CHAPTER - II

RESEARCH METHODOLOGY

II.1. INTRODUCTION

During the last decades in food consumption have been observed several trends that have to do with changes in social and economic environment as well as in lifestyle. The working patterns, the increased employment of women, the lack of time, the income growth and several other factors led to the trend for fast food, convenience foods and food out of home. Urbanization has resulted in increased consumption of packaged drinks and processed food.

The packaged drinks industry comprises companies that manufacture nonalcoholic beverages and carbonated mineral waters or concentrates and syrups for the manufacture of carbonated beverages. Soft drink products have been well accepted by consumers and gradually overtaking hot drinks as the biggest beverage sector in the world. In the midst of the rapidly growing soft drink demand, the industry on the whole is encountering new opportunities and challenges. Changing consumer demands and preferences require new ways of maintaining current customers and attracting new ones. Amid ever increasing competition, beverage companies must intensely court customers, offer high quality products, efficiently distribute them, ensure safety and keep prices low all while staying nimble enough to exploit new markets by launching new products. Recent developments in soft drink consumption and challenges in marketing have heightened the need for searching the consumers’ needs and preferences.
It is becoming increasingly difficult to ignore the existence of packaged juices in today's markets. Since the inception of soft drink in the 1830's, its consumption has steadily increased with technological advances in production and increased product availability. Recent statistics suggests that despite India's huge population and the fact that around 47% of the population is composed of persons below 30 years of age, the per-capita consumption of soft drinks in India remains very low, at approximately at 5.2 liters against the world average of nearly 85.22 liters which indicates huge potential for market of soft drinks in India.

Packaging is the container for a product – encompassing the physical appearance of the container and including the design, color, shape, labeling and materials used. Packaging has a huge role to play in the positioning of products. Package design shapes consumer perceptions and can be the determining factor in point-of-purchase decisions which characterize the majority of shopping occasions. In recent years the marketing environment has become increasingly complex and competitive. A product’s packaging is something which all buyers experience and which has strong potential to engage the majority of the target market. This makes it an extremely powerful and unique tool in the modern marketing environment. In addition to its benefits in terms of reach, some marketers believe that packaging is actually more influential than advertising in influencing consumers, as it has a more direct impact on how they perceive and experience the product.

In competitive environment, the role of package has changed due to increasing self-service and changing consumers’ lifestyle. Firms’ interest in package as a tool of sales promotion is growing increasingly. Package becomes an ultimate selling proposition stimulating impulsive buying behaviour, increasing market share and reducing promotional costs.
Package attracts consumer’s attention to particular brand, enhances its image, and influences consumer’s perceptions about product. Also package imparts unique value to products, works as a tool for differentiation, i.e. helps consumers to choose the product from wide range of similar products, and stimulates customers buying behaviour. Thus package performs an important role in marketing communications and could be treated as one of the most important factors influencing consumer’s purchase decision. In this context, seeking to maximize the effectiveness of package in a buying place, the researches of package, its elements and their impact on consumer’s buying behaviour became a relevant issue.

Packaging is generally regarded as a vital component in marketing in today’s scenario. It plays a vital role in transferring the goods from the manufacturer to the customer. It is also an integral part of the branding process wherein it communicates the image and identity of the manufacturer.

Packaging can be defined as the wrapping material around an item that serves to contain, identify, describe, protect, display, promote and otherwise make the product marketable and keep it clean. The intended purpose of packaging is to make the product saleable and protect it against possible damage during transportation/storage.

The primary function of packaging is to protect the product against potential damage while transporting, storing, selling and exploiting a product and to ensure the convenience during performance of these activities. Manufacturers/sellers treat packaging as a tool for protecting customers from contamination due to multiple people handling the products. The manufacturers propose to use packaging with a “window,” in order to allow customers to evaluate the product by its appearance and
at the same time reduce customer uncertainty regarding quality by branding the product and labelling it i.e. to communicate to the customer sufficient message about the product. Thus, Packaging is a tool for communication.

II.2. STATEMENT OF THE PROBLEM

India has a population of more than 1.150 Billions which is just behind China. According to the estimates, by 2030 India population will be around 1.450 Billion and will surpass China to become the World largest in terms of population. Beverage Industry which is directly related to the population is expected to maintain a robust growth rate.

India is a booming market for the beverage industry. It already accounts for about ten per cent of global beverage consumption today. This means that the country has the third-largest beverage consumption after the USA and China. But that is not the end of the road. Market analyses indicate that beverage sales in India will be increasing by more than 60 per cent between 2008 and 2012. Since India is (still) a country of tea and coffee drinkers, packaged cold drinks have enormous potential. Packaged water, beer, spirits and carbonated drinks are recording what rates are in some cases high double-digit growth. All in all, annual per capita consumption of packaged beverages was almost tripled from 2.6 litres in 2000 to 8.7 litres in 2012.

The Indian beverage industry faces over supply in segments like coffee and tea. However, more than half of this is available in unpacked or loose form. Indian hot beverage market is a tea dominant market. Customers in different parts of the country have heterogeneous tastes. Dust tea is popular in southern India, while loose tea in preferred in western India.
The total soft drink (carbonated beverages and juices) market is estimated at 284 million crates a year or $1 billion. The market is highly seasonal in nature with consumption varying from 25 million crates per month during peak season to 15 million during offseason. The market is predominantly urban with 25 per cent contribution from rural areas. Coca cola and Pepsi dominate the Indian soft drinks market.

Today with rapid development of economy and change in consumption pattern, marketing strategies are also growing and keep on changing. One of the marketing strategies used by the marketers especially soft drink (carbonated beverages and juices) companies is attractive product packaging and labelling to increase their product sales. This strategy is very popular now days and involves a number of factors working behind it. Packaging helps the marketers to glamorize their product so that they can get instant response from consumers. Visual representation is the most tactic strategy as everyone is comfortable with what they see as compared to other responses.

An old proverb: "We are what we eat" signifies that people are not only attracted towards packaging but are also conscious about the product quality. Due to the increasing number of health hazards, every age group person wants to know what is healthy for him. Mothers are over protective about their child health and growth. Further, companies manufacturing packaged juices resort to number of marketing activities to attract and woo customers. Marketing activities of such companies need to be investigated as they affect consumers’ attitude and behaviour towards packaged juices. Therefore, this study has made an attempt to investigate consumers’ attitude towards marketing of packaged juices in Banagalore, India.
II.3. IMPORTANT HYPOTHESES OF THE STUDY

Hypothesis – 1

$H_0$: There is no significant impact of perceptions of the consumers on price, place of availability and promotion of packaged juices on perceptions on packaged juices.

$H_1$: There is a significant impact of perceptions of the consumers on price, place of availability and promotion on packaged juices on perceptions on packaged juices.

Hypothesis – 2

$H_0$: There is no significant impact of perceptions of the consumers on packaged juices, place of availability and promotion of packaged juices on price of packaged juices.

$H_1$: There is a significant impact of perceptions of the consumers on packaged juices, place of availability and promotion of packaged juices on price of packaged juices.

Hypothesis – 3

$H_0$: There is no significant impact of perceptions of the consumers on packaged juices, price and promotion of packaged juices on place of availability of packaged juices.
H$_1$: There is a significant impact of perceptions of the consumers on packaged juices, price and promotion of packaged juices on place of availability of packaged juices

Hypothesis – 4

H$_0$: There is no significant impact of perceptions of the consumers on packaged juices, price and place of availability of packaged juices on promotion of packaged juices

H$_1$: There is a significant impact of perceptions of the consumers on packaged juices, price and place of availability of packaged juices on promotion of packaged juices

Hypothesis – 5

H$_0$: There is no significant impact of perceptions of the consumers in Bangalore on packaged juices, their perceptions on price of the product and their perceptions on promotion of the product on attitude of consumers towards packaged juices.

H$_1$: There is a significant impact of perceptions of the consumers in Bangalore on packaged juices, their perceptions on price of the product and their perceptions on promotion of the product on attitude of consumers towards packaged juices.
II.4. OBJECTIVES OF THE STUDY

The important objectives of the present study are as follows;

1. To identify and examine the perceptions of the consumers in Bangalore on marketing of packaged juices.

2. To identify and examine the perceptions of the consumers in Bangalore on packaged juices, pricing, place of availability and promotion of packaged juices.

3. To identify and examine attitude of the consumers in Bangalore on marketing of packaged juices.

4. To understand and analyze relationship among perceptions of the consumers on packaged juices, on their price, place of availability and promotion.

5. To understand and analyze relationship among perceptions of the consumers on packaged juices, on their price, place of availability and promotion and selected demographic characteristics of the consumers in Bangalore.

6. To understand and analyze relationship among attitude of the consumers on packaged juices and selected demographic characteristics of the consumers in Bangalore.

7. To analyse the impacts of a) perceptions of consumers on packaged juices b) perceptions on pricing of packaged juices c) perceptions on place of availability of packaged juices and d) perceptions on promotion of packaged juices on one another.
8. To identify and investigate impact of perceptions of the consumers in Bangalore on packaged juices, their perceptions on price of the product and their perceptions on promotion of the product on attitude of consumers towards packaged juices.

II.5. OPERATIONAL DEFINITIONS

II.5.1. CONSUMERS

Consumer is a person who purchases goods and services for his personal use. In this research, consumer is a person who purchases packaged juice for his consumption.

II.5.2. CONSUMER ATTITUDES

Consumer attitudes are a composite of a consumer’s (1) beliefs about, (2) feelings about and (3) behavioural intentions toward packaged juices -within the context of marketing.

II.5.3. PACKAGED JUICES

Packaged juices are fruit juices which are readily available in market for consumption in an aseptic package or container which preserves freshness of fruit juices for longer period of time.

II.6. LOCALE OF THE STUDY

The study is confined to Bangalore city, India. Bangalore is one of the largest cities and is the fifth-largest metropolitan area in India. It is located in southern India on the Deccan Plateau, it is the capital of the southern Indian state of Karnataka and it
is located at a height of over 900 m (3,000 ft) above sea level, Bangalore is known for its pleasant climate throughout the year. Its elevation is the highest among the major large cities of India.

II.7. JUSTIFICATION FOR CHOOSING BANGALORE AS LOCALE OF THE STUDY

With an estimated population of 8.5 million in 2011, Bangalore is the third most populous city in India and the 18th most populous city in the world. Bangalore was the fastest-growing Indian metropolis after New Delhi between 1991 and 2001, with a growth rate of 38% during the decade.

Bangalore is known as the "Silicon Valley of India" because of its role as the nation's leading information technology (IT) exporter. Indian technological organizations ISRO (Indian Space Research Organization), Infosys and Wipro are headquartered in the city. A demographically diverse city, Bangalore is the second-fastest growing major metropolis in India. It is home to many educational and research institutions in India, such as Indian Institute of Science (IISc), Indian Institute of Management (Bangalore) (IIMB), National Law School of India University (NLSIU) and National Institute of Mental Health and Neurosciences (NIMHANS). Numerous state-owned aerospace and defence organisations, such as Bharat Electronics, Hindustan Aeronautics and National Aerospace Laboratories are located. The city also houses the Kannada film industry. As a growing metropolitan city in a developing country, Bangalore confronts substantial pollution and other logistical and socio-economic problems. With a gross domestic product (GDP) of $83
billion, Bangalore is fourth among the top 15 cities contributing to India's overall GDP.

Apart from the above points of view, Bangalore city has accommodated all kinds of people like poor people, middle class people and rich people, male, female and neutral gender, educated people and uneducated people, people whose origin is Bangalore and people from other parts of Karnataka, India and foreign countries and people from different caste and religion. These things have brought uniqueness to Bangalore city and it has made the researcher more interested about the Bangalore city.

II.8. RESEARCH METHODOLOGY

The study involves examination of consumers’ attitude towards marketing of packaged juices in Bangalore city, India. Further, the study involves in examination of perceptions of consumers’ towards packaged juices, price of packaged juices, place of availability and promotion of packaged juices in Bangalore city, India. Moreover, this study deals with relationship of consumers’ perceptions towards packaged juices and consumers’ attitude towards packaged juices. Therefore, for the purpose of this study, secondary and primary data have been used. Survey method has been adopted for collecting primary data.

II.8.1. MEASUREMENT OF CONSUMERS’ PERCEPTIONS TOWARDS PACKAGED JUICES

The present study has adopted survey data based approach (Questionnaire method) and data are collected from the respondents through traditional well-structured questionnaires to measure perceptions of consumers in Bangalore on
packaged juices, their perceptions on price of packaged juices, place of availability and promotion of packaged juices.

The researcher has presented 16 statements in Likert type five point scale in the questionnaire (Questionnaire: Part B – Question 10; statement items 10.1 to 10.16) to measure perceptions of consumers in Bangalore city on packaged juices.

II.8.2. MEASUREMENT OF CONSUMERS’ PERCEPTIONS TOWARDS PRICE OF PACKAGED JUICES

The researcher has presented 5 statements in Likert type five point scale in the questionnaire (Questionnaire: Part B – Question 10; statement items 10.17 to 10.21) to measure perceptions of consumers in Bangalore city towards price of packaged juices.

II.8.3. MEASUREMENT OF CONSUMERS’ PERCEPTIONS TOWARDS PLACE OF AVAILABILITY OF PACKAGED JUICES

The researcher has presented 10 statements in Likert type five point scale in the questionnaire (Questionnaire: Part B – Question 10; statement items 10.22 to 10.31) to measure perceptions of consumers in Bangalore city towards place of availability of packaged juices.

II.8.4. MEASUREMENT OF CONSUMERS’ PERCEPTIONS TOWARDS PROMOTION OF PACKAGED JUICES

The researcher has presented 8 statements in Likert type five point scale in the questionnaire (Questionnaire: Part B – Question 10; statement items 10.32 to 10.39)
to measure perceptions of consumers in Bangalore city towards promotion of packaged juices.

II.8.5. MEASUREMENT OF CONSUMERS’ ATTITUDES TOWARDS PACKAGED JUICES

The researcher has presented 39 statements in Likert type five point scale in the questionnaire (Questionnaire: Part B – Question 10; statement items 10.1 to 10.39) to measure attitudes of consumers in Bangalore city towards packaged juices.

Demographic variables are presented in the questionnaire (Questionnaire: Part – A; Questions 1 to 5) to measure consumers’ attitudes towards marketing of packaged juices in Bangalore city, India and four questions are presented in the questionnaire (Questionnaire: Part – A; Questions 6 to 9) to know consumption pattern of consumers in Bangalore city.

II.9. METHOD OF RESEARCH

This study is based on both primary data and secondary data. The quality of data is invariably tied to the method and technique used for data collection. Hence, survey method through structured questionnaire is adopted to collect primary data for this study as it is found suitable for this research.

II.10. SAMPLING FRAME

Primary data needed for the study have been collected through questionnaire issued to consumers in Bangalore city who are the sample for the study. Sample consists of consumers in Bangalore city belonging to different occupations, religion, category and age group. Convenience sampling has been adopted considering the availability and approachability of consumers for the purpose of data collection effort.
However, due consideration is exercised for the proportionate representation of the sample population.

II.11. QUESTIONNAIRE DESIGN

This study has employed a well-structured questionnaire for data collection. Questionnaire has been used for collecting data from consumers in Bangalore city and to measure perceptions of consumers in Bangalore city on packaged juices, their perceptions on price of packaged juices, place of availability of packaged juices and promotion of packaged juices.

Questionnaire has two parts;

PART – A

It consists of 5 questions to understand demographic details of the consumers in Bangalore city (Questionnaire: Part – A; Questions 1 to 5) and four questions are presented in the questionnaire (Questionnaire: Part – A; Questions 6 to 9) to know consumption pattern of consumers in Bangalore city.

PART – B

This part of the questionnaire has 1 question, but 39 statements in Likert type five point scales to measure the core variables namely

a) Perceptions on packaged juices - Question – 10; statement items 10.1 to 10.16

b) Perceptions on price of packaged juices - Question – 10; statement items 10.17 to 10.21
c) Perceptions on place of availability of packaged juices - Question – 10; statement items 10.22 to 10.31

d) Perceptions on promotion of packaged juices – Question – 10; statement items 10.32 to 10.39.

**II.12. SCORING PATTERN**

**Questionnaire: Part – B**

In this part, 16 statements are presented in Likert type five point scale (Questionnaire: Part B – Question 10; statement items 10.1 to 10.16) to measure perceptions of consumers on packaged juices. Further, five statements are presented in Likert type five point scale (Questionnaire: Part B – Question 10; statement items 10.17 to 10.21) to measure perceptions on price of packaged juices, 10 statements are presented in Likert type five point scale (Questionnaire: Part B – Question 10; statement items 10.22 to 10.31) to measure perceptions of consumers on place of availability of packaged juices and 8 statements are presented in Likert type five point scale (Questionnaire: Part B – Question 10; statement items 10.32 to 10.39) to measure perceptions of consumers on promotion of packaged juices.

Following weights are assigned to calculate the global score on each variable.

**Score points**

- Strongly agree with the statement 5
- Agree with the statement 4
- Neutral with the statement 3
Disagree with the statement 2

Strongly disagree with the statement 1

Statements 10.10, 10.23 and 10.24 are negatively worded to test the accuracy and conscious responding of questionnaire by the respondents of this study. Therefore, the scoring was reversed to measure the correct score for the above mentioned negative statements.

Average mean score is calculated on the basis of dividing the total score of each variable by the number of statement represented in each variable.

II.13. PRETESTING OF THE QUESTIONNAIRES

The study used a structured questionnaire covering the core objectives of the study. To understand the communicability of the questionnaire and content validity, pilot study (Preliminary Survey) was conducted.

A draft questionnaire was given to 100 consumers in Bangalore city belonging to different categories like male, female, various age groups etc. The draft questionnaire was also given to marketing professionals and academicians in the field of commerce and management to obtain their views on the design and dimensions considered for the study. On the basis of the comments received from them, questionnaire was revised to accommodate a few relevant variables and to make them easily understandable by the sample population. The structure of the questionnaire was also improved.
Then, the questionnaire was pretested by administering it to 53 consumers in Bangalore city. The data obtained was verified for the reliability of the questionnaire by computing Cronbach’s alpha co-efficient. The results are as follows:

<table>
<thead>
<tr>
<th>Perception</th>
<th>Co-efficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceptions on packaged juices</td>
<td>0.720</td>
</tr>
<tr>
<td>Perceptions on price of packaged juices</td>
<td>0.712</td>
</tr>
<tr>
<td>Perceptions on place of availability of packaged juices</td>
<td>0.679</td>
</tr>
<tr>
<td>Perceptions on promotion of packaged juices</td>
<td>0.739</td>
</tr>
</tbody>
</table>

The above reliability co-efficient may be considered satisfactory. Then, the final version of questionnaire was prepared and used for the study.

**II.14. SCOPE OF THE STUDY**

The study focuses on measuring attitudes of consumers in Bangalore city towards packaged juices through consumers’ perceptions on packaged juices, their perceptions on price, place of availability and promotion of packaged juices as the main objectives of this study. Hence, the unit of study is consumers in Bangalore city and the universe of discourse is all consumers in India.

**II.15. DATA COLLECTION PROCEDURE**

A total of around 500 questionnaires were issued to the consumers in Bangalore city through personal contacts and through the assistance obtained from friends and colleagues. Around 500 questionnaires were distributed as past experiences showed that response rate for questionnaires distributed would be around
75% to 80%. Out of which, 421 questionnaires were finally received from the respondents. Out of 421 questionnaires received, 19 questionnaires were discarded because of incomplete answering as they will not be useful for statistical purposes. Finally, 402 completed questionnaires were taken up for the study. The response rate is 80.4%.

II.16. DATA COLLECTION PERIOD

Questionnaires for sample survey of consumers in Bangalore city were distributed during June and July 2013 and data collection work was extended up to March, 2014. Hence, it took approximately nine months for distribution of questionnaires and collection of data from the respondents.

II.17. FRAMEWORK OF DATA ANALYSIS

The data collected through the questionnaires have been analyzed by using the following statistical tools.

1. Mean scores, median, percentages and standard deviations were calculated for overall analysis of perceptions of consumers on packaged juices, perceptions on price of packaged juices, perceptions on place of availability, perceptions on promotion of packaged juices and attitudes of consumers towards packaged juices in relation with demographic variables of consumers in Bangalore city.

2. One way ANOVA (F test) and students’ “t” test were used to identify the significant differences in perceptions of consumers on packaged juices, perceptions on price of packaged juices, perceptions on place of availability
and perceptions on promotion of packaged juices in relation with demographic variables of consumers in Bangalore city.

3. Further, One way ANOVA (F test) and students’ “t” test were used to identify the significant differences in attitudes of consumers in Bangalore city towards packaged juices on the basis of their demographic variables.

4. Pearson’s correlation analysis was used to identify the inter correlation among basic variables of this study namely perceptions of consumers on packaged juices, perceptions on price of packaged juices, perceptions on place of availability, perceptions on promotion of packaged juices and attitudes of consumers towards packaged juices.

5. Further, Pearson’s correlation analysis was used to identify the inter correlation among basic variables of this study namely perceptions of consumers on packaged juices, perceptions on price of packaged juices, perceptions on place of availability, perceptions on promotion of packaged juices and attitudes of consumers towards packaged juices in relation with demographic variables of consumers in Bangalore city.

6. Multiple regression analysis was used to identify the factors influencing attitudes of consumers towards packaged juices in Bangalore city.

7. Further, Structural Equation Modelling Path Method was employed to identify factors affecting attitudes of consumers towards packaged juices in Bangalore city.
II.18. LIMITATIONS OF THE STUDY

Besides the usual limitations that may occur in any behavioural study, the present study has the following limitations.

1. This study is confined to consumers in Bangalore city only.
2. Consumers considered for this study purpose are those who belong to different gender, age group, marital status, education and income group only.
3. The study is confined to the selected variables namely perceptions of consumers on packaged juices, perceptions on price of packaged juices, perceptions on place of availability, perceptions on promotion of packaged juices and attitudes of consumers towards packaged juices.
4. Cultural settings of sample consumers have not been considered for this study.
5. Social and religious settings of sample consumers have not been considered for this study.

II.19. CHAPTER ARRANGEMENT

This study is presented in six chapters. The contents of these chapters are as follows.

Chapter – I: Introduction

This chapter introduces the subject matter of this study with general overview on marketing, consumer behaviour and the need for the study. The main objectives and hypotheses are discussed in detail including limitations of this study within which this study is carried out.
Chapter – II: Research Methodology

This chapter discusses in detail about Research methodology used to carry out this study in scientific way.

Chapter – III: Review of literature

In this chapter, a comprehensive and exhaustive review of this study related literatures are presented to find out research gap. Further, a detailed review of the core variables of this study has been done synthesizing previous research studies.

Chapter – IV: Analysis of perceptions of consumers towards marketing of packaged juices

This chapter deals with analysis of perceptions of the consumers on packaged juices, their price, place of availability and promotions of packaged juices in terms of demographic variables. Further, this chapter analyzed inter relationship among perceptions of the consumers on packaged juices, their price, place of availability and promotions of packaged juices in terms of demographic variables.

Chapter – V: Analysis of consumers’ attitude towards marketing of packaged juices

This chapter involves in an empirical analysis of attitudes of consumers on packaged juices. Further, this chapter analyzed inter relationship among perceptions of the consumers on packaged juices, their price, place of availability, promotions of packaged juices and attitudes of consumers in terms of demographic variables. This
chapter has also analyzed about factors affecting attitudes of consumers in Bangalore city.

**Chapter – VI: Summary and Conclusion**

Major findings of the study are presented in a comprehensive manner in this chapter. It concludes with implications and suggestions for future research.

In the next chapter, an attempt is made to review many related research contributions on packed juices, marketing of packaged juices in India and abroad and consumer attitudes.
END NOTES