Retailers Impression on Coca-Cola Beverages in Madurai District: An Empirical Study

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Abstract
Marketing is winning the customers mind and being able to serve the needs of the customer. It is about understanding what consumers want and providing it more conveniently. Marketing deals with identifying and meeting human needs and social needs. One of the smallest definitions of marketing is "meeting needs profitably." The consumer market may be defined as the market for product and services that are purchased by individuals as a household for their consumption. Soft drinks are a typical consumer product, acquired by an individual, primarily to quench their thirst and also for refreshment. Different kinds of soft drinks are available in the market, and more or less the ingredients of all soft drinks are almost the same. There is an excellent competition at the demand of soft drinks, and many companies are hard hitting in the market with their product with several brand names.

The Indian soft drinks market is large and unable to control as India has all types of natural seasons, and different locations have different cultures. The northern parts of the country are quite cold during the winter season and the south, on the contrary, has high levels of humidity which is when the consumer requires some chilled drinks that can satisfy his or her thirsts and provide energy to sustain.

The demand for soft drinks has been increasing rapidly due to changing climatic conditions, liking for fast food, and changing the culture. It includes all types of non-alcoholic, carbonated, and flavored beverages. These artificially sweetened drinks are available in different flavors, sizes, and packages.

In olden days, the production took place on a smaller scale where the producer himself took the responsibility of disposing the goods to the consumers. Later, due to the increase in business and with further expansions, the majority of producers did not sell their products directly to consumers. It was the task of a retailer to create a link between the producer and the end user.

In this competitive world, the producer has to decide through which way the goods are to be marketed to the customers. The company also encouraged the concept of network marketing with several middlemen into the sales force to arrange and, distribute the products to the consumer. To create business and expand the horizon of the company's products, the retailers were chosen, and several motivational training and promotional programs were introduced to support the sales of the organization. Furthermore, it also gave adequate market coverage and satisfied the buyer's requirement.
Keywords: Marketing, soft drinks, flavored beverages, consumer, Carbonated, Non-Carbonated, Coca-Cola,

Introduction

The Indian soft drinks market is broad and significant to control as India has all types of natural seasons, and different locations have different cultures. The northern parts of the country are quite cold during the winter season and the south, on the contrary, has high levels of humidity which is when the consumer requires some chilled drinks that can satisfy his or her thirsts and provide energy to sustain. This study determines the level up to which retailer is satisfied with it's after sales. By doing this study, the firm assesses whether they are meeting the expectations of their retailers. Since marketing is the process of satisfying the needs and wants of the customer or consumer,

this study is all about measuring the retailer satisfaction of after-sales-service of coca cola products. For the past two years, every company is trying to satisfy its customers in Madurai district. This study is conducted to clarify many aspects of this particular market. Consumers have many more options for them. In this competitive world, the producer has to decide through which way the goods are to be distributed to the customers. The company also encouraged the concept of network marketing with several middlemen into the sales force to arrange and distribute the products to the consumer. To create business and expand the horizon of the company's products, the retailers were chosen, and several motivational training and promotional programs were introduced to support the sales of the organization. Furthermore, it also gave adequate market coverage and satisfied the buyer's requirement.

Need for the Study

In this competitive world, the producer has to decide through which way the goods are to be distributed to the customers. The company also encouraged the concept of network marketing with several middlemen into the sales force to arrange and distribute the products to the consumer. To create business and expand the horizon of the company's products, the retailers were chosen, and several motivational training and promotional programs were introduced to support the sales of the organization. Furthermore, it also gave adequate market coverage and satisfied the buyer's requirement.

Review of Literature

Miller and Besser (2000) have researched to identify factors that influence small-town consumers satisfaction with local independent retailers and the subsequent relationships of consumer satisfaction to in-shopping, community attachment, and support of local independent retailers. Oliver's expectancy-disconfirmation model (1980) was used as the framework to predict consumer satisfaction. Their business strategies were being examined to meet the changing expectations of their local consumers. It is essential that independent retailers know their local customers and exploits niche strategies

that big-box retailers do not provide. The authors conducted the research and found out what is the factor that influences small town consumers and their satisfaction level when they deal with retailers from the unorganized sector. How retailers from unorganized sector believe in making the relations with their customers so that they keep on doing purchase from them only in coming tyke period.

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Source: Miller, N.J. and Besser, T.L., (2000), "The importance of community values in small business strategy formation: evidence from rural low", Journal of Small Business Management, Vol. 38, No. 1, Pg: 68-85.

Klein and Dawar (2004), has studied to find out which retail business practices lead to perception of CSIR from the customer's perspective and to develop a measurement scale for this construct. The analysis was conducted using quantitative data from paper-based and online survey, a high order, multi-group confirmatory factor analysis. It was found that there were factors, i.e., natural environment, local business, foreign economies, local employment, societal rules, employee benefits, employee wages, local working conditions, employee discrimination, foreign labor, sales practices, dishonesty, offensive material, and pricing policies which represent the perception of CSIR in retailing.

This paper will help us in knowing what are the factors that are the perception of CSIR from a customer point of view in retailing this will help us to know what actually the customers think about the retail business whether it is organized or unorganized.

Source: Klein, J and Dawar, N (2004), "Consumer social responsibility and consumer's attributions and brand evaluations in product harm crisis", International Journal of research in Marketing, Vol.21 No-3, and Pg: 203-217.

Indian Council for Research on International Economic Relations (2007) has conducted a research

and found that there will be no negative impact on employment. At the same time, there will be a positive effect on farmer's earnings. Also, any adverse impact on small shops will wear off over a period of time. The study has also found that the presence of organized retailers will firm up the supply chain deficiencies, which has been bothering the sectors.

The above research states that there will be no negative impact on employment because of the introduction of organized retail but this has been found in various studies that definitely there will be a positive impact on unemployment. This research is a bit of unexpected one and thus could prove to be a crucial one in giving new directions to the findings and recommendations in the research.

Bakker, B. A. (1977) has found that product standardization principle can be applied more in Business or Individual Marketing than in targeting end consumer segments. Industrial customers being more rational knowledgeable, are prone to looking at more of a product's functional properties rather than aesthetics. It has also been proposed that some companies can identify homogenous markets & target those similar markets and can manage without offering customized products.

Retailer's satisfaction can be achieved by improving service quality. Ciavolino&Dahlgaard (2007) contend that service quality is the measure of service levels based on the attributes of the core product. Such attributes include; Facility Layout-display of products, clean environment, clear labelling. Other attributes can be location, process – queue management, waiting time, express checkouts, supermarket operation hours, delivery time, additional services like parking, parent & baby facilities, and loyalty/membership cards, produce variety of groceries, durability, merchandise quality and merchandising.

Research Design

A research design is purely and simply the framework of plan a study that guides the collection and analysis of data. It is a blue print for a complete study. It resembles the architects blue print map for constructing a house.

Descriptive Research Design

A descriptive research is undertaken in order to a certain and be able to describe the characteristics of the variable of interest in a situation. Descriptive research is also undertaken to understand the characteristics of organizations that follow certain common practices. The goal of a descriptive research is to offer to the researcher a profile or to describe relevant aspects of the phenomena of interest from an individual, organizational, industry oriented, or other perspective.

Sampling technique

The Sampling Technique used for this study is Convenience Sampling.

Convenience Sampling

It refers to the collection of information from members of the population who are conveniently available to provide it. The most easily accessible members are chosen as subjects. Convenience sampling is the best way of getting some basic information quickly and efficiently.

Sample Survey

A survey which is carried out using a sampling method, i.e., in which a proportion only and not the whole population is surveyed.

Sampling Design

There are two types of sampling designs. They are probability and non probability sampling.
- Probability Sampling: In probability sampling the elements in the population have some known chance or probability of being selected as sample subjects.
- Non-Probability Sampling: The elements in the population do not have any probability attached to their being chosen as sample subjects.

This means that findings from the study of the sample cannot be confidently generalized to the population.

Data Collection

Data is collected from two sources they are
- Primary Data
- Secondary Data

Primary Data

Primary Data is collected by using Depth Interview with the consumers of the product in the market and also with a few retailers. This helped in finding out the factors for the Research problem. Structured Questionnaire is used as the major tool for primary data collection.

Secondary Data

The Secondary Data consists of information that already exist somewhere having been collected for another purpose and researcher begin the research work by first going through the secondary data. Here secondary data is collected from the company's website.

Tools of Data Collection

The communication approach employed is "Structured Questioning" that is Personal Interview with the aid of Printed Questionnaire.

Research Gap

The research gap in Madurai district is 2 years. So there is a change in the market. To find the factors influencing the satisfaction of retailers. Hence the study is carried out. In future it is reference for all beverages firms about the preference of the customers in Madurai district.

Objectives of the study
Primary Objective

To understand the retailer's impression on Coca-Cola products in Madurai District.

Secondary Objectives
- To identify the reasons for choosing the specific brands by the retailers.
- To categorize the coca cola products by different types under FSN status.
- To create Brand Value, a study on select brand elements such as Advertisement, competition, schemes, value, luxury status, passion, price and environmental friendly is performed.
- To find the market share, demand and supply of coca cola products.
- To evaluate the loyalty of consumers towards the product.
- To determine the demographic factors of the respondents.

Limitation of the Study
- The organization requires the study on retailer's perception that would enable the company to understand the level of brand value that exists in the present markets served to the customers. The organization wanted to constitute a project study on value creation for Coke Brands.
- The organization also wants to improve their performances (marketing) in Madurai for which Coke wanted to know their Strengths, Weaknesses, Opportunities and Threats available from existing brand value of coke products.
- Educational qualification of shop keepers was a big problem to bring out the answers.
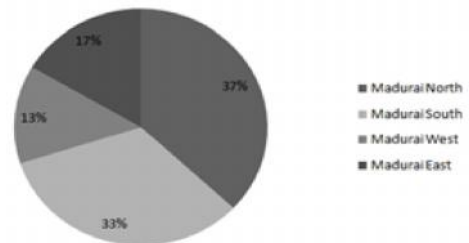
Analysis and Interpretation

Table 1 Table showing the Location of the Retail Outlet

Sl. No	Zone	No of Respondents	% of Respondents
1	Madurai North	74	37
2	Madurai South	66	33
3	Madurai West	27	13
4	Madurai East	33	17
	Total	200	100

Source: Primary data

Chart 1 Chart showing the Location of the Retail Outlet
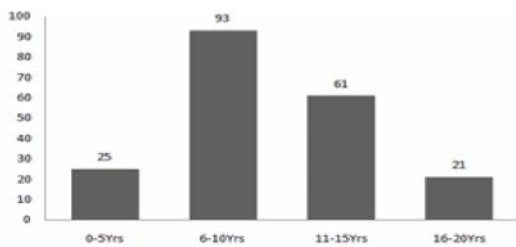

Interpretation

It is observed from the above chart among the respondents surveyed, the maximum percentage of share of respondents belong to the North region with 37 per cent. The next highest respondents in terms of percentages are from South with 33 per cent. East region of Madurai city has respondents of nearly 17 per cent. Only 13 per cent of the respondents belong to the Western region.

Table 2 Table Showing Retailer's Number of Years of Existence in Business

Sl.No	Years of Existence	No of Respondents	% of Respondents
1	0 – 5 Years	25	12.5
2	6 – 10 Years	93	46.5
3	11 – 15 Years	61	30.5
4	16 – 20 Years	21	10.5
	Total	200	100

Source: Primary data

Chart 2 Chart Showing Retailers' Number of years of existence in Business
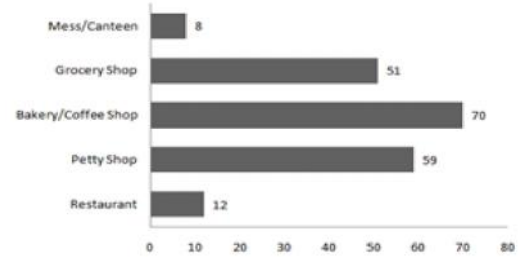

Interpretation

It is observed from the above chart that the majority of respondents surveyed for number of years of experience range between 6 and 15 years with 77 per cent (46.5 per cent of the respondents between 6 – 10 years and 30.5 per cent of respondents between 11 and 15 years respectively). 12.5 per cent of the respondents have a maximum of 5 years whereas only 10.5 per cent of the respondents have experiences more than 16 years (16 – 20 years).

Table 3 Table showing Type of Retail Outlet

Sl. No	Retail Outlet	No of Respondents	% of Respondents
1	Restaurant	12	6
2	Petty Shop	59	29.5
3	Bakery / Coffee Shop	70	35
4	Grocery Shop	51	25.5
5	Mess / Canteen	8	4
	Total	200	100

Source: Primary data

Chart 3 Chart showing Type of Retail Outlet

Interpretation

It is observed from the above chart that the majority of the customers who have ordered coke products belong to Petty shops and Bakery. 35 per cent of the respondents belonging to Bakery shops have purchased or ordered coca – cola products from the company. 29.5 per cent of the respondents belonging to petty shops have ordered coke products. A mere 10 per cent of respondents belonging to the restaurants and canteen have ordered coca – cola products.

Table 4 Table showing Brands chosen by Retailers for Selling

Sl. No	Beverages	No of Respondents	% of Respondents
1	Coke	140	70
2	Pepsi	60	30
	Total	200	100

Source: Primary data

Interpretation

It is observed from the above chart that coke's brand preference is much stronger than Pepsi. 70 per cent of the respondents have chosen coke as their brand. Whereas 30 per cent have chosen Pepsi as their preferred brand.

Summary of Findings

- Coca-Cola remains to be the Dominant Soft Drinks in Northern Region of Madurai City.
- Among the retailers surveyed the maximum number of years of experience in business ranges between 6 to 10 years (46.5 per cent of respondents falling under this category).
- Within the Types of Retail Outlets to which Coca-Cola distributes products, Petty Shops and Bakery Shop carry the highest percentage in

terms of products (65 per cent).

- Among the retailers surveyed 70 per cent of the respondents (retailers) prefer to buy Coke brand.
- Among the retailers surveyed 42 per cent of the respondents (retailers) prefer Coke for Adequate Supply.
- Among the retailers surveyed 47.5 per cent of them state their average monthly sales in volume terms Below 20 Crates.
- Among the retailers surveyed, 53 per cent of the respondents have stated 200ml bottles of Coke are highly chosen by customers to be purchased in their retail shops.
- Among the retailers surveyed, 40 per cent of the respondents have stated 200ml bottles of Fanta are highly chosen by customers to be purchased in their retail shops.
- Among the retailers surveyed, 42.5 per cent of the respondents have stated 200ml bottles of Sprite are highly chosen by customers to be purchased in their retail shop.
- Among the retailers surveyed, 81 per cent of the respondents have stated 200ml and 400ml bottles of Limca are highly chosen by customers to be purchased in the retail shop.

Conclusion

The beverage industry is becoming highly competitive and in today context more numbers of organizations is entering the market which is now perfectly competitive with priced decided by the consumer choice. The Coca-Cola Company can benefit only through the schemes and offers provided for the customer along with creation of adequate supply of product in time. This project study has helped as to understand the value of trade market scheme, various schemes offered by Coca-Cola to retailers, retailer's perception towards Coca-Cola and its effect upon the reason for choosing particular brands.

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