to tackled as these have been hindering the growth of rural markets. Soft drinks companies have to meet the challenges of availability affordability, acceptability, and awareness in rural India.

Nandagopal and Chinnaiyan (2003)\textsuperscript{50} conducted a study on brand preference of soft drinks in rural Tamil Nadu, using Garrets ranking technique, to rank factors influencing the soft drinks preferred by rural consumers. They found that, the product quality was ranked as first, followed by retail price. Good quality and availability were the main factors, which influenced the rural consumers of a particular brand of a product.

Narang (1994)\textsuperscript{51} in his study on “Market survey on Lemon Drinks” said that the objectives of the study was concerned with study of preference rate and their opinion of the various brands of lemon clear and non-lemon clear soft drinks of Parle and Lehar. Tools used were simple percentage methods and ANOVAs analysis. His findings were the majority preferred Citra because of better taste and 7up is most liked and members.

Nirmala Devi (2001)\textsuperscript{52} in her articles titled as “Brand Management” say that Pepsi is the lead brand of soft drink preferred by the rural people which accounted followed by Miranda, 7-up, Fanta, coke, slice, sprite, limca, Gold spot etc., More females preferred Fanta followed by slice and maximum males preferred Pepsi followed by Miranda in the study of rural area. The source of Brand Awareness of soft drinks is the prominent factor in the rural area such as word of mouth, advertisement, retailer, point of purchase, sales promotion etc. sales promotion was considered as the least factor among the source of brand awareness. Brand awareness leads to preference and brand equity is the intrinsic value to the corporate.

Nelson and Moran (2009)\textsuperscript{53} in their study on “Soft drink advertising and consumption in US” concluded that provides evidence for increase in selective demand for distilled spirits with decreases in soft advertisements and vice versa. This study found significant relationship between brand advertising and consumption for both soft drinks and carbonated soft drinks. Similarly, in the case of Soft drink consumption, one might expect several factors such income, age, gender, taste preference, consumption habits of parents.

\textsuperscript{51}Navin Narang, “Market Survey on Lemon Drinks”, 1994
and friends, and soft drink availability in the home a school, to play an important role in aggregate consumption levels in addition to advertising.

**Narang (2006)**[^54] in his study titled “A study on branded foods” opined that, a buyer doesnot stick to one brand in case of food purchasing. They should be able recall different brand names when they go for purchase. Repetitive advertising can be used to promote brand recall. The product should be associated with style and trend, so that it appeals to the youth and the brand name should be developed as a fashion statement. Promotional schemes such as discounts and free offers with purchase were suggested to increase rates.

**Osborn, (1992)**[^55] in his research work, “Biscuit Market in Dindigul Town - A study on Consumer Behavior” concluded that the respondents were the opinion that the (i) Biscuits several as good evening snacks (ii) more than 50 percent of the consumers were in the habit of consuming biscuits for more than 20 years as they had developed this habit from their early childhood and (iii) the sweet variety of biscuits were preferred by a major portion of the consumers.

**Park and Srinivasan (1994)**[^56] in their study for measuring and understanding soft drinks brand and its extensibility condoned that soft drink as the difference between an individual consumer’s overall brand preference and his or her multi-attributed preference based on objectively measured attribute levels. According to that, soft drinks brand is the difference between subjective and objective preferences, and this difference is attributed to the influence of the soft drinks.

**Prithi (1999)**[^57] in her research work titled “A study on the distribution pattern of soft drinks in Chennai city” revealed that most of the children below 15 years liked to consume Fanta, Frooti and Mango drinks because of their taste and quality. Generally old people in Chennai city preferred to consume fresh juices, mango or Lemon soft drinks. Further,

college students preferred Pepsi; Tetra pack drinks such as Frooti had the best sale in the city.

Philps (2004)\textsuperscript{58} found from his study on “Distribution network of Parle soft drinks in Delhi”, that the distribution network of Parle is found to be dominating. When the distribution network of Parle in North Delhi is compared with same in South Delhi, the Parle market is slightly low in South Delhi. The study conducted in south Delhi in her cosmopolitan population where brand awareness is very high compared to other areas in Delhi.

Pallavi (2009)\textsuperscript{59} found from her research that rural marketing of soft drinks in India included as the Indian rural market was full of opportunities and has been impressive growth in recent years. The middle to high income households in rural India are now 17% of the population and are growing at an annual rate of 7% significant growth in purchasing power, change in lifestyle, increasing brand consciousness changing consumption, pattern, improvement in infrastructural facilities and rapid spread of communication network in rural areas have presented a growing potential for the companies. There is huge rural market which is waiting to be served, ready to splurge, willing to explore new products and services. The corporate sector is, thus, increasing looking towards the rural consumers and fine - tuning is marketing strategies to tap on their wallet and promote their product.

Prahalad & Kenneth Lieberthal (2003)\textsuperscript{60} in their article “The end of corporate imperialism” have felt that western multinational companies could have done better by understanding the distinctive environment of emerging countries like India and China. They argued that these firms have been imposing concepts, products, ideas developed for their home country in foreign markets. They charged that these multinational firms could have targeted a smaller segment of relatively affluent customers who are at per with western consumers in terms of purchasing power and lifestyle.

\textsuperscript{58}Ravindar Philps, the Economic Time, 21\textsuperscript{st} August 2004.
\textsuperscript{59}Pallavi, “Rural Marketing in India of Soft Drinks”, Economic Times, April 27, 2009
\textsuperscript{60}Prahalad C K & Lieberthal K (2003), “The End of Corporate Imperialism”, Best of HBR-A changed world, August.
Pradeep Korgaonkar and Ronnie Silverblatt (2009) in their study “Online Retailing, Product Classifications, and Consumer Preferences” suggested that consumers’ online patronage is differed based on product type. Interaction effects of the online stores and product type were significant too. Additionally, the rank order of importance of the Internet attribute varied among the three types of online retailers. The study results should be replicated in other markets. Future studies may also include a variety of different types of online outlets to improve the conclusiveness of the findings reported in this study. The results should be of interest to the online retailers in choosing the types of merchandise and services to emphasis in the retailers marketing program. The paper should be of interest to academicians as well as practitioners as it contributes to the small but growing literature in the area of online retailing. It adds to the literature on the product classification paradigm as well as offers practical guidelines for managers.

Raj Reddy and Pruthviraju (1999) concluded in his research on “Rural consumer behaviour for seeds – A case study” found that factors influencing brand loyalty of farmers were dealer’s suggestions, quality product and co-farmers. The problems faced by farmers were supply of seed or poor quality seed, higher price, adulteration and irregular supply of seeds.

Ramesh Sardar (2012) in his article entitled “Brand Preference of Passenger Cars in Aurangabad District” detailed that the analysis of marketing, a consumer behavior and brand preference of passenger car is carried out in Aurangabad district of Maharashtra state. As a result, focusing on an industry where brands, marketing knowledge and distribution networks have been important determinants in the growth and survival of firms. It reaches distinct conclusions. The article illustrates the analysis and interpretation of data. Finally it concludes with findings and recommendations of the study which may be useful for general public as even the manufacturers and dealers can understand the
dimensions reflecting brand preference of passenger cars and impact of all these factors on customer satisfaction.

Ravikumar (2009)\textsuperscript{64} in his study on “Changing mind set in consumption pattern of soft drinks in rural market” concluded that India is a primarily a rural country where more than 72\% people resides in rural area where main occupation agriculture. An Indian farmer has improved a lot, their life style expenditure pattern income level, taste and preference has seen a sea change. Many urban enmithies are now a day’s present in the rural area of soft drinks marketing. We can easily find the goods and services that were earlier present only in urban vicinity. An Indian economy is confirmed to two major and far-reaching; change from domestic to global and a change from the global to rural economy. Both these change are evolutionary. Corporate sector has already realized the vast opportunity, existing in the rural area sector and are trying to harness these strategies specially aimed at rural market.

Raj (1998)\textsuperscript{65} in his research work “A study on the distribution pattern of Pepsi in up country market” revealed that the cooling equipment provided by Pepsi way found more than that of Coco-cola. Besides soft drinks availability and display was higher in the case of Pepsi, than any other soft drinks.

Ram and Majundor (1998)\textsuperscript{66} in his study entitled “Product Management in India”, concluded as the consumer research reached that quenching of thirst was an important aspects for consuming soft drinks and even coco-cola was not able to fulfill this desire of Indian consumer Limca was thus perceived as a bottled soft drinks with definite superiority over fresh lime juice with respect to convenience taste consistency and easy mix ability. The Parle also enhanced on the fact that Indians Parle clever positioning strategy helped carry out a niche in the Indian soft drinks market”.

\textsuperscript{64}Ravikumar, “Changing Mindset in Consumption Pattern of Soft Drinks in Rural Market”, MBA Project in INMANTEE Business School, Ghaziabad, October 2009.
\textsuperscript{66}Ram and Majundor, “Product Management in India”, 1998
Richard (1993) in his study on “Co-branding aims to double the appeal” concluded that our approach accommodates three significant and novel challenges that a product with branded components raises for marketers and research alike: The first is the presence of multiple decision makers. Consumer valuations and market level pay off must satisfy two classes of decision makers in the supply side: (a) the seller of the bundled product and (b) the branded component manufacturer(s). The seller’s return are tied to the bundle level impact such as price premiums, profit and / or market expansion by marketing the bundle of branded components the second is the issue of contingent value. A branded component carries certain equity. It signals quality and performance more strongly than a conventional attribute. The component’s value is also susceptible to the interactive influence of its partnering component via mechanisms.

Rajasekaran (1991) in his study entitled, “Consumer behavior - A study conducted with reference to soft drinks” sponsored by Madurai soft drinks Pvt. Ltd., Madurai, revealed the buying pattern of soft drinks by the consumer and the factors influencing his preference. The study revealed that the middle income group provided the most promissory market. What the group really expected was refreshment and social value.

Rajesh (1991) in his research entitled “Advertising effectiveness for soft drink with reference to pane soft drinks” found the effectiveness of advertisement for Parle soft drinks. He suggested the majority population has not been influenced by Parle soft drinks occasionally in rural area and major population not influenced by paste soft drinks.

Russell W. Belk (1988) discussed in his article that possessions are a major contributor to and reflection of one’s identities. A variety of evidence is presented supporting this simple and compelling premise. Related streams of research are identified and drawn upon in developing this concept and implications are derived for consumer behaviour. Because the construct of extended self involves consumer behaviour rather than buyer behaviour, it

---

appears to be a highly richer construct than previous formulations positing a relationship between self-concept and consumer brand choice.

**Shendge (2012)**\(^71\) viewed in his study titled “A Comparative Study of Consumer Preference towards Cadbury and Nestle Chocolates with Special Reference to Navi Peth Area in Solapur City” that Chocolate is liked and eaten by all age group of people.

**Sitambar and Manoher (1980)**\(^72\) concluded in their study on shopping behaviour of consumers and revealed that Indian consumers have no special choice in choosing his particular shop for making purchases. In most of the families, the male head makes the purchases, restricting the choices of other members of the family to limited variety of goods. He generally selects a shop, which is near to his residence and where he goes on feet and occasionally uses a bicycle. According to his findings, the beverage consumers prefer to buy from the shop, where a credit facility is available and which is easily approachable.

**Singh (1989)**\(^73\) in his book “Marketing and consumer behavior” stated that consumer behavior had always a scope for research studies, because the attitudes and perceptions of consumer were changing with the passage of time. Such type of consumer research would enable the manufacturers, distributors and dealers to formulate effective sales and advertising strategies. The marketing plans must be based on identifying and anticipating the consumer needs and their changing desire and aspirations. The manufacturers’ endeavors should attract the public by offering what they liked the most, but also should have their patronage by meeting their satisfaction on a continuous basis.

**Satnam Ubeja and Rajana Patel (2014)**\(^74\) revealed that the average customer of Indore city was not very conscious about carbonated or non-carbonated drinks, but gender wise they are also not conscious about any types of consumer preference factors. Soft drinks

---

\(^71\)Dr. Shendge (2012) “A Comparative Study of Consumer Preference towards Cadbury and Nestle Chocolates with Special Reference to Navi Peth Area in Solapur City” Solapur University, Solapur.


consumption and their use is funny activity for them. They are coming store for purchases drinks but for getting refreshment and taste.

Singh (1983)\textsuperscript{75} analysed the consumer’s store loyalty and their preferences in his research work entitled “Customer’s store Loyalty and Preferences”. It was found that among the reasons for their store selection, nearness of the store, reputation of the store and acquaintance with the store owner, are the factors that play an important role in store selection. It was also concluded that the existence of store loyalty was found more among educated families. It was quite possible that some more distinguishing characteristics could be identified by studying the loyalty behaviour of people who were not educated and comparisons could be made between the loyalty behaviours of educated versus uneducated consumers.

Sakuntala Narasimman (1999)\textsuperscript{76} concluded in her research that the soft drinks advertisement lead of misleading habit of the child consumers the advertiser know that consumption habit and preference developed in childhood get carried into aborted Coco-Cola drinks contain synthetic chemical sweetness (for cheaper than conventional sweetness) which are merely empty calories and provide no nutrients. Sponsorship of sports events like cricket matches the use of sport men as models in ads and contests with attractive prizes.

Sarwade and Babasaheb Ambedkar (2002)\textsuperscript{77} in their study on “Emerging dimensions of Buyer Behavior in rural Area” stated that good quality and availability of retail price are the main factor which influenced the rural consumer of a particular brand of a product. Retail price, advertisement, word of mouth and retail shopkeepers are the other factors influenced the brand of soft drinks in the study area. A study was undertaken to identify the popular brands of soft drinks and the factors that contribute to the purchase of it in the rural area of Tamil Nadu. The soft drink market in rural area constitutes an important market for

\textsuperscript{76}Sakuntala Narasimman, the Economic Time, 21\textsuperscript{st} August 1999.
both coke and Pepsi because it contributes up to 8% of their total sales on an all India level of rural area.

Smith (2004)\textsuperscript{78} in his research explained that the associations transfer from the celebrity endorser to the brand when both endorser and product are positioned together in an advertisement. The greater the perceived fit of the brand association between the sponsor/endorser and the brand, the more likely brand image transfer will take place. The endorsement process in which the customer needs to the essential similarity between endorser and brand in order to incorporate the endorser’s associations.

Smriti Bajaj (2007)\textsuperscript{79} in his study on “Consumer Perceptions of Global and Local Brands in the Indian Retail Industry” pointed out that the purpose of this dissertation is to investigate, in an emerging market, consumer attitudes towards local and foreign brand purchases against a background of factors like Culture, Country of Origin, Product quality and services. A comprehensive model broadens knowledge on consumer behaviour by incorporating the above mentioned factors. India is the emerging market studied. A total of 18 respondents were interviewed face-to-face using a semi structured questionnaire in the city of Mumbai and Indian students studying in the United Kingdom. It was found that the quality of global brands was perceived to be generally higher and superior to local brands. Most consumers also associated greater accessibility of foreign brands in the Indian market with better quality at lower prices. Indian consumers were not prejudiced against foreign brand names. In fact, they evaluated them higher on technology, quality, status and esteem than Indian brands and attributed higher credibility to those countries of origin. This study adds to the body of knowledge about consumer behaviour and their perceptions of global vs. local brands, in a massive and fast developing market. As companies become global, managers must possess a thorough understanding of the attitudinal and behavioural characteristics of emerging consumer markets, because what is known about consumers in one part of the world is not applicable to consumers in other parts.


Susana (2010) in her study titled “Consumer Buying Behaviour in Fashion Retailing: Empirical Evidences” stated that the consumer behaviour research is the scientific study of the processes consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can satisfy those needs only to the extent that they understand their customers. The main objective of this paper is to study the gender differences in consumer buying behaviour of a Portuguese population when they go shopping to buy apparel products. To attain this objective a survey was developed and administered across Portugal. The findings confirm the differences between women and men especially in terms of What, Where, When, and How they buy.

Sirgy (1992) in his study on “Self-conception consumer behaviour research in soft drinks marketing” concluded that soft drinks market research towards consumer attempts to preserve or enhance their self-image by selecting soft drinks products with “image” or “personalities” they believe are congruent with their own self-image, and avoid products that are not.

Srivastava and Shocker’s (1991) in their study on “Soft drinks: A perspective on its meaning and measurement” explained about the size which, is the set of associations and behavior on the part of the brand’s customers, channel members, and Parent Corporation that permits the brand to enjoy sustainable and differentiated competitive advantages. Price is the financial outcome of the management’s ability to average brand size via tactical and strategic actions in providing superior current and future profits and lower risk. It can be concluded that size refers to the consumer aspect of brand equity and price refers to the financial aspect of the same concept.

Tepper and Amy (1998) in their study on “Consumer Acceptance of Coco-cola Drinks in Rural Area (Taste or health)” concluded that the relative contributions of taste and health

---


considerations on consumer liking and purchase intent of Coco-cola drinks. Eight types of commercial Coco-cola drinks were evaluated by 305 adult consumers who also completed brief questionnaire on food habits. This variable emerged as the first factor in the analysis, suggesting that consumers perceive these characteristics as being most important in their choice of Coco-cola drinks. The second factor described a health dimension and was related to respondent’s attitudes towards fat in the diet. The factory three comprised two remaining sensory attributes (colour and crunchiness) which apparently were of minor importance to the respondents.

Tudor Edu & et al (2013)\textsuperscript{84} concluded that the consumer is in the Centre of any marketing endeavour. Finding out that the consumers (individual or organization) need, desire and demand is the starting point of a marketing approach. Our research is focused on determining consumer behaviour coordinates pertaining to cool deinks amongst South Africans under the age of 35. The findings of this study provide significant information concerning the buying motives considered when purchasing cool drinks which can be extended to other categories of merchandise. The findings show that the consumer behavior of cool drinks amongst the young South Africans is a complex one. The respondents displayed a tendency towards objective buying decisions but between collections of brands for which a certain degree of loyalty was shown.

Veena (1996)\textsuperscript{85} in her study titled, “Growth dimension of horticulture in Karnataka – An Econometric Analysis” found brand switching and brand loyalty of processed fruit and vegetable products in Karnataka state by using Markov Chain Analysis. The result of the study revealed that Maggi, Sil and Kissan were having market retention of 74.20, 55.78 and 48.74 per cent, respectively for jam products. The equilibrium shares determined in order to predict future market position among the different brand showed that in long run, shares of Kissan, Rex. Other brands were likely to decline, mainly on account of increased market shares of Gala, Sil and Maggi.

Vimal (1998)\textsuperscript{86} in his research work titled “Competitive Analysis of Soft drinks in Tourists Sport - (Kodaikanal, Palani, Madurai, Rameshwaram and Kanyakumari)” described the distribution system adopted for Coco-cola as the best compared to Pepsi, and stated that average sale per month of Coco-cola was higher than that of Pepsi. Further, most of the retail outlets had come forward to maintain adequate stock of Coco-cola instead of Pepsi.

Vani, M. Ganesh Babu and N. Panchanatham (2010)\textsuperscript{87} in their article “Toothpaste Brands – A Study of Consumer Behavior in Bangalore City” examined the external factors like demographic, social, cultural, price, quality, product attributes etc. for buying toothpaste. The market share of any product is highly determined by the purchasing behavior of the consumers. Following study is conducted by the researcher to find out the behavior of the consumers, to analyze the preference of consumers, & consumer awareness. Descriptive research design was adopted and the data is collected through primary and secondary sources. The method adopted for conducting survey is questionnaire; Simple random sampling technique was adopted for selecting the consumers.

Venugopal Rao (1999)\textsuperscript{88} in his article titled “Nexus between core value of a brand and Brand extension” analyzed about the consumption pattern of rural India with regard to soft drinks was indeed changing and the rural masses were changing over to branded soft drinks as compared to their unbranded counterparts. Brand identifies the product and reveals the facts of its difference, functional value, pleasure value and symbolic value as a reflection of the buyer’s self-image.

White (1989)\textsuperscript{89} concluded from his study titled “Product differentiation and mergers in the carbonated soft drink industry” that the price implication and welfare losses are even more


\textsuperscript{88}Venugopal Rao, K, “Nexus between core value of a brand and brand extension”. Indian Economic Panorama, Vol 9 (3), 1999, pp.5-6

substantial for the merger of Pepsi Co and 7up and especially, for the hypothetical merger of Coco-cola Co and Pepsi Co. One might expect consumers to “Stock-up” during sales periods, purchasing large assortments of items while they are perceived to be experienced with certain goods, they may begin to vary their purchase assortment to seek variety. On the supply side, the study of equilibrium pricing could be extended to include the timing of short-run price cuts and subsequently, the impact of merger on these types of consumer driven promotions.

**Wong Foong Yee and Yahyah Sidek (2008)** on their study “Influence of Brand Loyalty on Consumer Sportswear” revealed that how the respondents are influenced by factors of brand loyalty towards sportswear brands. Previous research adopted seven factors to test in the Malaysian environment. The seven factors of brand loyalty are brand name, product quality, price, style, promotion, and service quality and store environment. Brand name has shown strong correlation with brand loyalty. In order to increase customer satisfaction and drive them to be brand loyalists, marketers are encouraged to develop aggressive marketing programs. Questionnaires were distributed and self-administered to 100 respondents. Descriptive analysis, one-way ANOVA and Pearson Correlation were used in this study. The research results showed that there is positive and significant relationship between factors of brand loyalty (brand name, product quality, price, style, promotion, and service quality and store environment) with sportswear brand loyalty. Study of more focused factors that are appropriate to the Malaysian environment is recommended in order to obtain accurate information.

**Zeenat Ismail, Sarah Masood and Zainab Mehmood (2012)** in their article “Factors Affecting Consumer Preference of International Brands over Local Brands” explained that the consumer preferences of global brands instead of local ones. It is also designed to find out the buying behavior patterns of young Pakistani consumers. Consumer evaluates products based on information cues, which are intrinsic and extrinsic. A number of factors

---


affect the consumer purchase decisions. The research was conducted in Karachi and the samples selected included 200 people of age 16-24. The data collected for the research was through a questionnaire and was conducted in two popular shopping malls of the city and two universities since the target audience was largely the youth. Calculations were then analysed and interpreted using a percentage of respondents and through frequency distribution tables and charts. The results suggest that most important factors that influence a consumer’s final decision are the price and quality of the product in question. Since the consumers usually associate the price of the brand with its quality, a brand priced too low is generally perceived as a low quality product. Similarly, a product priced too high may not be affordable by many. Other factors that have an impact on the consumer preferences are: consumer ethnocentrism, country of origin, social status, price relativity with the competing brands and family and friends.

2.2 RESEARCH GAP

Review of past literatures related to consumer satisfaction and preference of brands are useful to the researcher in generating idea, formulation of hypotheses and selection of various tools for analysis to arrive at meaningful conclusions. Many studies have been identified on consumer satisfaction and brand preference. Undeniably, all these studies have inspired and encouraged the researcher to frame a design for this study, which incorporates a wider field than any of the studies referred to this topic. In fact, preference of consumers is a new concept so that an attempt has been made in branded products