especially in Soft drinks on the title, ‘Consumers Preference towards Branded soft drinks in the selected cities of Tamil Nadu.

CHAPTER III

SOFT DRINK INDUSTRY IN INDIA

3.1 INTRODUCTION

The history of soft drinks in the United States illustrates important business innovations, such as product development, franchising, and mass marketing, as well as the evolution of consumer tastes and cultural trends. Many Europeans long believed natural mineral waters held medicinal qualities and flavoured them as alternatives to often-polluted common drinking water. By 1772, British chemist Joseph Priestley invented a means to synthetically carbonate water, and the commercial manufacturing of artificial mineral waters began with Jacob Schweppes’s businesses in Geneva in the 1780s and London in the 1790s. The first known U.S. manufacturer of soda water, as it was then known, was Yale University chemist Benjamin Silliman in 1807, though Joseph Hawkins of Baltimore secured the first U.S. patent for the equipment to produce the drink two years later. By the 1820s, pharmacies nationwide provided the beverage as a remedy for various ailments, especially digestive.

Though the drinks would continue to be sold in part for their therapeutic value, customers increasingly consumed them for refreshment, especially after the 1830s, when sugar and flavourings were first added. Soda fountains emerged as regular features of drugstores by
the 1860s and served beverages flavoured with ginger, vanilla, fruits, roots, and herbs. In 1874 a Philadelphia store combined two popular products to make the first known ice-cream soda. The first cola drink appeared in 1881.

In the late 1800s, several brands emerged that were still popular a century later. Pharmacists experimenting at local soda fountains invented Hires Root Beer in Philadelphia in 1876, Dr. Pepper in Waco, Texas, in 1885, Coca-Cola in Atlanta, Georgia, in 1886, and Pepsi-Cola in New Bern, North Carolina, in 1893, among others. Reflecting two of the middle-class mores of the period—temperance and feeling overwhelmed by the pace and burdens of modern life early marketing touted these drinks as alternatives to alcohol and/or as stimulants. Coca-Cola inventor John S. Pemberton's first print advertisement for his creation read "Delicious! Refreshing! Exhilarating! Invigorating!" while Asa Candler, the eventual founder of the Coca-Cola Company, promoted his product in the years leading up to Prohibition as "The Great National Temperance Beverage."

The history of Coca-Cola reveals how national markets in soft-drink brands developed. To limit the cost of transportation, manufacturers of syrup concentrates licensed bottlers to mix the product, package, and distribute it within a specific territory. Candler underestimated the importance of the bottling side of the business and in 1899 sold the national rights to bottle Coke for a fairly small sum to Benjamin F. Thomas and Joseph B. Whitehead, who then started a national network of bottlers, creating the basic franchising format by which the industry is still run.

After World War II, the soft-drink industry became a leader in television advertising, the use of celebrity endorsements, catchy slogans, tie-ins with Hollywood movies, and other forms of mass marketing, particularly focusing on young consumers and emphasizing youth-oriented themes. As health and fitness consciousness and environmental awareness became popular, the industry responded with sugar-free and low-calorie diet sodas, beginning in the 1960s, and later, caffeine-free colas and recyclable containers.

The most famous rivalry within the industry has been between Coke and Pepsi, which waged two rounds of "cola wars" in the twentieth century. In the 1930s and 1940s, Pepsi challenged the industry leader by offering a twelve-ounce bottle for the same five-cent
price as Coke's standard six ounces. In the 1970s and 1980s, "Pepsi challenge" taste-tests led Coke to change its formula in 1985, a campaign that failed because it underestimated the attachment Coke drinkers had to the tradition and symbolism of the brand.

In 2001, the soft-drink industry included approximately five hundred U.S. bottlers with more than 183,000 employees, and it achieved retail sales of more than $61 billion. Americans that year consumed an average of 55 gallons of soft drinks per person, up from 48 in 1990 and 34 in 1980. The nine leading companies accounted for 96.5 percent of industry sales, led by Coca-Cola with more than 43 percent of the soft drink market and Pepsi with 31 per cent. Seven individual brands accounted for almost two-thirds of all sales: Coca-Cola Classic (itself with nearly 20 percent of the market), Pepsi-Cola, Diet Coke, Mountain Dew (a Pepsi product), Sprite (a Coca-Cola product), Dr. Pepper, and Diet Pepsi. Domestic sales growth slowed in the late 1990s because of increased competition from coffee drinks, iced teases, juices, sports drinks, and bottled waters. The industry continues, however, to tap profitable international markets; Coke and Pepsi each has bottling operations in more than 120 countries in which India became one of the leading countries in dealing with the two companies soft drink products.

3.2 SOFT DRINK INDUSTRY IN INDIA

The fifty billion rupee soft drink industry is growing now at 6 to 7% annually. In India, Coke and Pepsi have a combined market share of around 95% directly or through franchisees. Campa Cola has a 1% share, and the rest is divided among local players. Industry watchers say, fake products also account for a good share of the balance. There are about 110 soft drink producing units of these, 60% being owned by Indian bottlers in the country, employing about 125,000 people. There are two distinct segments of the market, cola and non-cola drinks. The cola segment claims a share of 62%, while the non-cola segment includes soda, clear lime, cloudy lime and drinks with orange and mango flavours.

The per capita consumption of soft drinks in India is around 5 to 6 bottles compared to Pakistan's 17 bottles, Sri Lanka's 21, Thailand's 73, the Philippines 173 and Mexico 605. The industry contributes over ₹ 12 billion to the exchequer and exports goods worth ₹ 2
billion. It also supports growth of industries like glass, refrigeration, transportation, paper and sugar. The Department of Food Processing Industries had stipulated that 'contains-no-fruit-juice' labels be pasted on returnable glass bottles. About 85% of the soft drinks are currently sold in returnable bottles. There was a floating stock of about 1000 million bottles valued at ₹ 6 billion. If the industry were to abide by the new guidelines, it would have to invest in new bottles, resulting in a cost outgo of ₹ 5 billion. Neither Coke nor Pepsi is in a position to invest such a large amount.

Around 400,000 tonnes of raw material would be required to replace the existing stock of bottles. Instead, the soft drink industry suggested that a seven-year moratorium be extended to the industry so that it can incorporate the change in a phased manner. There is no such mandatory requirement anywhere in the world to specifically label the glass surface of returnable bottles. The government has decided to extend the date for replacing the bottles to end-march 2006. In the meantime, the producers have shifted substantially to the use of PET bottles.

Soft and aerated drinks were considered products for the middle class and the affluent. That segregation is no more valid. Soft and aerated drinks are consumed by all except those who cannot afford to buy any drink. An NCAER study says that 91% soft drink sales are made to the lower, middle and upper middle classes. The soft drink industry has been urging the government to categorise aerated waters equitably with other consumer products of mass consumption and remove special excise duty.

The industry estimates that the beverage market should grow at twice the rate of GDP growth. The Indian market should have, therefore, grown by at least 12%. However, it has been growing at a rate of about 6%. In contrast, the Chinese market grew by 16% a year, while the Russian market expanded at almost four times the rate of growth of the Indian market.

It may be recalled that Coca-Cola, the world's number one player, was present in India for a long time in collaboration with an Indian producer but was thrown out in the late 1970s. It reappeared in India following the economic liberalization era - but after its rival, world's number two, had already entered in a big way following a long and tough fight against the
opposition from the domestic producers. When Coca-Cola re-entered, it installed a new milestone. It acquired the well flourishing India's top player, Parle. Since then it is basically a fight between the two American giants. Others are playing a peripheral role, as adjuncts to the two MNCs. World's third biggest player, Cadbury Schweppes, had also made an entry but was gobbled up by Coca-Cola. When Coca-Cola acquired Parle brands, it was, in fact, buying the bottling facilities, the marketing network, and the established consumer preference during the market build-up. The brands were a drag on the global brand. Since Coca-Cola was not interested in brands (like Thumps Up), it did not promote them. The result, at least, in the short run was a loss of the market to the competitor. Coca-Cola decided to market more effectively the Parle brands. It had in its armoury Coke, Thumps Up, Limca and Fanta. The latest to enter market was Parle’s erstwhile Rimzim, alongside Portello, a black currant flavoured drink, very popular in Srilanka.

Coca-Cola operates through 35 plants and 16 franchisees throughout the country, while PepsiCo has 20 plants, but it has 7 more franchisees at 23 to 16 of its rival. Coca-Cola claims a market share of 51%, while Pepsi has a share of 46%. The claims, however, remain disputed. The other smaller players like Pure Drinks Ltd claim the rest of the market. The shares of the two lead players are consolidated figures, which include the respective bottlers. Coca-Cola had approached the government for a five year extension for divesting 49% equity in its bottling subsidiary, Hindustan Coca-Cola Holdings. It had set up the marketing subsidiary as part of its strategy to integrate all its bottling operations, both company-owned and franchisee bottlers, apparently keeping in line with its global policy. Altogether, it had bought initially over 38 franchisee bottlers.

Kandhari Beverages, coke bottlers for north have been eyeing to lift a stake in Coca-Cola India. Coca-Cola had filed an application to offload 49% stake of its bottling operations in favour of their Indian operators. Besides Kandhari, three other bottlers, one each from Uttar Pradesh, Gujarat and Jammu, were lined up to invest in Hindustan Coca-Cola Holding. Kandhari has already invested ₹300 million in 1999 and 2000 to upgrade its capacity. The total investment by all the four was expected to be ₹1000 million. Both Coca-Cola and PepsiCo planned for the launch of lemon-flavored versions of their products. Both have been expanding their non-carbonated drink line-ups, as consumers
seem to be shifting away from carbonated soft drinks. PepsiCo is deliberating whether to come out with Pepsi Twist, a cola mixed with lemon. But while both companies have juice does not sport drinks, bottled water and other such drinks in their line-ups, coke nor Pepsi has launched a new national variety of a cola-flavoured carbonated soft drink in years.

PepsiCo had achieved ₹ 3 billion worth of exports, which include processed foods, basmati rice, guar gum and soft drinks concentrate. PepsiCo completed the second phase of its expansion and with this expansion; PepsiCo was to explore the possibility of expanding the export of concentrates to more countries in addition to the exports to Russia and other South Asian countries.

Pepsi India has entered into a marketing tie up with Hindustan Lever to promote sales of soft drinks through Pepsi-HLL network of vending machines and fountains. The major soft drink brands in the Pepsi stable are Pepsi, 7 Up, Mirinda, Tropicana and Aquafina.

As a major strategic departure, both MNCs were expanding their brand range. Consequent to some diversifying moves, at present, the sales ratio of Coca-Cola between soft drinks and other beverages is 95.5. The company intended to change this to 80:20 in the next three years. Its juice brand, Maaza - acquired from Parle a few years ago - is being given a major thrust. It has plans to go in for canned coffee, iced tea and purified categories under expansion schemes. It has already launched its bottled water brand, Kinley, in the Indian market. Besides, it is intending to acquire domestic brands in the non-carbonated beverages segment.

The global deal between Coca-Cola and P&G to form a snacks and beverages joint venture company was reported to have slipped into rough weather. The P&G brand of potato wafer, Pringles, seemed to be faced with distribution problems in India. P&G had globally tied up with Coca-Cola to form a stand-alone juice and snacks company. The new firm is focused on developing and marketing new juices, juice based beverages and snacks on a global basis. The Sharjah-based Allied Beverages was pushing its Ahlan brand in India, having entered the market in mid-2000. Its target was carbonated drinks market in PET bottles. Its plans were to launch a PET bottle in the popular 300 ml category. Ahlan expected to gain a 12% share of the total PET bottle market in northern India. Of the total
market, PET bottle segment is approximately 12%. Presently, Allied Beverages has a manufacturing unit at Dharuhera in Haryana. The product range includes carbonated drinks - cola, orange, lemon and soda in three pack sizes - 500 ml, 1500 ml and 2000 ml. Allied Beverages sells non-carbonated drinks in 200 ml food grade cups priced at ₹ 7 in its portfolio, available in four different flavours. The company's future plans include pulp-based fruit drinks in flavours, which will be available in 200 ml non-returnable glass bottles.

IFB Agro Industries has handed over the distribution rights of Cadbury Schweppes in favour of Coco-Cola India, following the global takeover of Schweppes beverages by Coke. The company still retains the bottling rights for the beverages. It was noticed for the first time during the summer of 2004 that soft drink companies were registering a slower growth in the sale of bottled water at 20% compared to 35% in case of drinks.

3.3 PROFILE OF PEPSICO INDIA

PepsiCo entered India in 1989 and has grown to become one of the largest food and beverage businesses in India. PepsiCo India has been consistently investing in the country and has built an expansive beverage and snack food business supported by 37 beverage bottling plants and 3 food plants. PepsiCo India’s diverse portfolio includes iconic brands like Pepsi, Lay’s, Kurkure, Tropicana 100%, Gatorade and Quaker. Within 2 decades, the company has been able to organically grow eight brands each of which generate ₹ 1,000 crore or more in estimated annual retail sales and are household names, trusted across the country.

PepsiCo India is driven by its global commitment to sustainable growth, Performance with Purpose: PepsiCo’s promise to provide a wide range of foods and beverages from treats to healthy eats; to find innovative ways to minimize our impact on the environment by conserving energy and water and reducing packaging volume; to provide a great workplace for our associates; and to respect, support and invest in the local communities where we
operate. In 2009, PepsiCo India achieved a significant milestone, by becoming the first business to achieve ‘Positive Water Balance’ in the beverage world, a fact verified by Deloitte Touché Tohmatsu India Pvt. Ltd. The company has been Water Positive since then.

PepsiCo products are enjoyed by consumers one billion times a day in more than 200 countries and territories around the world. PepsiCo generated more than US $63 billion dollars in net revenue in 2015, driven by a complementary food and beverage portfolio that includes Frito-Lay, Gatorade, Pepsi-Cola, Quaker and Tropicana. PepsiCo's product portfolio includes a wide range of enjoyable foods and beverages, including 22 brands that generate more than US $1 billion dollars each in estimated annual retail sales.

At the heart of PepsiCo is Performance with Purpose – our goal to deliver top-tier financial performance while creating sustainable growth and shareholder value. In practice, Performance with Purpose means providing a wide range of foods and beverages from treats to healthy eats; finding innovative ways to minimize our impact on the environment and reduce our operating costs; providing a safe and inclusive workplace for our employees globally; and respecting, supporting and investing in the local communities where we operate.

PepsiCo India’s diverse portfolio reflects its commitment to nourish consumers with a diverse range of fun and healthier products and includes iconic brands like Pepsi, Lay’s, Kurkure, Tropicana, Gatorade and Quaker. In addition to the recently launched Lay’s Maxx, 7 Up Revive and Tropicana Slice Alphonso, the portfolio includes several healthier treats like Quaker Oats, Tropicana juices, dehydrator Gatorade, Tata Water Plus and Quaker flavoured oats.

PepsiCo India has pioneered and established a model of partnership with farmers and now works with over 24,000 happy farmers across nine states. More than 45 percent of these are small and marginal farmers with a land holding of one acre or less. PepsiCo provides 360-degree support to the farmer through assured buy back of their produce at pre-agreed prices, quality seeds, extension services, disease control packages, bank loans, weather
insurance, and the latest technological practices. The association with PepsiCo India has not only raised the incomes of small and marginal farmers, but also their social standing.

In 2009, PepsiCo India achieved a significant milestone, by becoming the first business to achieve ‘Positive Water Balance’ in the beverage world, and has been Water Positive since then. In 2015, PepsiCo India saved 12.75 billion litres more that it consumed in its manufacturing operations. The company made this possible through innovative irrigation practices like direct seeding, community water recharging initiatives, and by reducing the consumption of water in its manufacturing facilities. PepsiCo is lauded for its efforts for water conservation and has received numerous awards such as CII National award for water management, Water Digest award for water practices and Golden Peacock award for water conservation amongst others.

PepsiCo India is focused on reducing its carbon footprint. In 2015, PepsiCo’s India’s Food and Beverage plants had a 78% and 41% share from renewable energy sources, respectively such as bio mass and rice husk boilers and wind turbines. Initiatives such as reduction in use of chemicals, eco-friendly packaging initiatives and efficient waste management help reduce load on the environment. PepsiCo in partnership with the NGO Exnora and local municipalities has also been working on a unique waste collection and treatment model programme called ‘Waste-to-Wealth’. The award winning programme has positively impacted more than 5,00,000 people.

Following the successful implementation of the Waste to Wealth model programme, PepsiCo India has handed over four municipalities in Tamil Nadu (Chennai, Nagapattinam, Tenkasi, Cuddalore) and one municipal corporation in Haryana (Panipat), to the respective authority for sustained delivery.

PepsiCo India provides direct and indirect employment to almost 2,00,000 people. The company believes in providing employment and growth opportunities to local talent. Its ‘College of Leadership’, ensures early identification of talent, and employees’ focused development through critical experiences. PepsiCo firmly believes that encouraging diversity means encouraging policies and systems that respect people’s special needs. Not only does PepsiCo have a vibrant and diverse workforce, it takes the utmost care to make
dynamic business leaders of its employees and foster their career and personal growth through differentiated experiences and a robust leadership development model.

3.3.1 PepsiCo Brands

PepsiCo India’s expansive portfolio includes iconic refreshment beverages Pepsi, 7Up, Mirinda, Slice and Mountain Dew, in addition to low-calorie options such as Diet Pepsi, hydrating and nutritional beverages such as Aquafina drinking water, isotonic sports drink Gatorade and fruit juices such as Tropicana and Tropicana 100%. Though the company has launched many brands of soft drinks in India, only six brands of PepsiCo are more familiar than others. They are 7 up, Pepsi, Mirinda, slice, Mountain Dew and 7 Up revive. Hence, only these products from the side of PepsiCo India have been taken for the study. The profile of these products is presented as follows.

- **7 Up**

  7 Up, the refreshing clear drink with a natural lemon and lime flavor was created in 1929. It was launched in India in 1990 and its international mascot Fido Dido was used for advertising in 1992, to position the brand as a cool drink for youngsters. Fido became an instant hit with his trendy look, laid-back attitude and unconventional take on life. 7 Up is one of the first to be nationally distributed besides being marketed as a healthier alternative to other soft drinks.

  7 Up's lemon refreshment picks you up and leaves you feeling upbeat. Its sparkling, crisp lemon and lime flavor keeps you positive against all odds. Just the perfect drink for a country that's simply un put down able by its share of downswings and challenges. We're always upbeat about the present, and optimistic about our future. 7 Up’s brand philosophy - I Feel Up - celebrates this irrepressible optimism. Over the years 7 Up has engaged the youth with its lemon based refreshing taste coupled with its refreshing attitude towards life.

  This refreshing take of 7 Up has been evident in all its communication through the years. Over the years 7 Up has been serenaded by crooning’s of the svelte Yana Gupta got cajoled by curvy Mallika Sehrawat was uniquely endorsed by Bappi Lahiri, its take on life popularized by Sharman Joshi, Allu Arjun, STR and Puneeth Rajkumar. Most recently
Irrfan Khan got refreshed by 7 Up. The Pepsi IPL teams of Chennai Super Kings and Hyderabad Sunrisers also get their dose of refreshment from 7 Up.

7 Up has always had a huge presence in South India. The brand has been running its hugely popular yearly program of ‘7 Up Dance Pattalam’. Apart from the large prize money, the program provides a most coveted platform to the Dancing talent from South India. Each year the love of the consumers makes this program even bigger. The program has got associations from some of the great dancing Superstars of the South – Allu Arjun, STR (Simbu) and Puneeth

- **Pepsi**

Pepsi is a hundred-year-old brand loved by over 200 million people worldwide. Pepsi is ubiquitous on just about every social occasion. Youngistaan loves it. 200 million people worldwide love it. But what has made Pepsi the single largest selling soft drink brand in India is actually a formula concocted a century ago in a faraway continent. In 1886 the US. Caleb Bradman, a man with a plan formulated a blockbuster of a digestive drink and decided to call it Brad’s drink. The potion was to become Pepsi Cola in 1898, and eventually, Pepsi in 1903. Since its inception, Pepsi has always been at the forefront of the beverage industry and has come up with revolutionary concepts such as Diet Pepsi, 2l bottles, recyclable plastic cola bottles and the enviable My Can. Pepsi has become a friend to youth and youth culture. Over generations, youngsters have grown up with Pepsi and have shared an emotional connect with it unlike with any other cola brand. Be it parties, hangouts with friends, or just another day at home, a day is never complete without the fizz of Pepsi. Pepsi has always fuelled youth passions like cricket, Bollywood, music and now football. Youth icons like MS Dhoni, Ranbir Kapoor, Didier Drogba, Virendar Sehwag, Sachin Tendulkar, Priyanka Chopra and Deepika Padukone have endorsed Pepsi since its launch in India.

Pepsi Changed the Game during the 2011 cricket world cup by challenging convention, celebrating the unorthodox and by becoming the official sponsor of everything that was unofficial about the sport! Change the Game even as a thought has gained enormous popularity and generated tremendous buzz. Taking the same theme forward in 2012, Pepsi changed the game yet again by taking the lead in celebrating the exciting new platform of
football. Having brought the biggest international football stars and pitching them against
the mighty Indian cricketers in a classic faceoff for Pepsi – is something which only a
brand like Pepsi can deliver.

- **Mirinda**

Miranda is an international soft drink brand from Spain that was launched in India in 1991. The irresistible taste of Mirinda was communicated through our 1996 ‘Mirinda Men’ campaign, the 2000 ‘Taste Pe Atka, Mirindaaaa’ campaign and the ‘Taste Aisa Chaye Character Fisla Jaye’ campaign of 2003.

In 2008, the brand decided to up the ante and deliver a brand philosophy that would resonate strongly with consumers. Consequently, Mirinda adopted a bold and vibrant colour, great orangey taste and sparkling bubbles that encouraged one to be more carefree, spontaneous and playful and occasionally give in to an impulse of uninhibited fun. This was conveyed through the ‘Pagalpanti Bhi Zaroori Hai’ campaign with Asin in 2008. In 2009, Mirinda established orange as the core of the brand with ‘Orange Dikha Toh Mooh Bola Mirindaaaa’.

- **Slice**

Slice was launched in India in 1993 as a refreshing mango drink and quickly went on to become a leading player in the category. In 2008, Slice was relaunched with a winning product formulation that made consumers fall in love with its taste. With new pack graphics and clutter-breaking advertising, Slice has built a powerful appeal. With the launch of the ‘Aamsutra’ campaign in 2008, its winning taste and appealing pack graphics, Slice created a great deal of excitement in its category and celebrated the indulgence in mangoes like no other brand had done before.

While other players have portrayed the mango as a simple and innocent fruit, Slice celebrates the sheer indulgence and sensuality involved in consuming a mango. The creative ‘Aamsutra’ idea communicates the experience of extreme sensuous pleasure through the act of drinking Slice. Slice was the first brand ever in the Juice and Juice Drinks category to sign on Bollywood diva Katrina Kaif as the brand ambassador for Slice.0 In 2009, Slice took the notion of indulgence to a whole new level with the launch of
the ‘Slice Pure Pleasure Holidays’, giving its consumers a chance to win luxurious all-expenses-paid holidays to dream European destinations like Paris, Vienna, Greece and Venice.

- **Mountain Dew**

The main formula of Mountain Dew was invented in Virginia. The drink was named and first marketed in Johnson City, Tennessee and Knoxville, Tennessee in 1948. In India, Mountain Dew set the soft drink category ablaze in 2003 with its iconic launch campaign ‘Cheetah Bhi Peeta Hai’. It is a soft drink that exhilarates like no other because of its active, high-energy, extreme citrus taste. The idea of daring, challenges, a ‘can do’ attitude, adventure and exhilaration are deeply entrenched in its brand DNA. The brand has always celebrated the bold, adventurous and rebellious spirit of youth. This is reflected in the high-adrenaline advertising of the brand and its connection to outdoor adventure.

In 2007, the brand was re-launched with a completely new, punchier formulation. Communication aimed at forging a strong emotional connect with the audience. Thus began the ‘Darr Ke Aage Jeet Hai’ campaign, which acknowledged that fear was a very real aspect of the world of adventure and Mountain Dew wanted young people to believe in themselves in their moment of fear. For beyond fear lay victory.

- **7 Up Revive**

PepsiCo’s iconic lemon-lime brand 7 Up Revive has announced the launch of the new refreshing and hydrating beverage 7 Up Revive in India in the states of Tamil Nadu and Kerala. With vitamins and electrolytes, 7 Up Revive helps to refresh and replace the fluids the body needs when out and about in the hot sun. An international brand having strong presence in Vietnam and Malaysia, 7 Up Revive is one of the most popular drinks for young people.

When one is out and about in the hot sun, the body loses fluids and electrolytes. True to its name, 7 Up Revive is an ‘Active Hydration Drink’ with vitamins and electrolytes that help the body stay active. Available in a 500ml PET @ Rs.33 (in TN) / Rs.35 (in Kerala), 7 Up Revive contains Vitamins B3, B6 and B12 which are known to play an essential role in
energy metabolism and electrolytes like Sodium and Potassium needed to replenish some salts that body loses in sun.

Commenting on the launch of 7 up Revive in India, Vidur Vyas, Senior Director - Marketing at PepsiCo India said, “In the peak summer months it is important for people to remain hydrated at all times, particularly while they are out and about in the sun. With the goodness of vitamins and electrolytes, 7 Up Revive is a game changing innovation developed to fill the existing gap for such a product in the current market. We are excited about the launch in Tamil Nadu and Kerala and are confident that consumers will enjoy this new offering. Introduction of 7 Up Revive in Tamil Nadu and Kerala will be accompanied with a new thematic TVC talking about the product proposition. The launch will be supported by strong on-air, digital, consumer sampling and outdoor campaigns.

3.4 PROFILE OF COCA-COLA INDIA

The Coca-Cola India incorporated on September 5, 1919, is a beverage company. The Company owns or licenses and markets non-alcoholic beverage brands, primarily sparkling beverages and a range of still beverages, such as waters, flavored waters and enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, sports drinks, dairy and energy drinks. The Company's segments include Europe, Middle East and Africa; Latin America; North America; Asia Pacific; Bottling Investments, and Corporate. The Company owns and markets a range of non-alcoholic sparkling beverage brands, including Coca-Cola, Diet Coke, Fanta and Sprite. As of December 31, 2016, the Company owned or licensed and marketed over 500 non-alcoholic beverage brands. The Company markets, manufactures and sells beverage concentrates, which are referred to as beverage bases, and syrups, including fountain syrups and finished sparkling and still beverages The Company makes its beverage products available to consumers across the world through its network of Company-owned or -controlled bottling and distribution operations, as well as bottling partners, distributors, wholesalers and retailers.

The Company's non-alcoholic beverage brands include Minute Maid, Aquarius, Diet Coke/Coca-Cola Light, Georgia, Minute Maid Pulpy, Gold Peak, Coca-Cola Zero,
Powerade, Dasani, FUZE TEA, Fanta, Del Valle, Simply, Glaceau Smart water, Sprite, Schweppes, Glaceau Vitamin water and Ice Dew. In its concentrate operations, the Company sells concentrates and syrups to authorized bottling and canning operations. Its bottling partners either combine the concentrates with sweeteners, still water and/or sparkling water, or combine the syrups with sparkling water to produce finished beverages. The finished beverages are packaged in authorized containers, such as cans and refillable and non-refillable glass and plastic bottles, and are then sold to retailers directly or, through wholesalers or other bottlers. Outside the United States, the Company also sells concentrates for fountain beverages to its bottling partners.

The Company's finished product operations consist of Company-owned or -controlled bottling, sales and distribution operations, including Coca-Cola Refreshments (CCR) bottling and associated supply chain operations in the United States and Canada, and are included in its Bottling Investments operating segment. In addition, in the United States, the Company manufactures fountain syrups and sells them to fountain retailers, such as restaurants and convenience stores using fountain syrups to produce beverages for immediate consumption, or to authorized fountain wholesalers or bottling partners reselling the fountain syrups to fountain retailers. These fountain syrup sales are included in its North America operating segment. Its finished product operations include selling of sparkling beverages and a range of still beverages, such as juices and juice drinks, energy and sports drinks, ready-to-drink teas and coffees, and certain water products, to retailers or to distributors, wholesalers and bottling partners distributing them to retailers.

The Company and certain of its bottlers distribute certain brands of Monster Beverage Corporation, primarily Monster Energy, in designated territories in the United States, Canada and other international territories. The Company produces and/or distributes certain third-party brands, including brands owned by Dr Pepper Snapple Group, Inc., which it produces and distributes in designated territories in the United States and Canada. It has a joint venture with Nestle S.A. named Beverage Partners Worldwide (BPW), which markets and distributes Nestea products in Europe and Canada. It holds interest in certain territories to brands produced and distributed by Aujan Industries Company J.S.C. (Aujan), including Rani, a juice brand, and Barbican, a flavored malt beverage brand.
The Company competes with PepsiCo, Inc., Nestle S.A., Dr Pepper Snapple Group, Inc., Groupe Danone, Mondelez International, Inc., The Kraft Heinz Company, Suntory Beverage & Food Limited and Unilever. Coca-Cola India is one of the country’s leading beverage companies, offering a range of healthy, safe, high quality, refreshing beverage options to consumers. Over the last 23 years, ever since its re-entry in 1993, the company has gone on to establish an unmatched portfolio of beverages; refreshing consumers with its leading beverage brands like Coca-Cola, Coca-Cola Zero, Diet Coke, Thums Up, Fanta, Fanta Green Mango, Limca, Sprite, Sprite Zero, VIO Flavored Milk, Maaza, Minute Maid range of juices, Georgia and Georgia Gold range of hot and cold tea and coffee options, Kinley and Bonaqua packaged drinking water, Kinley Club Soda and BURN energy drink. The Company along with its bottling partners, through a strong network of over 2.6 million retail outlets, touches the lives of millions of consumers. Its brands are some of the most preferred and most sold beverages in the country.

The Coca-Cola system in India has already invested USD 2 Billion till 2011, since its re-entry into India. The company will be investing another USD 5 Billion till the year 2020. The Coca-Cola system in India directly employs over 25,000 people including those on contract. The system has created indirect employment for more than 1,50,000 people in related industries through its vast procurement, supply and distribution system. We strive to ensure that our work environment is safe and inclusive and that there are plentiful opportunities for our people in India and across the world.

With an enduring commitment to building sustainable communities, our Company is focused on initiatives that reduce our environmental footprint, support active, healthy living, create a safe, inclusive work environment for our associates, and contribute to the development of the communities where we operate. Some its Company’s flagship community development programs include the “Support My School” program, the “Parivartan” retailer training program, women empowerment program as a part of the global 5BY20 campaign etc.

In India, the Coca-Cola system comprises of a wholly owned subsidiary of The Coca-Cola Company namely Coca-Cola India Pvt Ltd which manufactures and sells concentrate and beverage bases and powdered beverage mixes, a Company-owned bottling entity, namely,
Hindustan Coca-Cola Beverages Pvt Ltd; thirteen licensed bottling partners of The Coca-Cola Company, who are authorized to prepare, package, sell and distribute beverages under certain specified trademarks of The Coca-Cola Company; and an extensive distribution system comprising of our customers, distributors and retailers.

Coca-Cola India Private Limited sells concentrate and beverage bases to authorized bottlers who are authorized to use these to produce our portfolio of beverages. These authorized bottlers independently develop local markets and distribute beverages to grocers, small retailers, supermarkets, restaurants and numerous other businesses. In turn, these customers make our beverages available to consumers across India. In spite of many brands of Coca Cola branded soft drinks available India, only six brands of the company are more familiar in Tamil Nadu viz, Coke, Sprite, Fanta, Maaza, Thums Up and Limca. Hence these products have been taken for the study. The profile of these products is presented as follows.

3.4.1 Coca-Cola Brands

- Coke

Coca-Cola often referred to simply as Coke is a carbonated soft drink produced by the Coca-Cola Company. Originally intended as a patent medicine, it was invented in the late 19th century by John Pemberton and was bought out by businessman Asa Griggs Candler, whose marketing tactics led Coca-Cola to its dominance of the world soft-drink market throughout the 20th century. The drink’s name refers to two of its original ingredients, which were kola nuts (a source of caffeine) and coca leaves. The current formula of Coca-Cola remains a trade secret, although a variety of reported recipes and experimental recreations have been published.

The Coca-Cola Company produces concentrate, which is then sold to licensed Coca-Cola bottlers throughout the world. The bottlers, who hold exclusive territory contracts with the company, produce the finished product in cans and bottles from the concentrate, in combination with filtered water and sweeteners. A typical 12-US-fluid-ounce (350 ml) can contain 38 grams (1.3 oz) of sugar (usually in the form of high fructose corn syrup). The bottlers then sell, distribute, and merchandise Coca-Cola to retail stores, restaurants,
and vending machines throughout the world. The Coca-Cola Company also sells concentrate for soda fountains of major restaurants and foodservice distributors.

The Coca-Cola Company has on occasion introduced other cola drinks under the Coke name. The most common of these is Diet Coke, along with others including Caffeine-Free Coca-Cola, Diet Coke Caffeine-Free, Coca-Cola Cherry, Coca-Cola Zero, Coca-Cola Vanilla, and special versions with lemon, lime, and coffee. Based on Interbrand's "best global brand" study of 2015, Coca-Cola was the world's third most valuable brand. In 2013, Coke products were sold in over 200 countries worldwide, with consumers downing more than 1.8 billion company beverage servings each day.

- **Sprite**

  Sprite is a colourless, caffeine-free, lemon and lime-flavored soft drink created by The Coca-Cola Company. It was first developed in West Germany in 1959 as Fanta Klare Zitrone ("Clear Lemon Fanta") and was introduced in the United States under the current brand name Sprite in 1961 as a competitor to 7 up. Bottles of Sprite are usually a transparent green colour with a green and yellow label whereas cans are coloured silver, green, blue and aluminum bottles are coloured a solid lime green. Though often confused with Lemonade, Sprite stands in separate class of carbonated soft drink.

- **Fanta**

  Fanta is a global brand of fruit-flavored carbonated soft drinks created by The Coca-Cola Company. There are more than 100 flavors worldwide. The drink originated in Nazi Germany under a trade embargo for Coca-Cola ingredients in 1940. Fanta originated as a result of difficulties importing Coca-Cola syrup into Nazi Germany during World War II due to a trade embargo. To circumvent this, Max Keith, the head of Coca-Cola Deutschland (Coca-Cola GmbH) during the war, decided to create a new product for the German market, using only ingredients available in Germany at the time, including whey and apple pomace – the "leftovers of leftovers", as Keith later recalled. The name was the result of a brief brainstorming session, which started with Keith's exhorting his team to "use their imagination" to which one of his salesmen, Joe Knipp, immediately retorted "Fanta!". The plant was effectively cut off from Coca-Cola headquarters during the war. After the war, the Coca-Cola Corporation regained control of the plant, formula,
and the trademarks to the new Fanta product as well as the plant profits made during the war.

During the war the Dutch Coca-Cola plant in Amsterdam suffered the same difficulties as the German Coca-Cola plant. Max Keith therefore also put the Fanta brand at the disposal of the Dutch Coca-Cola plant, of which he had been appointed the official Verwalter (caretaker). Dutch Fanta had a completely different recipe as German Fanta, elderberries being one of the main ingredients. Fanta-production was discontinued when the German and Dutch Coca-Cola branches were reunited with their parent company. Following the launch of several drinks by the Pepsi Corporation in the 1950s, Coca-Cola competed by re-launching Fanta in 1955. The drink was heavily marketed in Europe, Asia, Africa and South America.

- **Maaza**

*Maaza* is a Coca-Cola fruit drink brand originated in India and marketed in Middle East, Africa, Eastern Europe and Asia, the most popular drink being the mango variety so much that over the years, the Maaza brand has become synonymous with Mango. Initially Coca-Cola had also launched Maaza in orange and pineapple variants, but these variants were subsequently dropped. Coca-Cola has recently re-launched these variants again in the Indian market. Mango drinks currently account for 90% of the fruit juice market in India. Maaza currently dominates the fruit drink category and competes with Pepsi's *Slice* brand of mango drink and *Frooti*, manufactured by Parle Agro.

While Frooti was sold in small cartons, Maaza and Slice were initially sold in returnable bottles. However, all brands are also now available in small cartons and large PET bottles. Of late, the Indian market is witnessing the entry of a large number of small manufacturers producing only mango fruit drink. Maaza has a distinct pulpy taste as compared to Frooti and tastes slightly sweeter than Slice. Maaza claims to contain mango pulp of the Alphonso variety, which is known as the "King of Mangoes" in India.

- **Thums Up**
**Thums Up** is a brand of cola in India. The logo is a red thumbs up. It was introduced in 1977 to offset the withdrawal of the Coca-Cola Company from India. The brand was later bought by Coca-Cola who re-launched it in order to compete against Pepsi. As of February 2012, Thums Up is the leader in the cola segment in India, commanding approximately 42% market share and an overall 15% market share in the Indian aerated waters market.

In 1977, American cola giant Coca-Cola abandoned operations in India rather than accept a forced sale of 60% of their equity to an Indian company. Following this, the Parle brothers, Ramesh Chauhan and Prakash Chauhan, along with then CEO Bhanu Vakil, launched Thumbs Up as their flagship drink, adding to their portfolio of older brands Limca (lime flavour) and Gold Spot (orange flavor). Thumbs Up enjoyed a near monopoly with a much stronger market share.

In 1991, when the Indian government opened the market to multinationals, Pepsi was the first to come in. Thumbs Up and Pepsi subsequently engaged in heavy competition for endorsements. Pepsi spokespersons included major Indian movie stars like Juhi Chawla, while Thumbs Up increased its spending on cricket sponsorship. Thumbs Up also introduced a larger 300 ml bottle; branded "Maha Cola" the original size was 250 million. This nickname gained popularity in smaller towns where people would ask for "Maha Cola" instead of Thumbs Up. Consumers were divided, with some saying that Pepsi’s mild taste was rather bland.

In 1993 Coca-Cola re-entered India after a prolonged absence, spurring a three-way Cola War with Thumbs Up and Pepsi. That same year, Parle sold out to Coke for US$60,000,000. Some assumed Parle had lost the appetite for a fight against the two largest cola brands; others surmised that the international brands' seemingly endless cash reserves overwhelmed Parle. Thumbs Up had an 85% market share when sold. Despite its strong overall equity, the brand was losing its popularity among the core cola drinking age group of 12- to 25-year-olds, partly due to a lack of advertising.

At first, Coca-Cola cut advertising and production for Thumbs Up to drive customers to their flagship brand, but soon realised that Thums Up customers would turn to Pepsi instead of Coke, were Thums Up withdrawn from the market. Instead, Coke decided to use
Thumbs Up as a rival brand to Pepsi. The Coca-Cola Company by this time had about 60.5% share of the Indian soft-drink market but much to its dismay found out that if it took out Thumbs Up, it would remain with only 28.72% of the market\textsuperscript{92}, hence it once again dusted off the Thumbs Up brand and re-launched it, targeting 30- to 40-year-olds.

The brand was re-positioned as a “manly” drink, drawing on its strong taste qualities. Known to be a strong drink with more power packed into it than other colas, it was a favorite in rum-based cocktails, as in “rum and Thumbs Up.” Thumbs Up kick-started an aggressive campaign directly attacking Pepsi’s television commercials, focusing on the strength of the drink hoping that the depiction of an “adult” drink would appeal to young consumers. “Grow up to Thumbs Up” was a successful campaign. The brand’s market share and equity soared. The brand was unshakeable and Coca-Cola’s declaration that Thums Up was India’s premier cola brand in terms of market share did not surprise many.

Other campaigns from Thumbs Up build on its “strength” and its perception as a macho drink. Ads showing the Thums Up man, riding through the desert in search of a cantina that sells Thumbs Up rather than drink another cola, stuck in the minds of many Indians and caught the imagination of youngsters who wanted to be seen as men.

In February 2012, popular South Indian actor Mahesh Babu became a spokesperson for Thums Up. In October 2012, Coca-Cola India signed Salman Khan once again as the brand ambassador of Thums Up. The company has also tied with Salman Khan's movie \textit{Dabangg} and his charitable organization as part of the deal.

\textbf{3.5 PROFILE OF TAMIL NADU}

Tamil Nadu State is situated at the South Eastern extremity of the Indian Peninsula bounded on the north by Karnataka and Andhra Pradesh on the east by Bay of Bengal, on the South by the Indian Ocean and on the West by Kerala State.

\textsuperscript{92} Report by NGO Finance & Trade in India
3.5.1 Land

The State can be divided broadly into two natural divisions (a) the Coastal plains of South India and (b) the hilly western area. Parallel to the coast and gradually rising from it is the broad strip of plain country. It can further be subdivided into Coromandal plains comprising the districts of Kancheepuram, Thiruvallur, Cuddalore and Vellore. The alluvial plains of the Cauvery Delta extending over Thanjavur and part of Tiruchirapally districts and dry southern plains in Madurai, Dindigul, Ramanathapuram, Sivaganga, Virudh Nagar, Tirunelveli and Tuticorin districts. It extends a little beyond Western Ghats in Kanyakumari District.

The Cauvery Delta presents some extremely distinctive physical and human features, its power being a main factor in the remarkable growth, the towns of Tamilnadu have witnessed. It is associated intimately with the life of all its broader regions. In the east the low country 500 feet below, varies from 50 to 80 miles in width. This plain extends almost up to the feet of the Ghats and only minor elevation can be found here and there. For instance the Valanad hills. The Eastern Ghats enter the State from Andhra Pradesh in the north cut across the State and merge with The Nilgiris Hills on the Western Ghats. The region is bounded on South-West by the crest of the Cardamom hills and on the North-West by the slopes of the plateau. The region is in the form of a Rhombus and the longer diagonal of its stretches from the Pulicat Lake in the north to Cape Comorin in the South and the shorter diagonal from the Palghat ghat in the west to point calimere in the east.

The State has an uninterrupted coastline of 922 Kms. It includes the coastline of Pondicherry and Karaikkal. The coastline is a lengthy boundary on the east. Not a single natural harbour capable of accommodating ocean - going vessels can be found on the coast. Madras City has an artificial harbour. While it is a major Port and Tuticorin a medium one, several smaller ports like Cuddalore, Nagapattinam and Colochel are found.

3.5.2 Area

It lies between 8 5' and 13 35' of northern latitude and 76 15' and 80 20' of eastern longitude with an area of 1,30,058 square kilometres. It is the 11th State in India in area forming 4.11 percent of the Union areas.
### 3.5.3 Economy

For the year 2014–15 Tamil Nadu's GSDP was ₹9.767 trillion (US$150 billion), and growth was 14.86. It ranks third in foreign direct investment (FDI) approvals (cumulative 1991–2002) of 225.826 billion ($5,000 million), next only to Maharashtra and Delhi constituting 9.12 per cent of the total FDI in the country. The per capita income in 2007–2008 for the state was ₹72,993 ranking third among states with a population over 10 million and has steadily been above the national average.

#### TABLE 3.1

**Gross State Domestic Products**

<table>
<thead>
<tr>
<th>Year</th>
<th>GSDP (₹ in crores)</th>
<th>Growth Rate (in %)</th>
<th>Share in India (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000–01</td>
<td>142,065</td>
<td>5.87</td>
<td>7.62</td>
</tr>
<tr>
<td>2001–02</td>
<td>139,842</td>
<td>−1.56</td>
<td>7.09</td>
</tr>
<tr>
<td>2002–03</td>
<td>142,295</td>
<td>1.75</td>
<td>6.95</td>
</tr>
<tr>
<td>2003–04</td>
<td>150,815</td>
<td>5.99</td>
<td>6.79</td>
</tr>
<tr>
<td>2004–05</td>
<td>219,003</td>
<td>11.45</td>
<td>7.37</td>
</tr>
<tr>
<td>2005–06</td>
<td>249,567</td>
<td>13.96</td>
<td>7.67</td>
</tr>
<tr>
<td>2006–07</td>
<td>287,530</td>
<td>15.21</td>
<td>8.07</td>
</tr>
<tr>
<td>2007–08</td>
<td>305,157</td>
<td>6.13</td>
<td>7.83</td>
</tr>
<tr>
<td>2008–09</td>
<td>321,793</td>
<td>5.45</td>
<td>7.74</td>
</tr>
<tr>
<td>2009–10</td>
<td>356,632</td>
<td>10.83</td>
<td>7.89</td>
</tr>
<tr>
<td>2010–11</td>
<td>403,416</td>
<td>13.12</td>
<td>8.20</td>
</tr>
<tr>
<td>2012–13</td>
<td>447,944</td>
<td>3.39</td>
<td>8.17</td>
</tr>
</tbody>
</table>
According to the 2011 Census, Tamil Nadu is the most urbanized state in India (49 per cent), accounting for 9.6 per cent of the urban population while only comprising 6 per cent of India's total population. A service contributes to 45 per cent of the economic activity in the state, followed by manufacturing at 34 per cent and agriculture at 21 per cent. Government is the major investor in the state with 51 per cent of total investments, followed by private Indian investors at 29.9 per cent and foreign private investors at 14.9 per cent. Tamil Nadu has a network of about 113 industrial parks and estates offering developed plots with supporting infrastructure. According to the publications of the Tamil Nadu government the Gross State Domestic Product at Constant Prices (Base year 2004–2005) for the year 2011–2012 is ₹ 4.281 trillion (US$66 billion), an increase of 9.39 per cent over the previous year. The per capita income at current price is ₹ 72,993.

Tamil Nadu has six Nationalized Home Banks which originated in this state; Two government-sector banks Indian Bank and Indian Overseas Bank in Chennai, and Four private-sector banks City Union Bank in Kumbakonam, Karur Vysya Bank, Lakshmi Vilas Bank in Karur, and Tamilnad Mercantile Bank Limited in Tuticorin.

3.5.4 Population of Tamil Nadu

The fascinating state of Tamil Nadu is the emerging hub of technology and modern lifestyle in India. Home to several ancient monuments and temples, destinations in Tamil Nadu are very popular among tourist from all over the world. Tamil Nadu is one of the most developed states of India with 44% of its population living in urban areas. With a population of 79,096,413 Tamil Nadu is seventh most populous state in India. The state witnessed a growth of 15.6% in its population between years 2001 to 2011. In this decade, there is an increase of 4% in population of Tamil Nadu in comparison to last decade of 1991-2001. Currently Tamil Nadu is home to 79 million people in India. Every year Tamil Nadu adds 1.5% more people to its population which is considered as a decent growth as compared to other states of India. The capital city of Chennai is home to nearly 8 million in
the state. According to Census of India 2011, total Population of Tamil Nadu was estimated to be 72,138,958. This figure further went up to 73,221,042 in year 2012. Tamil Nadu with a total population of 79 million is one of the well-developed states in South India. The state added over 1.2 million people to its current population in year 2017. Present Population of Tamil Nadu is 7.9 crores.

Going by the current figures, Population of Tamil Nadu is growing at a rapid rate. In the last 10 years, the state population has witnessed a growth of 15.6% to its total population. Population of Tamil Nadu has doubled in the last 60 years; from a small figure of 30 million in 1951, it currently stands at 79 million in 2017. Comparing it with other states of India, Growth of Population in Tamil Nadu is not alarming but decent. Every year, Tamil Nadu adds 1 million more people to its population.

### 3.5.5 Literacy

Tamil Nadu is one of the top performing states in terms of Literacy rate in India. The state has shown decent improvement in its literacy rate in the last 10 years beginning from 2001. More than 80% of the total population in Tamil Nadu is literates, this figure is far better than national average of 74% in India. Government of Tamil Nadu has played a vital role in providing a better education system in the rural as well as urban areas of the state.

Tamil Nadu is one of the most literate states in India. Tamil Nadu has performed reasonably well in terms of literacy growth during the decade 2001–2011. A survey conducted by the Industry body Assocham ranks Tamil Nadu top among Indian states with about 100 per cent Gross Enrolment Ratio (GER) in primary and upper primary education. One of the basic limitations for improvement in education in the state is the rate of absence of teachers in public schools, which at 21.4 per cent is significant. The analysis of primary school education in the state by Pratham shows a low drop-off rate but poor quality of state education compared to other states. Tamil Nadu has 37 universities, 552 engineering colleges, 449 Polytechnic Colleges and 566 arts and science colleges, 34335 elementary schools, 5167 high schools, 5054 higher secondary schools and 5000 hospitals. Some of the notable educational institutes present in Tamil Nadu are Indian Institute of Technology Madras, College of Engineering, Guindy, Indian Institute of Management.
Tiruchirappalli, Indian Maritime University, National Institute of Technology, Tiruchirappalli, Tamil Nadu Dr. Ambedkar Law University, Madras Medical College, Loyola College, Chennai, Ethiraj College for Women, Stella Maris College, Chennai, Anna University, PSG College of Technology, Coimbatore, Government College of Technology, Coimbatore and Tamil Nadu Agricultural University.

Tamil Nadu now has 69 per cent reservation in educational institutions for socially backward section of the society, the highest among all Indian states. The Midday Meal Scheme programme in Tamil Nadu was first initiated by Kamaraj, and then it was expanded by M G Ramachandran in 1983.

3.5.6 Agriculture

Tamil Nadu has historically been an agricultural state and is a leading producer of agricultural products in India. In 2008, Tamil Nadu was India's fifth biggest producer of rice. The total cultivated area in the State was 5.60 million hectares in 2009–10. The Cauvery delta region is known as the Rice Bowl of Tamil Nadu. In terms of production, Tamil Nadu accounts for 10 per cent in fruits and 6 per cent in vegetables, in India. Annual food grains production in the year 2007–08 was 10035,000 Million Tonnes.

The state is the largest producer of bananas, turmeric, flowers, tapioca, the second largest producer of mango, natural rubber, coconut, groundnut and the third largest producer of coffee, sapota, Tea and Sugarcane. Tamil Nadu's sugarcane yield per hectare is the highest in India. The state has 17,000 hectares of land under oil palm cultivation, the second highest in India.

Dr M.S. Swaminathan, known as the "father of the Indian Green Revolution" was from Tamil Nadu. Tamil Nadu Agricultural University with its seven colleges and thirty two research stations spread over the entire state contributes to evolving new crop varieties and technologies and disseminating through various extension agencies. Among states in India, Tamil Nadu is one of the leaders in livestock, poultry and fisheries production. Tamil Nadu had the second largest number of poultry amongst all the states and accounted for 17.7 per cent of the total poultry population in India. In 2003–2004, Tamil Nadu had produced 3783.6 million of eggs, which was the second highest in India representing 9.37 per cent of
the total egg production in the country. With the second longest coastline in India, Tamil Nadu represented 27.54 per cent of the total value of fish and fishery products exported by India in 2006.

3.5.7 Infrastructure

- **Road**
  Tamil Nadu has a transportation system that connects all parts of the state. TNSTC Online Booking Portal Tamil Nadu is served by an extensive road network, providing links between urban centers, agricultural market-places and rural areas. There are 29 national highways in the state, covering a total distance of 5,006.14 km (3,110.67 mi) The state is also a terminus for the Golden Quadrilateral project, that connects four major metropolitan cities in India (Delhi, Mumbai, Chennai, Kolkata). The state has a total road length of 167,000 km (104,000 mi), of which 60,628 km are maintained by Highways Department.

- **Rail**
  Tamil Nadu has a well-developed rail network as part of Southern Railway. Headquartered at Chennai, the Southern Railway network extends over a large area of India's southern peninsula, covering the states of Tamil Nadu, Kerala, Puducherry, a small portion of Karnataka and a small portion of Andhra Pradesh. Express trains connect the state capital Chennai with Mumbai, Delhi and Kolkata. Chennai Central is gateway for train towards north whereas Chennai Egmore serves as gateway for south. Tamil Nadu has a total railway track length of 5,952 km (3,698 mi) and there are 532 railway stations in the state. The network connects the state with most major cities in India.

- **Airports**
  Tamil Nadu has four international airports namely Chennai International Airport, Coimbatore International Airport, Tiruchirapalli International Airport and Madurai International Airport. Salem Airport and Tuticorin Airport are domestic airports. Chennai International Airport is a major international airport and aviation hub in South Asia. Besides civilian airports, the state has four air bases of the Indian Air Force namely Thanjavur AFS, Tambram AFS, Coimbatore AFS and two naval air stations INS Rajali and INS Parundu of Indian Navy.
Tamil Nadu has three major seaports located at Chennai, Ennore and Tuticorin, as well as seven other minor ports including Cuddalore and Nagapattinam. Chennai Port is an artificial harbor situated on the Coromandel Coast and is the second principal port in the country for handling containers. Ennore Port handles all the coal and ore traffic in Tamil Nadu. The volume of cargo in the ports grew by 13 per cent during 2005.

3.6 CONCLUSION

The chapter makes it clear about the infancy, growth and saturation of soft drink industry at the Global level and national level. It has also revealed that Coke and Pepsi each has bottling operations in more than 120 countries in which India became one of the leading countries in dealing with the two companies soft drink products. In addition, one could also observe the profile of the two multinational soft drink companies and their operations at the global and national level. The profile of the products of these two companies is very clear from the above chapter. The profile of the state of Tamil Nadu where the study is undertaken is also clearly presented.

CHAPTER IV

ANALYSIS AND INTERPRETATION OF DATA

Analysis refers a systematic examination and evaluation of data or information, by breaking it into its component parts to uncover their interrelationships. Interpretation is the act of explaining, reframing, or otherwise showing our own understanding of something. A person who translates one language into another is called an interpreter because they are explaining what a person is saying to someone who doesn't understand.

Analysis is a “process of organizing and synthesizing data in such a way that research questions can be answered and hypothesis tested”. The term analysis refers to the computation of certain resources along with searching for patterns of relationship that exists among data groups. Analysis of data in general ways involves a number of closely