INTRODUCTION

CHAPTER 1
Introduction

1. Introduction- Packaged fruit juices.

Research on “Consumer Buying Behaviour and Perception towards packaged fruit juices in Mumbai region” focuses in understanding the buying attitudes and perception of the consumers towards fruit juices in a packaged form. In the present competitive scenario, most of the companies are shifting their focus from producing aerated cold drinks to fresh fruit juices and that too in a packaged variety. Since fruits offer a world of nutrition and a sense of emotional appeal, packaged fruit juices have gained a good amount of market share.

This research aims at investigating the extent to which consumers intend to buy packaged fruit juices and their main driving forces behind this intention. This study also concentrates on understanding the various dimensions and elements which marketers use to sell their products.

The parameter of packaging for developing the interest amongst consumers for packaged fruit juices is looked at in more details in this research. In addition to this, the research also focuses in seeking opinions from people from all walks of life and backgrounds, specifically targeted in the Mumbai region. What are the various things that the consumer considers when they think, buy and use packaged fruit juice products.

With high competition, Indian market has emerged as a buyer’s market in the post-liberalization period. With growing number and varieties of brands and products in the
market, Indian consumers have increased their demands. Over the period, consumer’s attitude and perception towards buying, affects the choices they make.

1.1 Existing juice market

According to a study the world market will be reaching a consumption of 72.29 billion litres by 2017. Consumers are looking for healthy drink which has nutritional value. Juices are slowly and steadily getting into the consumer mindset when compared with soft drinks.

The global market is increasingly witnessing launch of new packaged fruit juice drinks products from established companies. Europe is the largest regional market at present. Asia Pacific is fast gaining grounds and is forecasted to have an annual growth rate which will be much higher than the average.

China and India which has growing economies have great potential and will be huge market in times to come. Mintel (2008) stated that annually consumers spend approximately 19 billion dollars for juice and fruit beverages. Today, consumers don’t like anything for a longer time, their consumption habits also therefore do change rapidly. More options are available to them now. In today times both spouses are working, time constraints, more education, rising income and willingness to spend for good, better, healthy and nutritional products have become the norm.

The idea to eat five vegetable and fruits per day was actively promoted by the health organization in the world, so as to be healthy and fit. Fruits and vegetables are rich in essential vitamins, proteins, fibre and minerals. It is a belief that if we consume enough of fruits and vegetables and make these products as part of our daily food intake, we
greatly reduce the chances of getting life threatening diseases. It helps consumers to be physically in shape and fighting fit.

Increasing awareness and importance of healthy living has resulted in a surge in the growth of juice market which currently stands at close to Rs. 3200 crores.

Fruit drinks account for major chunk of market followed by fruit juices and nectars. Some of the leading players in this sector in India are Dabur Real, Pepsi’s Tropicana, Frooti, Parle Agro, & Godrej.

1.2 Market Size

Over the last five years, the market for fruit and vegetable juice has grown at a steady rate. This growth is a result of increasing importance of leading a healthy life.

In order to understand the consumer behaviour, attitude and perception when they buy packaged fruit juices we need to scan the environment. Understand both the macro and the micro environment. Analyse the market players already existing, the trends that the market shows with regards to sales, revenue and profitability. We also need to understand the potential for growth in this market. The market shares of existing brands and what are their growths.

It is been seen that the fastest growing beverage market today, is the fruit based category. In the last 10 years it has grown at 30% compounded annual growth rate. The Indian market is valued at Rs 1100 crores. It is projected that in the near future, that is in the time frame of about three years, this market is poised to deliver a growth of about 15% compounded annually.

There are three categories in which the market of packaged fruit juices are segmented:
1. Drink which has a maximum fruit content of 30% called as **Fruit drinks**.
2. Drink having fruit content between 25% to 90% called as **Nectar drinks**, and
3. Drink which have fruit content of 100% called as **fruit juices**.

The highest selling category is the Fruit Drink one. It has 60% market share and the fruit content in this is approximately 30%.

The most popular brands in this category are Frooti, Jumpin and Maaza. Fruit juices has a 30 % market share whereas Nectar drinks claims a 10% market share at the present moment.

Due to rising health consciousness among consumers, there has been a gradual shift from fruit drinks to fruit juices. Consumers consider this more healthier and like to have it as a breakfast option.

The growth drivers of the Indian Packaged juices categories are:-

- **Increased health concerns**: There has been a rising awareness among the younger generation towards heart and weight related issues, so they want to use more healthier options.

- **Greater buyers realization**: Information is available to the present consumers by a click of the mouse. They are aware about any and many things. These so called informed buyers hence want to use and consume healthier drinks.

- **More Disposable income**: Due to increase of urban nuclear families, working couples the disposable income have gone up. This rising disposable income has made consumers use better and healthier fruit juices.
• **Hygiene** - Consumers today want to use products which are hygienically produced. Packaged fruit juices are manufactured and marketed by big multinational companies. These companies follow all the standards procedure and regulations required, and are certified by regulatory authorities. This gives confidence to the consumers who prefer to use packaged fruit juices when compared to local fruit juices in stalls.

• **Paradigm shift in consumer lifestyles** - Change is inevitable and the only constant in life. Fast lane life of today’s consumers, global exposure, eating and drinking habits have made them look out for convenience products. Packaged fruit juices are convenience products available conveniently for anywhere anytime consumptions. These are available in various size and shapes.

• **Strategic Retail** - Modern retail management with excellent shelf display and promotion, lure the consumer to do impulsive buying, which in turn drive the dynamics of growth. Shopping culture, big malls, various options increases the visibility of products which in turn drives sales.

• **Retail management** is a key driver for sales and profits. The booming retail is adding spice to it.

• Consumer’s enjoy shopping and is slowly becoming an entertainment activity for the entire family. Big malls have play stations for the children, which sometimes are spread over the entire floor.
Fig 1.2.1 Size of fruit juice market in India 2004 – 2009

The below diagram indicates the abundant potential in this sector.

Source: INDIAN EXPORT ANALYSIS

The above diagram depicts the market growth with the market size of fruit juices in India between the years 2004 to 2009.

Inferences:
1. Over the last 5 years, the market has grown from just under Rs. 120 crore to over Rs. 3200 crore. This indicates a Compounded annual growth rate of about 22%.

2. The market has also grown exponentially in terms of volume from under 250 million litres to close to 550 million litres.

1.3 Market segmentation- Fruit juice market

The process of separating into parts, groups or sections a large heterogeneous group into smaller homogeneous groups or markets, where people have same needs, wants and demands is termed as segmentation. When we undertake this process and implement it in the market place, this is termed as market segmentation.

Because markets today in any sector have a great amount of diversity, organizations do market segmentation by identifying two or more sub markets based on their needs for targeting and concentration.

Thus the target market and the target audience is a group chosen from the total market, who are then offered a product, which they may be willing to buy at a particular price point. An integrated marketing communication is then enacted and the product is made available through the appropriate channel. Thus we can say that targeting is addressing a specific group of people through a customized marketing program. A target segment is thus the segment of the total market that the marketer concentrates on.

There are different segmentation strategies used by the marketer. One of them is Market differentiation strategy. Many a times we do product differentiation, that is we give different product to different market segments. We call it market segmentation with
product differentiation. If we choose only one segment of the total market and concentrate on that segment only, then we call it concentration strategy.

There are various **benefits of segmentation**. Some of them are:

- The market is well defined. We are clear of the customer needs, wants and demands.

- The four Ps of marketing are all geared up to meet the specific customer needs. Thus marketing becomes very focused and responsive to the changing needs.

- Since marketing efforts are concentrated on specific segment, performance can be evaluated against target set.

- With globalisation comes increased and fierce competition. A clear cut segmentation policy helps marketer to position the product and design their competitive strategies.

- The integrated marketing communication is customized for a specific segment. Advertisements therefore become very effective and resources are better optimized.

Marketers normally have two approaches to segmentation. One divide the total heterogeneous market into small homogeneous markets or subgroups called segment. The second approach starts with individual customers. The point to note is that though segmentation divides the market, it is actually a consolidation in which different consumers are brought together on the basis of common needs, wants and desires.

However there are also limitations of segmentation. It is expensive when compared to mass marketing. In a segmentation process we need to have a different product given
to different market, hence our entire marketing mix needs to be different. Whereas in mass marketing, we treat the entire market as one and give one product to the same market. Changing and diverse consumer lifestyle has made segmentation difficult.

To do an **effective segmentation** we should satisfy three criteria:

1. It should be sizeable and substantial so that expenditure can be justified.

2. It must be easy to reach.

3. It should be responsive to our marketing programmes.

There are many other ways of segmentation. The various factors that differentiate segments are called as segmentation variables. The segmentation variables are combination of factors like motivational and need based, psychographics, demographics, perceptions, buyer buying behaviour and so on.

The most common **segmentation variables** used are

- Geographic
- Socio- economic
- Product usage
- Benefits and
- Psychographics.

Marketer also needs to understand the concept of family life cycle. In our study we need to understand segmentations based on Psychographic, Life-style, Behavioural and benefit segmentation.

The fruit juice market can be classified based on various product segments such as:

Fruit drinks (Maximum fruit content – 30%)
Nectar Drinks (Fruit content - 25% to 90%)
Fruit Juices (100% fruit content)

It is estimated that fruit drinks sector has the largest market share of close to 50% to 60%. Mango being a popular flavour amounts for 90% of volume across the players. Other players are orange and pineapple.

Parle Agro with its brand Frooti as the market leader covers a market share of 75% followed by Godrej with its brand Jumpin accounting for 15% and Coca Cola's Maaza and Pepsi’s Slice.

The share of 100% packaged fruit juice market segment is around 30% at the present moment. This sector is expected to grow around 20 – 25% annually. The rising number of health conscious customers and use of juices for breakfast are the key factors that will drive growth. The market players’ in this area are Dabur Real fruit juice with a market share of 55% and Pepsi’s Tropicana with 30 – 35%.

Nectar is the smallest category with an estimated market share of close to 10%. The market players in this category are Godrej, Dabur and Pepsi.

**Table 1.3.1 Key brands and product segments**

<table>
<thead>
<tr>
<th>Players &amp; Brands</th>
<th>Company</th>
<th>Brand</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fruit Juice</strong></td>
<td>1. Pepsico</td>
<td>Tropicana</td>
</tr>
<tr>
<td>2. Dabur Industries</td>
<td>Real, Real Activ, Real Junior</td>
<td></td>
</tr>
<tr>
<td>3. Godrej Industries</td>
<td>Xs</td>
<td></td>
</tr>
<tr>
<td><strong>Fruit Drink</strong></td>
<td>1. Parle Agro</td>
<td>Frooti</td>
</tr>
<tr>
<td>2. Godrej Industries</td>
<td>Jumpin</td>
<td></td>
</tr>
</tbody>
</table>
Source: Analysis of Indian export market

Fruit juices are poised for a robust growth in the future

1.4 India’s fruit juice- Export

With regards to the export trends of fruit and vegetable juice from India to the world, a product wise analysis of juice exports from India was performed. As per the analysis, on the whole, mango juice is the main exported fruit and vegetable juice (Covering 56% of total exports) from India. This is closely followed by mixture of juices, pineapple and single citrus fruit juice as shown in the below diagram.

Fig. 1.4.1 Analysis of fruit and vegetable juice exported in percentage
Considering the global averages our exports of fruits and vegetable juices are negligible. We need to push exports. We are an agricultural country with farming as one of the main sources of income. Indian government is giving lots of incentives and push to increase exports and be globally competitive.

### 1.5 Wellness and Health trends in India

India has the second highest population in the world followed by China, at present we stand as 1.1 billion. The second largest group of this 1.1 billion are the adults who are middle aged and who fall in the demographic age group segment of 45 to 55 years. The total of this group is around 21.2% which really is a large chunk.

Due to current life and work style, stress in family and work, this group spends a large portion of their disposable income on products which are nutritional and healthy. They want to consume better products and lead a lifestyle which will take care of their health.
They join gyms and constantly look out for products which are herbal, rich in minerals and vitamins content. There is an emerging growing trend among these groups of consumers towards these kind of products.

Packaged 100% fruit juices are one of this kind of products which they will love to use.

**Table 1.5.1 Retail Sales**

<table>
<thead>
<tr>
<th>Market Retail Sales</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US$)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wellness &amp; Health</td>
<td>650</td>
<td>705</td>
<td>776</td>
<td>852</td>
<td>933</td>
</tr>
<tr>
<td>Wellness &amp; Health Beverage and Food</td>
<td>2,284</td>
<td>2,449</td>
<td>2,644</td>
<td>3,199</td>
<td>3,897</td>
</tr>
</tbody>
</table>

Source : Euro monitor

As per the above table, a research on Market Retail Sales with regards to India’s Health & Wellness was conducted. It indicated a year on year increase in Health and Wellness Nutrition.

Most Indian consumers are joining gyms and health clubs this is becoming popular in all metros, mini metros and other smaller cities. This would have been one of the reasons for this growth. Apart from this, the sales on food and beverages also depicted a rise from approximately 2,284 in 2003 to 3,897 in 2007.

Similarly, the below chart showed a growing trend of food and beverages that increased year on year, from 2004 to 2007. This only shows that consumer would like to use packaged fruit juices as they consider it of good quality.
Indians want to use fresh products. They love to consider buying fresh products from across the self and consume it. So marketing this packaged fruit juices is a great challenge for marketers.

It is observed that they are also willing to consume fresh fruit juices as well as packaged fruit juices for self and family.

Table 1.5.2  Market Retail Sales - India’s Food and Beverage

<table>
<thead>
<tr>
<th>Market Retail Sales</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US$ )</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>India</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>512.9</td>
<td>553.6</td>
<td>633.3</td>
<td>716.7</td>
</tr>
<tr>
<td>Better for you</td>
<td>1,616</td>
<td>1,730</td>
<td>2,157</td>
<td>2,713</td>
</tr>
</tbody>
</table>

Source: Euro monitor from trade sources

Below is the sale trend on the nutritional aspect of health and it is seen that the intake of most consumers with Vitamins and dietary supplements increased from 460.6 in the year 2005 to 606.2 in the year 2008.

Herbal and traditional products as well as slimming products were consumed at a growing rate year by year.

The major reason for this growing trend would be the popularity of packaged fruit juices, digestive biscuits, and bread products that have been adapted from foreign markets. All these product categories have also found acceptance among Indian consumers.
<table>
<thead>
<tr>
<th>Market Retail Sales</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>(US$ )</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dietary &amp; Vitamins</td>
<td>460.6</td>
<td>505.6</td>
<td>548.6</td>
<td>606.2</td>
</tr>
<tr>
<td>Herbal products</td>
<td>411.1</td>
<td>452.3</td>
<td>493.9</td>
<td>547.1</td>
</tr>
<tr>
<td>Slimming</td>
<td>24.7</td>
<td>29.5</td>
<td>34.3</td>
<td>39.3</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Euro monitor

Globally the health stakes are very high in the present times. Obesity has been a major concern and has tripled over the years. Approximately 14% of all deaths reported today are due to modern lifestyles, which are sedentary and are also attributed to poor diet. It is estimated that around 71 billion dollar per year could be possibly saved in medical costs, lost productivity and early deaths, if we may consume healthier diets.

But the real challenge is all consumers across the broad spectrum may not have the same level of consciousness towards health and wellness. A young man of 22 may not have the same outlook as a 50 year old man. They may vary a great deal when it comes to their commitment regarding exercise, eating and drinking habits and thus they make different product choices.

Marketers therefore need to critically evaluate and consider these factors when identifying the segments which will provide greater opportunity. Understanding consumers and segmenting them properly will be immensely helpful in formulating and implementing effective marketing strategies.

Understanding consumers and their behaviours is thus very vital. The consumer may say something and do exactly the opposite. Their behaviour will lead them to take the
right decision, which suits them. Marketers therefore need to understand not only what the consumers are saying, but also what they are meaning. The various steps that they mentally go through when they take the decision to buy the packaged fruit juices, should be understood in details.

The first step in this is the need recognition. We need to study why will consumer want to buy? When will he buy? What will he buy? How will he buy? How much is he willing to pay? How will he use the product, consume it and finally after use dispose it. This entire detailed study for our consumers, who consume or will consume packaged fruit juices will go a long way in understanding their needs.

After need recognition the consumer will go for information search. Now they will get various alternatives. According to what fits them they will decide one, among various alternatives available. After that they take a purchase decision and go and buy. After using the product the post purchase feeling comes up.

If they get more than what they expected, they are delighted and come back again to purchase. If not, then they are dissatisfied and may not come back.

1.6. Trend of Indian Fruit Juices

(A) Consumption levels are small compared to existing leaders.

Fig. 1.6.1 Consumption of Fruit Juices in India/ UAE/ Germany
As is every clear from the aforementioned graph that the per capita consumption in India is very low as compared to other countries.

The above diagram depicts that Indian consumption is in stark contrast to Germany, where consumption is over 40 litres per capita per annum, or the United Arab Emirates (UAE), which has among the highest consumption levels at around 60 litres per annum. This reflects significant potential for expansion in India.

Also, although the country boasts a large consumer segment, per capita consumption of packaged juices is less than one litre per annum. Therefore, India acts as a high-potential and attractive destination for manufacturers looking to launch their juice
offerings with the highest estimated growth and the lowest levels of per capita consumption globally.

(B) Evolution of Packaged Fruit Juices

The fruit juices category has evolved over the recent past, and the Indian consumer is now more open to consuming packaged fruit juices. This is due to increased health consciousness and better products available to consume. The market is estimated to grow by approximately 15% for the period 2009–14.

Today, packaged fruit juices like ‘Tropicana’ have bagged the top position in foreign market. Founded in Bradenton, Florida, USA, in 1947, Tropicana was launched in India in the year 2004. Till a few decades, the Indian public was unaware of the brand’s existence. The product took a further leap with rising competitors in the market like ‘Real Active’, Real, ‘Dabur Real’ Fresh Gold and many more.

Be it Kiwi juice prepared from clarified Kiwi pulp, orange juices or varied mango flavours of Tropicana fruit juice, all serve nutritious value of real fruit beverages. These are more nutritious and healthier than bottled carbonated drinks.

Marketers are visualizing that at a later stage these carbonated drinks will get replaced by 100% packaged fruit juices. Hence there lies a great potential.

The unorganized sector dominates the Indian fruit juices market (street vendor selling fresh juices in front of the consumer). Companies advertising and promoting hygienic packaged fruit juices is seeing consumers slowly moving towards better products which are more nutritious and healthier and have been manufactured and packed in a safe and good environment.
An impressive growth of nearly 15% over the next five years has been estimated due to changing consumption patterns and a growing affinity towards quality products.

From a traditional Indian street vendor selling fresh fruit juices to Parle - Agro’s Frooti and Coco – Cola’s Maaza were among the first of packaged fruit drinks that Indian consumers were introduced to, nearly 25 years ago. Pepsico’s Tropicana 100% juice and Dabur’s Real Activ reflect the latest avatar of the Indian fruit juices category.

Fruit juices, fruit drinks and nectar drinks are the three segments which defines the packaged fruit juice market. In the last 15 years, over 10 brands of tetra packs and bottles fruit juices have been launched in India. In a country like India which limits itself to packaging budgets with low disposable income level, the introduction of packaged fruit juices resulted in lack of transparency and discomfort levels of consumers for opting for it.

The reason being, Tetra packs do not allow consumers to see the product which follows several assumptions. Consumers were used to see fresh fruit juice made in front of their eyes and therefore thought it is fresh.

Research shows that more than 60% of population in India preferred to see the fruit juices they were buying. This posed a great challenge for the packaged fruit juice category as India is becoming a country with adapted western style packing with an Indian style taste. Global exposure and thus better products, are what consumers want to consume. This is a positive note for marketers.

(C) Trends in the world of Packaged Fruit Juices
The below table depicts the average production of fruit juices in India as of 2002, 2003, 2004. It shows the emerging trend of various fruit and flavours that indicate a rise in the production of fruit juices.

Table 1.6.1 Trend of Fruit Juice production

<table>
<thead>
<tr>
<th>Fruit Juices</th>
<th>Average (1992/1994)</th>
<th>2002 (’000 Tonnes)</th>
<th>2003 (’000 Tonnes)</th>
<th>2004 (’000 Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banana Juices</td>
<td>9718</td>
<td>16820</td>
<td>16820</td>
<td>16920</td>
</tr>
<tr>
<td>Mango Juices</td>
<td>10108</td>
<td>10640</td>
<td>10780</td>
<td>10800</td>
</tr>
<tr>
<td>Ornange Juices</td>
<td>1743</td>
<td>3120</td>
<td>3070</td>
<td>3070</td>
</tr>
<tr>
<td>Apple Juices</td>
<td>1205</td>
<td>1160</td>
<td>1470</td>
<td>1470</td>
</tr>
<tr>
<td>Lemons and lime juices</td>
<td>863</td>
<td>1440</td>
<td>1420</td>
<td>1420</td>
</tr>
<tr>
<td>Pineapple Juices</td>
<td>956</td>
<td>1180</td>
<td>1310</td>
<td>1300</td>
</tr>
<tr>
<td>Grapes Juices</td>
<td>684</td>
<td>1210</td>
<td>1150</td>
<td>1200</td>
</tr>
</tbody>
</table>

**Table-2**

**Source:** Fruit Juices Production

According to recent market trends in the consumption of fruit drinks, the market which is estimated to be close to Rs 1100 crores, in India is growing at an approximate compounded growth rate of 15%.

The entire market is segmented into three broad categories based on the pulp content in the product:

1. **Fruit Drinks:** Here the fruit content in the product is less than 30%.
2. **Nectar Drinks:** In this the fruit pulp content is between 40 – 80%
3. **Fruit Juice:** In this product the content of pulp is 100%.
A report from Juice and Juice Drinks (The Consumer - US - January 2011) states the following inferences:

- Fruit Juice drinks consumers—teens, blacks, and Hispanics are hit very hard because of unemployment.
- Children were key drivers in juice and juice drinks market in 1999-2009 across the globe.
- Population growth of children will be lower during 2011-16, when compared to 2006-11.
- Population of teenagers promised no growth during 2006-11; but we may have a better outlook during 2011-16.
- Men are more active than women in the fruit juice drinks market.

The below rule shows total utility of products for consumption.

**Table 1.6. 2 Total utility calculations of stimuli- four possibility**

<table>
<thead>
<tr>
<th>Stimulus</th>
<th>Levels Defining Stimulus</th>
<th>Part-Worth</th>
<th>Total Utility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.20</td>
<td>3 + 2</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>1.60</td>
<td>5 + 2</td>
<td>7</td>
</tr>
<tr>
<td>3</td>
<td>1.20</td>
<td>3 + 1</td>
<td>4</td>
</tr>
</tbody>
</table>

**Source:** Thesis Bonilla

Based on three market segments, examination of the relationship, if at all present, was done between two variables, consumer characteristics for fruit juices and consumer perception and preferences.
The study showed very clearly that there exist a strong and direct relationship between what the consumer prefers to use and the types of consumer characteristics. The different characteristics studied were price conscious consumers, health conscious consumer, convenience product users and environment conscious and information seekers.

**Table 1.6.3 Results of Data**

<table>
<thead>
<tr>
<th>Material of package</th>
<th>Info. Seeker &amp; Environment</th>
<th>User-Convenience</th>
<th>Conscious-Price</th>
<th>User-Diet</th>
<th>Conscious-Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pet Bottles</td>
<td>1.35*** (.274)</td>
<td>1.86*** (.499)</td>
<td>2.29*** (.435)</td>
<td>1.73*** (.231)</td>
<td>1.63*** (.503)</td>
</tr>
<tr>
<td>Tetra-Pack</td>
<td>-.300 (.283)</td>
<td>.591 (.436)</td>
<td>.333 (.456)</td>
<td>-.076 (.234)</td>
<td>.853 (.542)</td>
</tr>
<tr>
<td><strong>Nutritional</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nil Sugar</td>
<td>.109*** (.344)</td>
<td>-.359 (.425)</td>
<td>.301 (.472)</td>
<td>.298 (.241)</td>
<td>.781 (.508)</td>
</tr>
<tr>
<td>Vitamin C</td>
<td>.257 (.335)</td>
<td>-.424 (.472)</td>
<td>.321 (.472)</td>
<td>-.185 (.257)</td>
<td>.685 (.546)</td>
</tr>
<tr>
<td>Index-nutrition</td>
<td>.522 (.350)</td>
<td>.200 (.475)</td>
<td>.003 (.526)</td>
<td>-.292 (.279)</td>
<td>.311 (.587)</td>
</tr>
<tr>
<td>Produced</td>
<td>.047 (.199)</td>
<td>.109 (.323)</td>
<td>.407 (.334)</td>
<td>-.017 (.167)</td>
<td>.298 (.348)</td>
</tr>
<tr>
<td>Organic</td>
<td>.1555 (.274)</td>
<td>.215 (.389)</td>
<td>.177 (.353)</td>
<td>-.186 (.213)</td>
<td>-.015 (.389)</td>
</tr>
<tr>
<td>Price</td>
<td>-.185*** (.407)</td>
<td>-.153*** (.567)</td>
<td>-.270*** (.580)</td>
<td>-.101*** (.304)</td>
<td>-.195*** (.615)</td>
</tr>
<tr>
<td>Neither Option (ASC)</td>
<td>-.219*** (.485)</td>
<td>-.261*** (.751)</td>
<td>-.192*** (.717)</td>
<td>-.161*** (.396)</td>
<td>-.754 (.821)</td>
</tr>
</tbody>
</table>

**Source:** Unrestricted Bonilla Thesis

- Significance level as applicable

**Inference:**
1. Vitamin C content, nutrition and local production were not as significant.
2. Content of sugar, PET bottle and price showed significance in the purchase decision making process.

To achieve a clearer view on the factors that affect the consumer demand of fruit juices, the below insights and statistics through Environment Conscious and Information Seeker Segment are explained in detail.

**Table 1.6.4. Table on insights**

<table>
<thead>
<tr>
<th></th>
<th>Environment Conscious User</th>
<th>Convenience Product User</th>
<th>Price Conscious User</th>
<th>Diet Product User</th>
<th>Health Conscious User</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>31%</td>
<td>27%</td>
<td>37%</td>
<td>23%</td>
<td>34%</td>
</tr>
<tr>
<td>Package Material</td>
<td>34%</td>
<td>42%</td>
<td>38%</td>
<td>51%</td>
<td>35%</td>
</tr>
<tr>
<td>Nutritional and Health</td>
<td>25%</td>
<td>13%</td>
<td>6%</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td>Locally Produced</td>
<td>3%</td>
<td>3%</td>
<td>14%</td>
<td>2%</td>
<td>13%</td>
</tr>
<tr>
<td>Organic Ingredients</td>
<td>6%</td>
<td>15%</td>
<td>5%</td>
<td>5%</td>
<td>2%</td>
</tr>
</tbody>
</table>

**Source:** Bonilla Thesis

**Inference:**

It is noteworthy to note the under mentioned inferences

1. Diet product user, set of consumer gives utmost importance to package material which is 51%.
2. Convenience product user gives 42% weight age to packaging material.
3. All segment of consumer in the above table gave maximum magnitude to packaging material used in the product.
4. All groups gave low preference to the organic ingredient in the product.
5. Price of the product was the next higher consideration followed by nutritional and health.

Consumers who usually don’t read labels consider locally produced and organic products more important than consumers who are high information seekers.

**Fig. 1.6.3** Information seekers on packaged products.

Source: Thesis Bonilla.pdf

High information seekers give lot of importance to the label. They read the contents and everything on the label like manufacturing date, expiry date etc.
(D) Factors which drive the growth

1. **Lifestyle of consumers**: This is the major factor. The packaged juices market is growing at a very rapid pace. Consumer lifestyles are changing and so is their purchase behaviour. They want to use better products which are conveniently available at anytime and can be used at any convenient place.

2. **Hygiene**: Consumers today want to use hygienic products. They want to use products which are manufactured in clean environment. Most of the fruit juices are manufactured by big companies. They comply and adhere to strict regulations. The norms are stringent.

3. **Growing category of informed buyers**: Buyers today are an informed lot. Vast information is available to them over the internet, magazines, books, journals and publications. They therefore want to use nutritional, clean and better products.

4. **Increased Health Awareness**: There is an increased awareness towards healthier living. Life threatening diseases, sedentary lifestyles and stress related symptoms are the norm today. Consumers and particularly young consumers want to combat these by using better products which are healthier, nutritious and better.
5. Introduction to new flavours: To attract consumers to fruit juices, marketers are continuously developing new taste, new flavours and new pack sizes. They are researching what it is that the consumer may need, want and demand tomorrow and are making efforts to develop these new products and make it available to the market.

(E) Opportunities

The advent of the packaged juices market throws up many opportunities.

The Retail boom by itself is seen as a great opportunity for marketers to display their products and make it conveniently available at very place. There is a gradual shift towards 100% fruit juices.

Product extension: Product extensions are part of marketing strategies for all companies. They are understanding the various changing needs of the consumers and are launching new better convenience products. The launch of Tropicana powder sachet is one such example. The powder can be put in a glass and consumed with water directly. Marketers are creatively innovating lot of products which has huge potential in the market.

Health benefit: Consumers today are health conscious. They want to take care and precautions. So they want to use products which have lower sugar content, rich in nutrition and are healthier to consume.

From sweetened juices to non- sweetened: This provides a huge opportunity to marketers. The market is big and is growing. Growing health concerns and better living prompts the consumer to use this kind of products.
A recent report dated March 16, 2014 in The Hindu, Business Line reported that rural India is switching to packaged juice. It says PepsiCo India is witnessing a health and wellness macro trend emerging in rural India. The preferences of consumer in tier-II cities are also shifting towards a healthy, refreshing and nutritious fruit juices. There has been a growing affluence in these markets for better products in a convenient branded format.

It also reported that fruit juice competes head on with carbonated drinks. The later is slowly losing its shine among health conscious consumers.

1.5 Consumer Behaviour Study, Perception and Attitude towards packaged fruit juices.

This research project will try to give some vital insights on why, how, what and which circumstances influence a consumer’s buying decisions and, offers various inferences made out of analysis.

Consumer behaviour study

This refers to the behaviour consumer shows when deciding to buy or not to buy, deciding to use or not to use, deciding to dispose or not to dispose, products which they feel may satisfy their needs, wants and demands. The behaviour tries to answer the under mentioned questions:

- What products or services do consumers buy?
- What is it that makes them buy?
- What price are they willing to pay for the product or the service? Etc.
Correct answers to these questions are very vital for the marketer. So we need to undertake consumer research.

Consumer research is not just understanding and being restricted to consumer buying decisions. We also need to understand after they purchased and used the product, what has been their experience. Are they satisfied, dissatisfied or delighted and if so why? Marketers need to continue doing more of what the consumer likes so that satisfied customers become loyal customers.

In consumer behaviour study we will learn the reason and logic behind consumption related decisions. What motivates them to take action? In other words we have to draw conclusions from various disciplines like sociology, psychology, anthropology, social psychology and economics.

In the early days marketers thought that, if we are able to predict how consumer behaves, we will be able to influence it. This is a positivist approach to consumer behaviour. It was thus named as applied marketing management. But today times have changed, it is an inter-disciplinary subject. There is a focus on simply understanding the different and varied nuances of consumer behaviour, and this approach is called interpretivism.

Since past experiences plays a great role during buying decisions and such experiences are always influenced by various other factors, therefore interpretivism is also called experientialism. Both these approaches are complementary to each other. Consumer research has two approaches:

1. Objective positivist approach, and

2. Qualitative interpretivist approach.
Marketing concept is the fountain head of consumer behaviour studies which the marketer undertakes for formulating great marketing strategies. Marketing concepts enunciates that we first need to understand, correctly, the needs, wants and demands of the consumer and then we should make a product or service and market it. Consumer buys.

Research shows that Indian consumers show some core values like great family orientation, value seeking, progress orientation and class consciousness. There has been a paradigm shift between previous generation and today's generation.

The consumers are very demanding today. Due to various options available to them, they don’t like anything for a longer time and thus are always on the lookout for change. Better technology, convenience, customization at the right price is what they look for.

They are thus experimentative and are open to try new products and services. Value for them is just not only price but a combination of quality and price. If they are able to see value in the product or service offered, price will not be a constraint to buy.

The force that drives the change in consumer behaviour in the new millennium are:

1. Environmental changes:- such as rising income, economic prosperity, more disposable income, facilities to finance purchases.

2. Social and cultural factors:- such as globalisation, urbanisation, nuclear family culture and dual income households.

3. Media boom :- Media has become totally consumer oriented, and

4. Corporate activity, products and promotion.
The values driving the evolving consumer preferences today may be described in the value chain as Quality, Entertainment, Price, Time, Energy and Stress.

Now let us understand what is **Consumer Perception**.

The way we look at objects, things, individuals, events and the world in general can be termed as perception. Our sense organ keeps on receiving messages. We call them stimuli.

We recognise these stimuli, select them, organise them in our mind, the way we want. Which simply means that two consumers may look at the same product or service in different perspective, one may find it good and the other inferior.

Perception is therefore defined as the process of selection, organisation and interpretation of idea, design, product or service from the consumer perspective.

The study of perception is to a large extent, the study of what we subconsciously either add or subtract from the raw sensory inputs to produce our own individualised picture of the world.

Our response to stimuli which is immediate and direct is called sensation. We respond to stimuli like ads, packages and a brand name. If environment remains unchanged, it provides little or no sensation. Sensation always goes hand in hand with perception. What we sense is what we perceive and vice versa.

Threshold indicates a level. Marketers need to understand the level at which the consumer gives up. This is used for giving discounts so as to increase sales. Another concept is Just Noticeable Difference (JND). It is the minimum difference noticed between two stimuli. It so happens that the consumer do not notice the downsizing for which they may be paying the same price. Changes in the product or
service will happen gradually in a phased manner and the transition is not noticed. For example change in weight of a product without changing the physical pack size.

Consumer choices are also influenced through sub-liminal perception. Wilson Bryan Key has said subliminity is an inalienable attribute of all communication. Junk food advertisements uses sub-liminal techniques. A celebrity smoking in a cigarette ad shows a glamorous person and wants to convey that if you smoke you will also be glamorous. This is using sub-liminal perception effectively. Sub luminal messages play upon human fears and desires.

Sub–liminity is justified and used to create, arrest attention and gain visibility. It is also used efficiently to differentiate products and services. To improve the effectiveness of sub-liminal messages, they are again and again repeated so as to get a positive response.

We are subjected to countless stimuli every day, but we select what we find convenient to select, this is called as perceptual selection. The most apt stimuli to the consumer is selected and therefore recognised.

Selection however also depends upon the nature of stimuli. Previous experience also plays an important role. To get attention marketer also use Contrast. However sometimes lack of contrast also leads to perceptions. Package design therefore should be such impressive that it ensures rapid positive consumer perceptions.

Most of the time consumer sees what they expect to see. Their previous experiences regarding the product or service effects what they expect from the brand. Advertisers like to have the stimuli to be broadly recognised and retained in memory.

The under mentioned aspect of perception therefore requires close monitoring:

- Selective exposure.
- Selective attention.
Selective distortion, and
Selective retention.

Perceptual interpretation is a process where each individual interprets a particular stimuli in his or her own way. This interpretation is depended on their past experience, interests they have and motivation at the time of perception. Most of the time stimuli may be weak. But strong stimuli normally shows a lot of variations, which depends on their illumination and angle of viewing. It has been observed that weak stimuli leads to high subjective interpretation, as has been seen in the projective tests administered.

The consumer interpretation may be realistic at times or may be very far away from reality. But the truth is, the consumers will take decision based on their perceptions.

Some of the distorting influences on perceptions are:

1. Physical appearance: This plays a very vital role. The feeling is models, actors, celebrities who are attractive and good looking are persuasive. Example is good looking people are considered successful while men who have long beard are looked as terrorists. The stimulus factor is similarity in our physical appearances. Moreover marketers feel their is a high rate of recall of brand when we use celebrities.

2. Halo effect: This is also called stimulus generation. Here consumers make judgement on the basis of one or a few dimensions. Brands therefore go ahead and do brand extensions. The entire concept of Franchises is based on this halo effect.

3. First impression: As the saying goes, we will never be able to get a second chance to make a good first impression. So marketer needs to focus on creating a great first impression.
4. Stereotypes: Consumers tend to generalize their views as per their stereotype. These are formed by our impressions.

5. Jumping to conclusions: We generally jump to conclusions all the time and do it impulsively. Advertisers therefore put as much punch in their advertisement as possible.

It is therefore imperative for marketers to do perceptual mapping.

They should understand how do consumer perceives, compare their products or services with other competitive products. Perceptual maps indicate which products consumers find similar when mapped against any two parameters at any given time. We may collect consumer information as preference data or similarities data.

Preference data will tell us what and which of these pairs do they prefer. As per similarity data- if we take three different brands at one time, in which two brands should be most similar and two brands least similar. We will use computer software and place the data in different dimensional places. This is very useful in product and integrated marketing communication strategies.

Marketing communication plays a great role in building an awesome corporate image. We may use semantic differentials to distinguish different companies in the same sector. A favourable company image greatly influences and positively impacts acceptance of its products and services. For example perception of a nice store image, leads to perception of good quality products.

The relationship between perceived quality of a product or service and perceived sacrifice done determines the perceived value. If this perception is positive, consumer thinks positively about the product or service. A in depth market research on consumer perceptions therefore has become so very important.
Another very vital parameter is to understand the nature of consumer attitudes. Attitudes may be formed from perception. People have and exhibit different kinds of attitudes towards products and services, company's image, brand and promotion. Attitude is what leads to behaviour. Attitude is an inner feeling, as to how we are predisposed to an object. This predisposition may be positive or negative. Consumer research is undertaken to understand a positive or not so positive predisposition towards an object.

An object is interpreted as both product or product category. It may be a brand or a brand line extension. In integrated marketing communication, advertising is also considered as an object. Media, price, manufacturer, distributor, retailers all may be considered as an object.

When we do attitude research we do it object-specific. Consumer behaviour is consistent with their attitude. But as is the case in everything attitudes can, may and will change. As consumers are free to act as they desire, they tend to choose and buy products which are consistent with their attitudes. But sometimes the ability to pay may not be there. Sometimes a brand may be purchased by the consumer not because they have a favourable attitude but because of the circumstances. A good example of this could be people buying medicines which are expensive, when they are not well.

Attitudes do not have the same salience for each individual, as the circumstance of each is different. Usually relevance may not be salient to an average consumer. Consumers have different attitude towards different features in the product, like they may think differently about the price, performance, company and image.

All this therefore show various salience, for example price may be a very salient feature when it comes to buying a food product but may not be very salient feature when the same consumer goes to buy salt. It is therefore product, consumer and environment dependent.
There are three components to attitudes:

- The component which is cognitive in nature.
- That part that is termed as Affective, and
- Conative component.

The consumer cognitions leading to beliefs, which he has about the object, is termed as cognitive in nature. These beliefs are towards various different attributes the object possesses. Example could be a branded perfume like Cool water, which consumer feels has a great unique smell and is long lasting. The consumer beliefs that they can use this on special occasion and is very fashionable. These beliefs are therefore also said to be evaluative in nature. They may be good, positive, favourable or just the opposite.

The feeling or emotional component of the attitude is called as Affective component. The feelings here are also evaluative in nature but are emotional like love- hate, good-bad etc. The affective component leads to an emotionally charged state like happiness, sadness, disgust and so on. This kind of emotional state of the consumer leads to a positive or a negative experience which greatly influences the buying behaviour.

Conative component represent the readiness to respond. It shows the tendency to behave or act in a particular way with regards to an object. In modern marketing the buying intention of the consumer is a conative component.

Direct measurement of attitude is possible but it fails to satisfy completely, as it is difficult to pinpoint the reasons why there is a positive or a negative attitude towards a particular brand. The consumer cognitive evaluation of the various attributes of the brand affects his decision on the brand preference or liking.
This is also called as multi-attribute evaluation of a brand, where the consumers are asked to rate the brand on a few attributes. A few mathematical and statistical models are used. Two of them are:

- Fishbein’s Model, and
- Theory of reasoned action model

Advertisement greatly influences consumer attitudes. Marketers need to understand the formation of attitudes. Attitude formation is a:

1. Learning process.
2. Sources of influence, and
3. Personality.

There is a condition of no attitude towards an object from which we can shift to some attitude towards it. Learning is what causes this shift. Cognitive learning theory is related to attitude formation. Instrumental conditioning is seen when the experience of a consumer using a brand towards which he had no attitude leads or develops some attitude, once the consumer is satisfied.

Family, peers, groups, personal experiences, environment, marketing and mass media influences our attitude formation in a big way. This are termed as sources of influence

A change in consumer attitude is also influenced by learning, sources of influence and personality. Big brands and company’s which have the highest market share and are leaders in their category wishes to influence and retain the positive attitude towards their brand, while the market challenger and the follower brands continuously strive to change the attitude of the consumer towards their brands.
Several strategies are formulated and implemented by marketers to bring about a positive change in the consumers, towards their brand.

We can bring about a change in attitudes by making new needs, wants and demands more specific and prominent to the consumers. This we can do by bringing about a change in basic motivation, by what we call as functional approach. These functional approaches are:

- Instrumental in nature
- Function which is Ego-Defensive
- In nature it is value-Expressive, and
- Function based on knowledge.

Some consumer may consider a brand instrumental, some ego-defensive and some value-expressive.

We assume and presume that there is a very strong relationship between attitude change and behaviour change. Research has shown that behaviour change often culminate in attitude change. It is therefore imperative for marketers to deeply understand and study the attitudes and attitude change for their products and services.

Consumer behaviour is a process and does not consist of only discrete acts. The type of products or services, defines the way consumers takes a decision. These decisions are however based on the personality type, environmental factor both macro and micro, demography, technological, social and cultural factors. Thus marketer needs to scan the total environment.

This whole series of decisions can be described in five stages. These are:

1. Recognition of the need.
2. Seek information about products which will satisfy the need.

3. Evaluate the various alternatives, researched.

4. Take a purchase decision after choosing the right alternative.

5. Evaluate post purchase feelings.

The decision making process starts much before the actual purchase and continues much beyond it.

Problem recognition is the first step in the buying decision process. This is also called as need recognition. Here the consumer recognises their need. Need is never a physical product. It is the basic necessity. Marketing efforts greatly facilitates the problem recognition stage. Psychological factors also influence problem recognition stage.

After the need is recognised, consumer goes in for information seeking. That is, what are the various options available to them to satisfy their needs. The amount and type of information that is sought is related to the product and the consumer's personality. Information seeking starts with cognitive internal search that is retrieving information stored in memory.

The consumer alternatively or inclusively also starts an external search, that is seeking information from all other sources. The major external sources are family, friends, peers, media, distribution channels and the consumer own experience.

Now the consumers have lots of options available to them. They have to choose between various alternatives by evaluating all of them. The brands that the consumer consider while making a purchase decision forms an evoked set, which is a small proportion of the total availability.
Each brand in the evoked set is evaluated against a few criteria. A consumer buying any product considers the under mentioned criteria when taking a buying decision. These criteria are:

- Brand name
- Price
- Company image, marketing the brand.
- Appearance
- Benefits offered
- Warranty
- Technical specifications.
- After sales service

These criteria are assigned different weight ages by different consumers. That will depend upon the perception of the individual consumer. Advertising and the entire promotion mix influences their decision to decide between alternatives.

After the alternatives are evaluated purchase decision is taken. But if the preferred brand is not available then the buying decision will undergo a change. In such circumstance the next brand may be purchased.

But the ultimate buying decision is taken after the price negotiations are complete. If the consumer wants to buy or considers the product he wants to purchase a speciality product then he may be willing to buy it at a higher price or without any price negotiations also.

Finally the post purchase feeling and evaluation. When the consumer starts using the product he will have actual experience. His evaluation when using the product will establish his feelings about it. When the desired expectations are met the consumer feels satisfied and if what the consumer experiences is much better than
what he expected, when he bought the product, then he is delighted. A delighted customer becomes a loyal customer over time and becomes the word of mouth.

There are three types of purchase decision behaviour that consumer exhibits.

1. Routinised Response behaviour.

2. Limited Problem Solving behaviour, and

3. Extended Problem Solving behaviour.

When consumers have a very low product involvement it is called as routinised response behaviour. When the stakes for buying and using the product is not so high and the price of the product is also low, consumer does not mind trying the brand.

When the consumer is aware about the brand, that is available and have limited involvement in the product, we say it is limited problem solving behaviour. The marketers through their promotion mix should explain complete features of the new brand and this will help in building consumer confidence which in turn will facilitate purchase decision.

Extended problem solving occurs when the consumer wants to know everything about the product. In this case most of the time the price is high and the risk involved in buying the product is more. This concept is applicable to new product launches, technical products and high valued products. Since the risk is higher the involvement of the consumer drastically goes up.

Researchers have developed various models to explain the influences on consumer buying behaviour. One such model is Howard Seth model.
Schiffman-Kanuk model of consumer decision making takes care of two types of individuals: consumers, one is cognitive and problem solving and the other is emotional. It has three components – input, process and output.

Since product differentiation is thinning it is becoming increasingly difficult for one company to say how my product is better than the other. Therefore what sells is relationship. The emphasis these days is to retain the existing customers at all cost. This is called as Relationship Marketing. It opens up a two way communication channel with consumers and has immense potential to win their loyalty.

As per ‘Drink Technology India Fair’, India offers a huge opportunity as their is immense potential. At the present moment India accounts for only 10% of the world beverage consumption. This is at present the third largest in the world. Given its huge market we may safely say that at present our market is in the initial stage of operation and we have a long way to go.

According to Beverage Digest, India has an astounding 85% consumer base. Presently the entire industry as such is grabbed by the carbonated drinks. Brands such as Parle Agro, Pepsi and Coco-cola have been intense rivals with fruit juices. However, Cavinkare, Dilate & other new entrants also share the market share. ‘Tetra Brik’, a product which was first created by Mr. Ruben Raising, contained more of milk. This novel gained instant popularity because the product was efficient and a major space saver compared to the canisters that were previously used.

The juice box was officially incorporated in the U.S. market in 1980. This invention made a mark in the world of packaged juices.

Apart from its diversity in terms of income, product prices, culture and growing trends, India is very unpredictable market as it is moving through a phase of drastic transformation in lifestyle, with its young population and growing per capita income.
The beverage market is worth $55 billion worldwide. While carbonated soft drinks and beer categories are trading water with flat sales, the category of packaged fruit juices is surging ahead like never before.

Most of the consumers have attitudes towards products and services, organisations, promotions and issues. Attitudes are the most basic constructs leading to behaviour. Beliefs and opinions are held on basis of our knowledge.

Consumer perception is implied as “the way we look at” the objects, individuals, events and the world in general. Since each individual is unique in his needs, expectations and motivation, each person’s perception is also unique. For Eg. Cadbury stands as a perfect example of perception, when its market stagnation stood to be a major problem. In order to tackle this, it attempted to change the consumer perception about chocolates. They wish to position chocolates as universal products that anyone could enjoy. Amul tried to reposition chocolates by promoting them as gifts to someone you love. The focus remains on gift, and does not cross across the age barrier. Cadbury is promoting chocolates by equating its consumption with natural spontaneous behaviour on the part of adults.

Consumer behaviour study is a mixture of various elements. We need to learn the psychology of the consumers. The sociology and the economics aspects are also very important. These elements influence the purchase decision making process going on in the minds of the consumers. This therefore is very important to understand in detail and depth.

It studies and analyses consumer characteristics such as behavioural variables and demographics. It also tries to understand the factor which influences the consumers to buy. The groups like family, friends, peers and references.
Consumer’s behaviour is consistent with their attitude. This consistency is relative because attitudes may change. It means, a favourable attitude towards pulpy fruit juices would make one buy packaged fruit juices that contain pulp.

On the other hand, a negative attitude towards artificial flavouring and preservatives may prove to be a turn off for health conscious people and may not buy packaged fruit juices.

At times, situation plays an important role in shaping our purchase behaviour. For example purchasing power leads to buying a substitute of a particular product. A brand may be purchased not because of a favourable attitude but because of the pressure of a situation.

The preferences of deciding whether to buy a fruit juice or not depends upon the belief that is ‘packed loses freshness’. Around 81% of fruit juice consumption in India is unplanned and 38 % was pure impulse. Planned purchase of fruit juice was prevented only in metros. Only 2 % of population was involved in consuming fruit juices as Indians prefer fresh juices made in front of their eyes.

The entire confusion on consumer buying behaviour aimed at one point i.e. too many options which affect the decision making process of a consumer. Sophisticated cocktail culture lead to increase in disposable incomes and most importantly, the increase in health consciousness among consumers which are the major growth drivers in the fruit juice market.

Consumers purchase products which have routine utility value, but the cost is low such as detergents tooth -paste etc.

Customers purchase low involvement products which is also known as ‘Variety Seeking Behaviour’. With this perception, the present study has been designed with reference to processed tetra packed juices. This study also examines the consumer behaviour and brand loyalty for tetra packed juices in Mumbai Metro.
1.6 Problem points about Packaged Fruit Juices

When it comes to the problem points of packaged fruit juices, factors such as failure to process adequately, imperfect seal, overripe, or inferior fruit used and many such reasons add to the hesitance of consumers to purchase packaged fruit juices.

Mumbai residents are more willing to try new foods and packaged fruit juices as compared to those in other Indian cities. As Mumbai is home to a more progressive and skilled labour force than other parts of India, many multinational companies test market new products in the city.

Research has shown that there is a steady growth in consumer spending which is more than 11.5% a year. For more than a decade a large chunk of Indians consumer expenditure is based on basic necessities, especially food consumption. Hence it is not surprising that food, beverages and tobacco account for as much as 50% of consumption expenditure in 2006. The remaining 50% is related to non-food items which are expected to rise, due to the growth of per capita income.

There are however a number of challenges that need to be combated to really skyrocket the sales of packaged fruit juices. There are two primary challenges.

1. Overall unorganised nature of the market, and

2. Reluctant attitude and approach of farmers towards fruit farming.

The Indian market is totally and grossly unorganised. Consumers prefer to consume fruit juices from road side vendors. This is because they feel it is fresh. The vendor according to what the consumer demands, cuts the fruit and then puts it into the mixer grinder. The output in the form of juice is seen by the consumer.
perception therefore is that they are consuming fresh fruit juices which are prepared in front of their eyes.

The other factor is the reluctant attitude of the domestic farmers.

- The farmer feels it is more respectable to do crop farming rather than cultivation of fruit and vegetable. This is a typical mind set among the farming community, so there is a great aversion towards fruit farming.

- Moreover fruits and vegetables are very venerable to climatic and weather conditions and therefore there is a continuous risk of high price volatility.

- The probability of spoilage is high as the farmers do not have great storage facilities.

- Unlike stored crops which are considered as financial assets, fruits and vegetables are not considered so.

But with the government providing support to the food processing industry, this is bound to change and change soon, for the better. 100% FDI is allowed by the government in this sector. Cold storage facilities and infrastructure required are given lot of attention. Government has also reduced custom duties and corporate taxes on food processing plants and infrastructure. It has also set up and encouraged free trade and export processing zones for the industry.

Today a detailed manufacturing process is followed to produce good quality fruit juices which are nutritious, hygienic and healthy. The different stages are:

- Collection of fruits after harvesting.
• Grading and cleaning the fruits.
• Take out extract.
• Pasteurisation.
• Filling and packing.

The objective and purpose behind the processing of fruit juices is to retain their original properties for as long as possible. As fruit juices when fresh have the finest taste and nutrition. So in order for fruit juices to retain their originality for the longest period possible, processing is done. Varieties of techniques are used to do this.

In order to increase their shelf life and thereby save on storage related costs and give freshness, concentration of juice is done. This is a very important stage in the fruit juices manufacturing process. The entire process is carried out in a sterile environment.

We can safely say that inspite of the various challenges, the fruit juice market in India is poised to have a great, bright future.
1.7 Demonstrating Social Responsibility

Consumers expect companies to be socially responsible as this makes a big impact on their buying behaviour regarding corporate social responsibility. Corporate social responsibility also affects a company’s profitability to a great extent.

One of the most popular approaches to CSR is to give financial donations and aid to charitable organisation. Some also involve themselves in community development. A more professional approach to CSR which is fast evolving is to create shared value. This is based on the idea that corporate success is linked to social welfare and therefore goes hand in hand.

This also leads to the idea that every business needs a competent workforce, sustainable resources, suitable government policies and in turn society needs good profitable businesses to create ample opportunities and income. Creating shared values thus focuses on how organisation can create and build strategic competitive advantage by adding social values to their activities.

Therefore social and environmental are two different forms of CSR.

Apart from ethics trainings inside corporations, the government also needs to exercise this regulation. The Sanchar committee had suggested that there should be a social audit conducted by all companies, in the same line as a financial audit. Companies need to give an account for what all did, for the social cause in the previous financial year.

The CSR Initiatives to the company will help in:
1. **Reputation building and Branding**

Being socially responsible brings in benefit in the form of reputation building from a practical perspective. Good reputation of a corporation always attracts good employees, who are motivated and make up for a great work force. The loyalty towards the company goes up as they feel part of it and do everything possible to contribute to the positive growth of the corporation.

2. **Cordial relationship with consumers**

This factor creates positive image in the minds of the consumer. They want to be associated with it and therefore buy their products. Thus the sales revenue of the company goes up and so thus profitability. Consumers want to be associated with the company as their engagement goes up.

The increased involvement of the company in community services and other social activities, enhance the corporate image in the eyes of the consumer. Goodwill thus increases which attracts new customers. The need to associate with the company increases, which clearly shows it effects in share prices and corporate social audits. Thus corporate social responsibilities have become a very important part of the corporate strategy.

Other benefits include:

- Assurance of ripening of fruits in proportion and usage of harmless chemicals in fruits as a social responsibility.

3. **Enhanced employee relations**
Companies are able to get, recruit, train and motivate employees. They show increased loyalty and commitment. This helps them to come with different innovative ways to reduce cost and boost productivity, which in turn improves profits.

4. Improved relations with investment community

There is growing evidence that companies who are practising CSR are outperforming their competitors. The investment community therefore are continuously exploring and monitoring if there is a link between performance metrics and CSR. Thus good practise of CSR will help the company grow confidence in the investment community. This will further improve stock market valuations and its capacity to generate funds from the market.

We can safely therefore say that CSR must and should be looked by business as a form of capital investment which help company position itself as different, in the market place.

Integrating Corporate Social Responsibility (CSR) through the Fruit Juice CSR Platform can hereby identify, describe and assess ‘best practice’ cases in CSR, in the fruit juice industry and enhance visibility of current and future CSR efforts.

The platform can facilitate discussions, workshops, best practice exchange and solution and imparting education on how to address social, environmental, ethical and human rights concerns throughout fruit juice supply chains. It also proves to be beneficial in many other ways.

Setting industry-wide corporate social responsibilities commitments and targets and develop effective strategies for the implementation of strategic CSR in fruit juice supply chains can bring about great recognition by consumers in the long run.
Today, many households have started consuming fruit juices along with fresh fruits in their breakfast menu. Hotels serve fruit juices as part of their breakfast packages. This trend is catching up fast and will make great inroads and strides in the consumption pattern. Adults, children and senior citizens all of them will be consuming packaged fruit juices.

Marketers therefore need to consider all these segments when formulating their marketing strategies. Whenever we are in a competitive environment we need to have a strategy. Therefore strategic decisions are very vital. These decisions have a long term perspective, are centralised and are taken by top management. These decisions are therefore concerned with the allocation of the total resources after looking at the product and market opportunities.

The characteristics of strategic decisions are:

1. Orientation in the future:

Decisions are taken in view with the future direction the company wants to take. Various views about the economy, society, regulatory environment, potential and prospects in the business, industry structure and competitive environment to name a few have to be looked into.

2. Scope of the Organization:

The long term direction the company wants to take coupled with the value orientation influences the scope of the organization. The key decision in strategic management is to determine which business the organization should be in.

3. Value Orientation:
Value system of the organization affects their strategic decisions. Business ethics and philosophy the organization needs to follow comes from their value system.

4. Resource commitment:

Organization need to commit the resources required to achieve what they set out to do. Since this is long term in nature a through objective setting needs to be done.

5. Means to an end:

The means to achieve the end objective is through a great strategy. We need to have our mission and goals clearly defined.

6. Integrated and comprehensive:

A strategy needs to be highly integrated and normally comprehensive in nature.

7. Competitive orientation:

Strategic decisions aim at gaining a very sustainable competitive edge for the organization.

8. Strategic fit:

The decision which is taken has to be environment fit. We need to effectively deploy organization resources and strengths to exploit the opportunities in the market and also be ready to combat the environmental threats.

9. Intent and stretch:
Organization has a great intent to outperform the market and do considerably well, so they stretch themselves over their limit. The stretch does not consider the resources that they have at that time, but have an objective to achieve the dreams. This sometimes acts as a great motivation to do well.

10. `Complexity:

Strategic decisions are always complex in nature. They encompass objectives, mission, vision, long term direction, establishment of the organization and scope of the organization.

To sum it up, we can safely say that their lies a huge potential in the packaged 100% fruit juice market in our country. Organization who will understand the correct needs and implement the right marketing strategies will do well by increasing their sales revenue and profitability.