Changing Trends in Beverages and Consumer Behavior towards Packaged Non-Carbonated Ready to Drink (RTD) Milk Based Beverages

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Abstract:

This paper shows the knowledge and understanding as well as the factors that affect the purchasing behavior of consumers. In order to collect the data, the study design was based on the population and questionnaire of the interview subjects. We have securely collected data and found that the customer buying decisions have been affected demographic variables such as price cost offerings and characteristics.

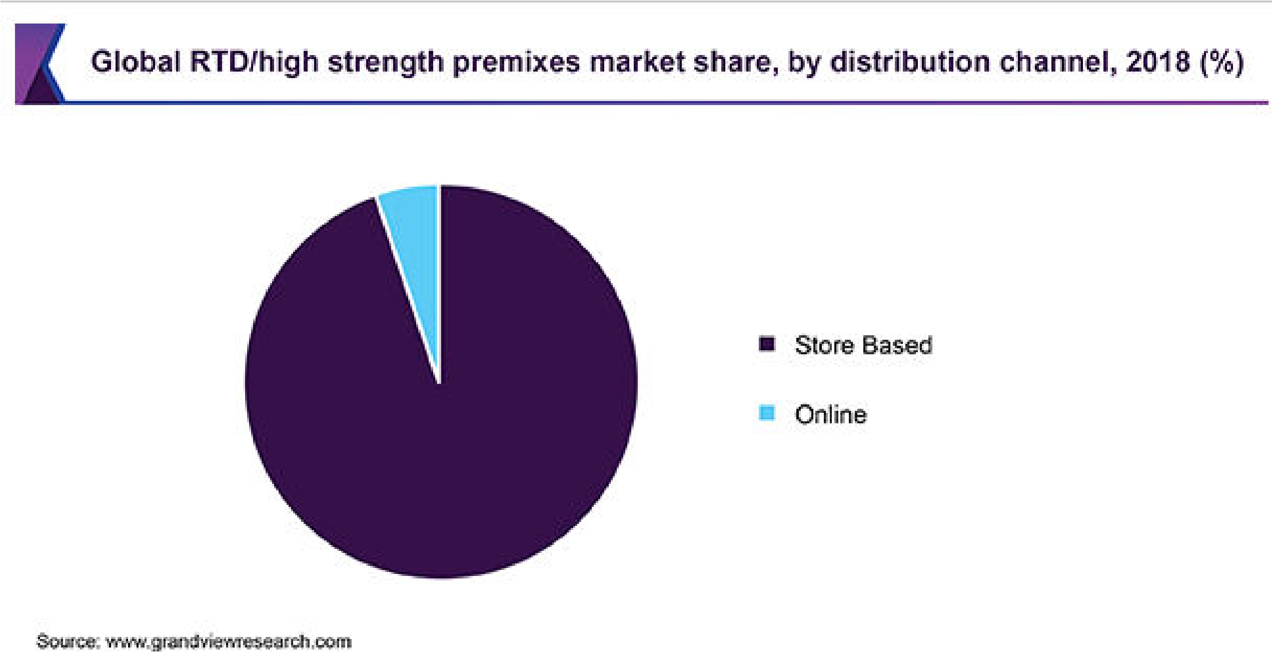
Keywords: Customer behavior, marketing strategy, factors influencing purchasing behaviors.

Introduction:

In 2019-20, the global demand for drink-ready premixes was estimated at 18.34 billion and is expected to grow to 4.5% over the projected period. The market is expected to be powered by a rise in the popularity of ready-to - drink (RTD) beverages and demand for high strength premixes. In addition, changings in behaviors and demands for sweet beverages with a low alcohol by volume are predicted that will further stimulate the demand of the RTD / super strength industry. (A.Miller, 2019)

The RTD sector will be the fastest growing segment during the projected period. Thanks to the rising demand for alcoholic drinks, the low alcoholic volume from pubs and clubs worldwide is also expected to be the biggest segment. Efficient use of flavors and various variations of RTD beverages led to demand.

The business is distributed to Stored Based and Online on the basis of the distribution channel. Stored Based is projected to have the biggest share in the market because they deliver shopping experience in a single stop. In addition, the option of wholesale bulk purchases at these stores would further drive the segment growth. (Kaitwade, 2019)



The five main trends reflecting RTD and non-alcoholic beverage's growing popularity.

- **Focus on health and well-being increased**: Consumers, especially thousands of years, are better aware of health and ready to try new, healthier advantages over conventional soft drinks.
- **Premiumization:** With the economic growth worldwide strong, the interest of consumers in costlier drinks is still high. (Kondalkar, 2018)
- **Comfort:** The only drinks that come with bottles are no longer beer and soda. We make it convenient for customers to drink their favorite items at the location we want, and with instant satisfaction. Cold-brew coffee and cold-pressed juices like Ready-to-Books are becoming more popular because they offer the comfort that fits into occupied but healthy lifestyles.
- **Better on the distribution channel**, convenience stores dominated the market in 2018 as these stores are easily accessible and provides better options to the consumers however, online stores are projected to grow at the fastest growth rate during the forecast period as online retail has grown steadily as a percentage of total retail sales.
- **Low on the fat content**, low-fat is expected to grow at a highest CAGR as consumer preference for low-fat milk-based products is increasing considerably. The consumers are becoming more health-conscious and thus are preferring low-fat products. (KPMG, 2019)

Literature Review:

Consumer behavior is the buyer's actions when buying the product, which requires a customer's behavioral preference. The buying behavior for the customer is the sum of the consumer's mindset, purpose and priorities when making a product or service purchase decision. The analysis on specific group of consumers focuses on psychological, sociological as well as economic archaeology.

Marketers concentrated their efforts on the customer preferences, so that they can plan improved communication plans and advertisement strategies, and can change the product according to the consumer's preferences. (J.Yadav, 2019)

For a better marketing mix approach, every person has a different viewpoint, and so a business must rely on the study of customers' actions and for better market success they must consider what the customer needs and what we have.

We therefore understood in this research the business and consumer preferences and the influences that are influencing the customer's purchasing behaviorstowards packaged non-carbonated ready to drink (RTD) beverages.

Research Objective:

- To understand consumer demand patterns and behavior patterns in ready-to-drink beverages.
- To understand consumer's view on ready to drink beverages with other beverages like carbonated and juice-based drinks.
- To understand the current RTD drinks scenario.

RESEARCH METHODOLOGY/DATA ANALYSIS

We have performed both primary and secondary research in order to examine improvements in the Changing Trends in Beverages and Consumer Behavior Towards Packaged Non-Carbonated Ready to Drink (RTD) Beverages as part of our research report. Therefore, numerous journals, industry forums, government websites, and leading consultant publications have been taken into account in drawing these ultimate conclusions. Primary work to identify market preference for RTDs has been conducted and It was carried out by means of an online survey.

We have this corresponding research strategy to achieve this objective. The sample size comprises 144 respondents, comprising graduates/Postgraduates, job practitioners and household employees aged 20 to 60 years of age.

In terms of segmentation we chosen gender, preferred flavor, preferred brand, preferred container, location and type of beverages.

We also have used tool kits like bar graphs and line diagrams to carry out a thorough study of the answers got.The research approach is focused on the facts and observations we have obtained in secondary research and the answers we received in the sense of primary research.

Primary Research:

It was carried out with online questionnaires where we have asked some questions to the consumer regarding the Ready to drink Beverages. The sample size comprises 144 respondents, comprising graduates/Postgraduates, job practitioners and household employees aged 20 to 60 years of age.

The questionnaires and data analysis are as follows:

1. Preferred Drink and Container:

	Drink		
Form	Carbonated Drinks	Juice Based Drinks	Milk Based Drinks
Can (50 Rs.)	9	11	11
Tetra Pack (35 Rs.)	4	33	60

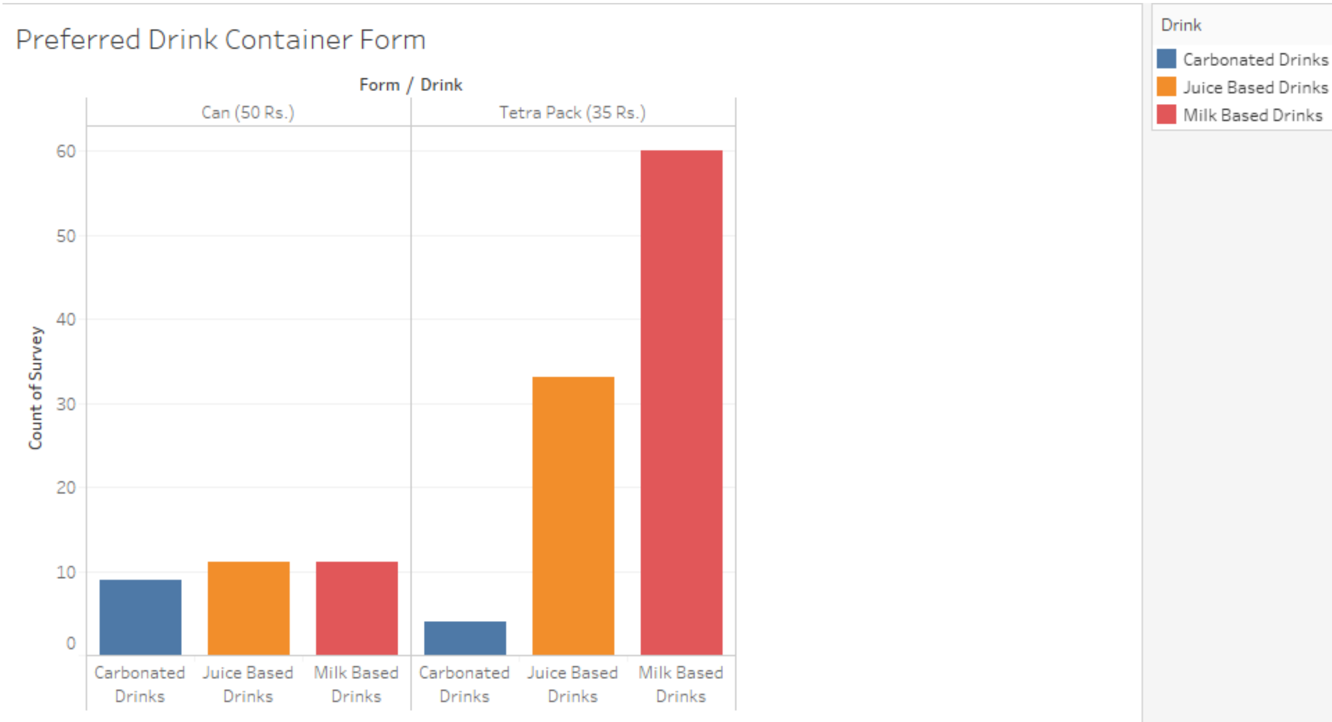
Majority of the consumer prefer Milk based drinks and they prefer Tetra pack containers. We can say it's because of the price of the tetra packed drinks as it is cheaper.

2. Gender wise packaging preference:

Gender wise Packaging preference

	Packaging			
Gender	Can	Glass Bottle	Plastic Bottle	Tetra Pack
Female	5	8	6	30
Male	6	26	9	43
Prefer not to say		1		

According to the data around 50% of the consumer prefer Tetra pack container and majority of the male prefer tetra pack over other containers.

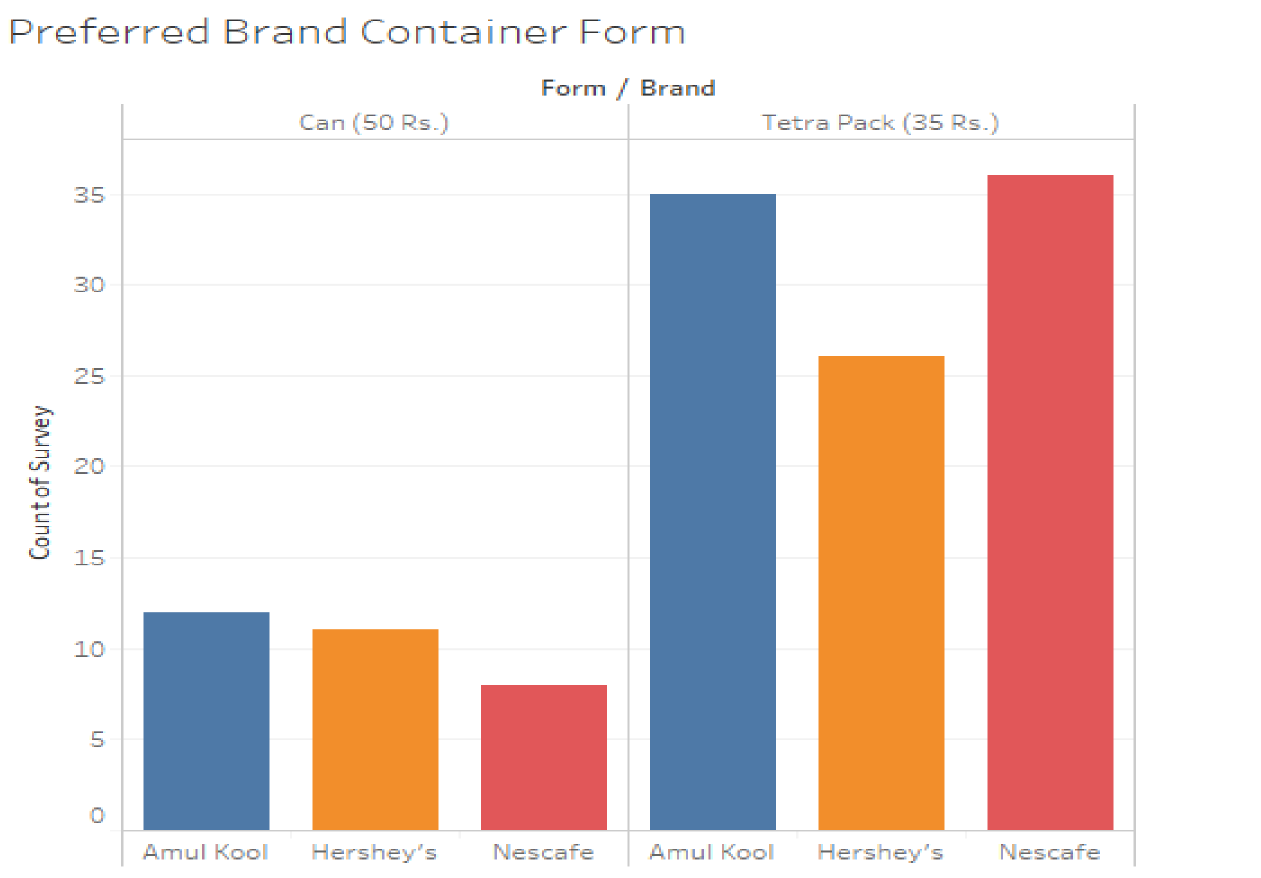


From the data shown above it can inferred that Tetra pack is more feasible and in demand by the customers and if we'll look for the drink in the Tetra Pack Milk based drinks are with the highest demand with having around 50% of the consumers vote.

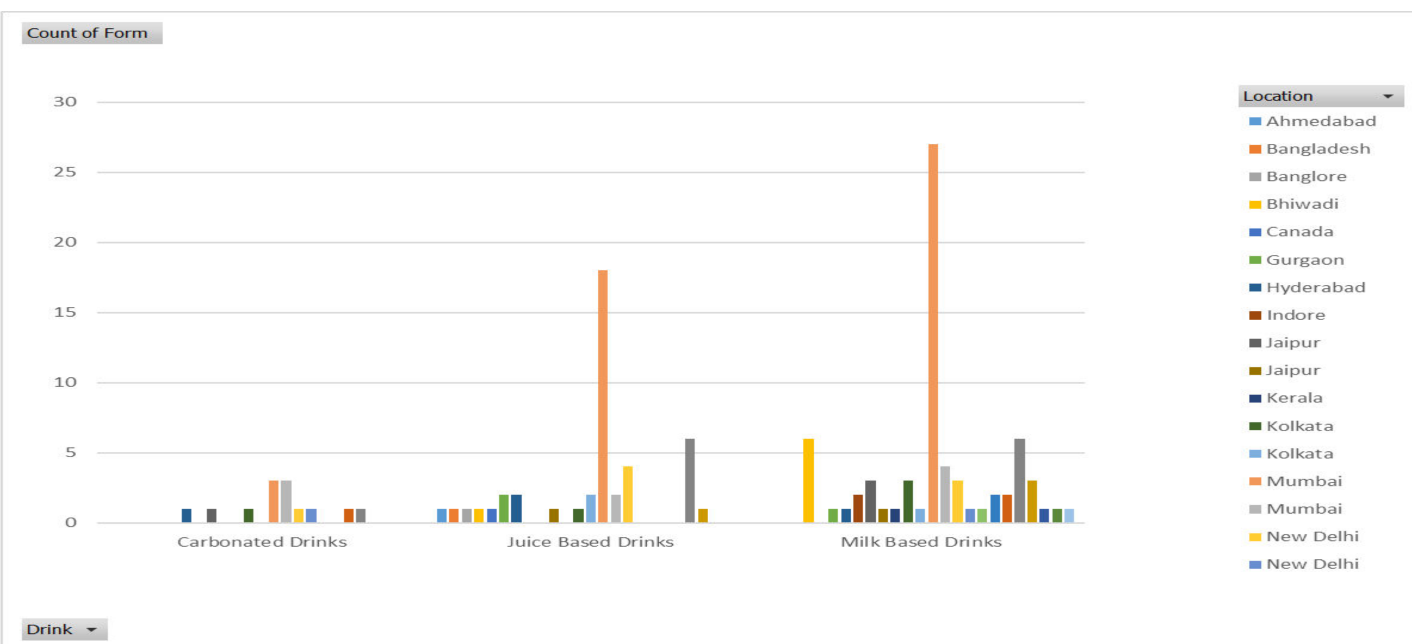
Preferred Brand Container Form

	Form	
Brand	Can (50 Rs.)	Tetra Pack (35 Rs.)
Amul Kool	12	35
Hershey's	11	26
Nescafe	8	36

Above shown data is also indicating that Tetra pack is the most famous when it comes to the packaging and data is being bifurcated among the brands and we can see that Nescafe is having the most no. of results with them in Tetra Pack category.

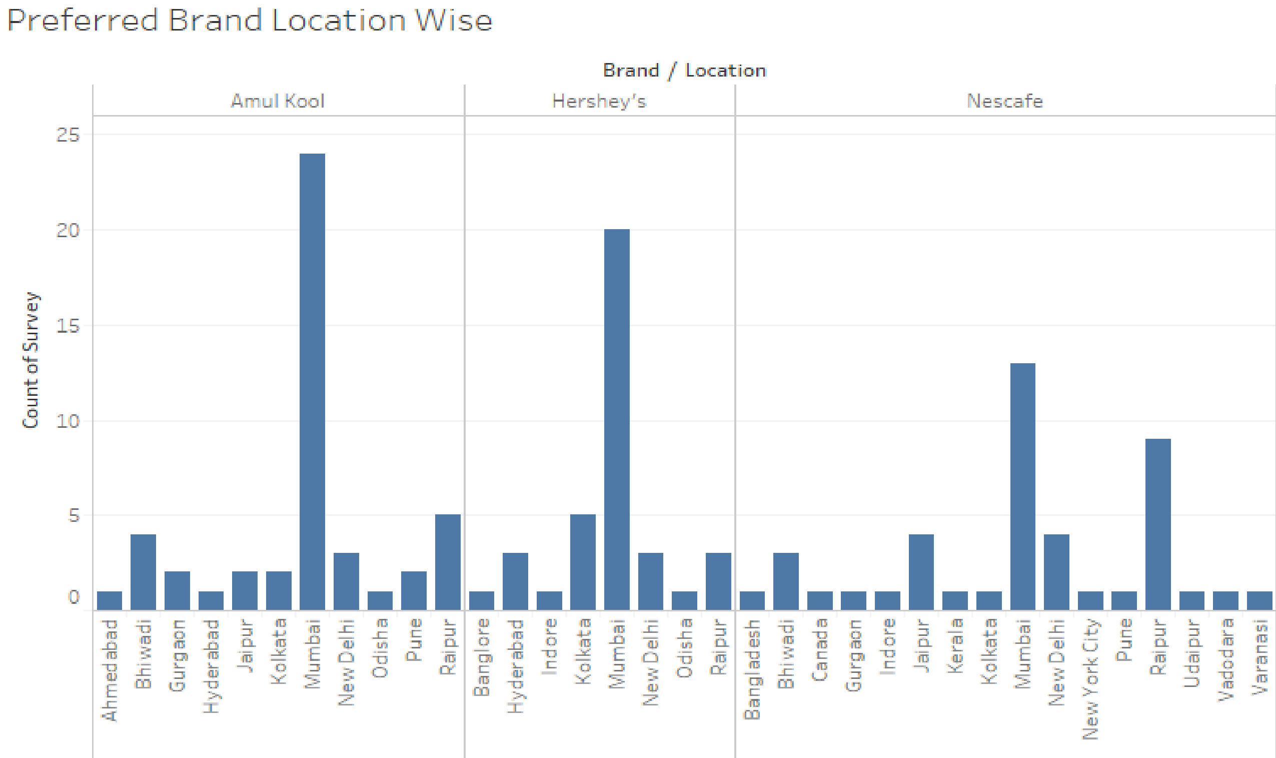


Above given data is indicating that Nescafe is having more no of counts in the Tetra Pack category followed by AMUL but id we'll look into the Can Packaging then AMUL Kool is leading there and Nescafe is lagging behind in that

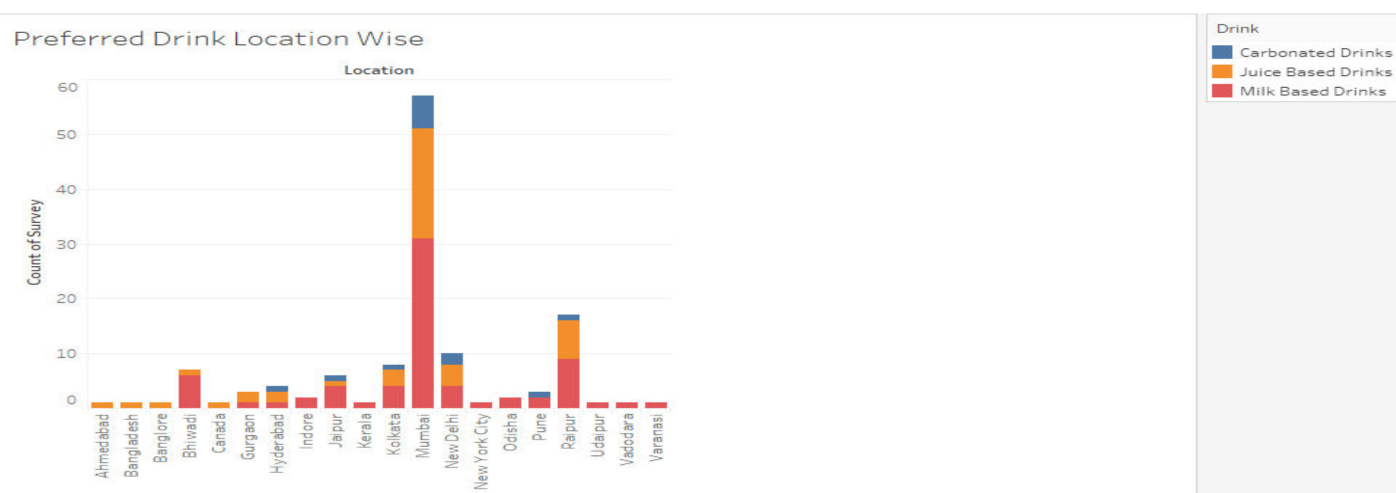


category just because of their high price.

Exhibit is showing the data as per the cities as the primary data is being collected from all stated across india but majority of the samples are from Maharashtra and we can observe that in Mumbai city milk based drinks are the most tranding and demanding.



From the given exhibit it can inferred that AMUL Kool is market leader in milk shake category as it has the leverage of being domestic brand of the country and that creates the faith among consumer as a



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brand and that is really important.

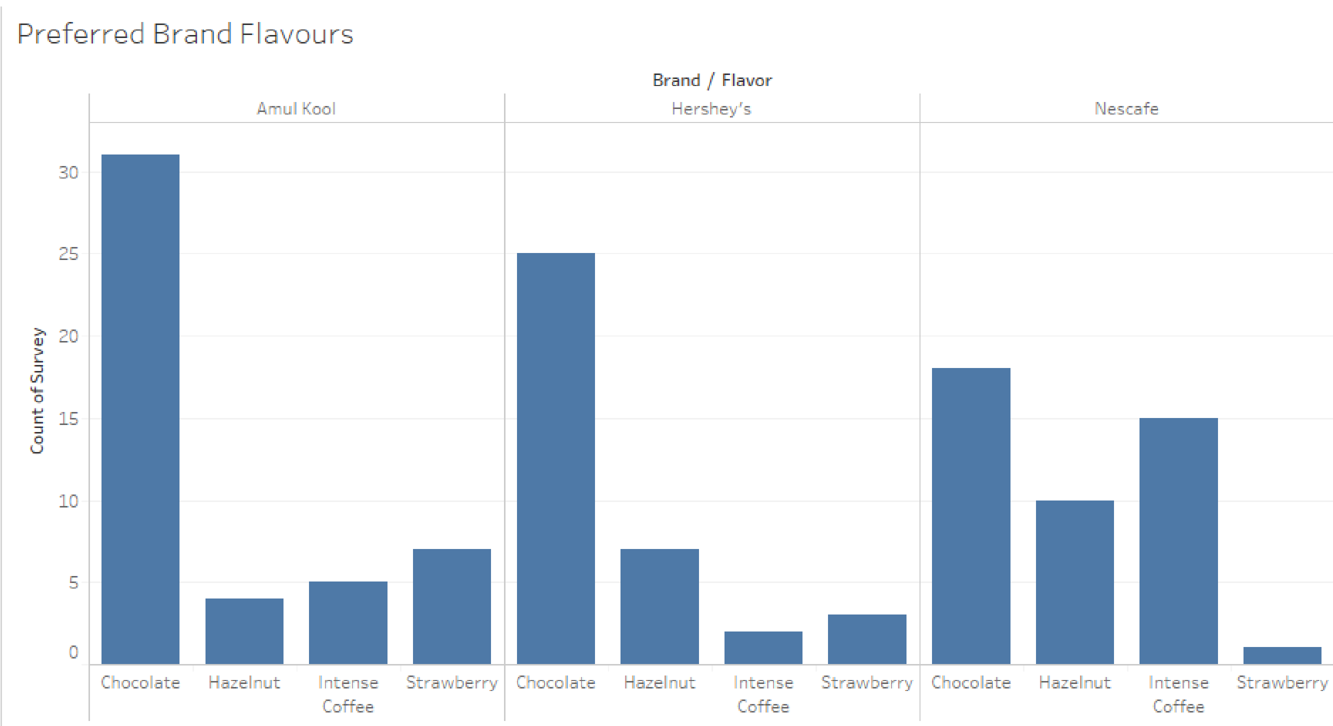
From the given exhibit it can observed that Milk based drinks are taking the place of Carbonated Beverages and Juice bases drinks as people are getting more health conscious and leading towards a good lifestyle. Mumbai city's data is the one to show and indicating the results.

Preferred Brand Flavours

	Flavor			
Brand	Chocolate	Hazelnut	Intense Coffee	Strawberry
Amul Kool	31	4	5	7
Hershey's	25	7	2	3
Nescafe	18	10	15	1

When it comes to the flavours chocolate flavour is the most demanding flavour in all over the the brands that are making milk shakes and available in the market.

From the given 3 companies AMUL, Nescafe and Hershey's Chocolate flavours is leading follwed by the intense coffee flavour.

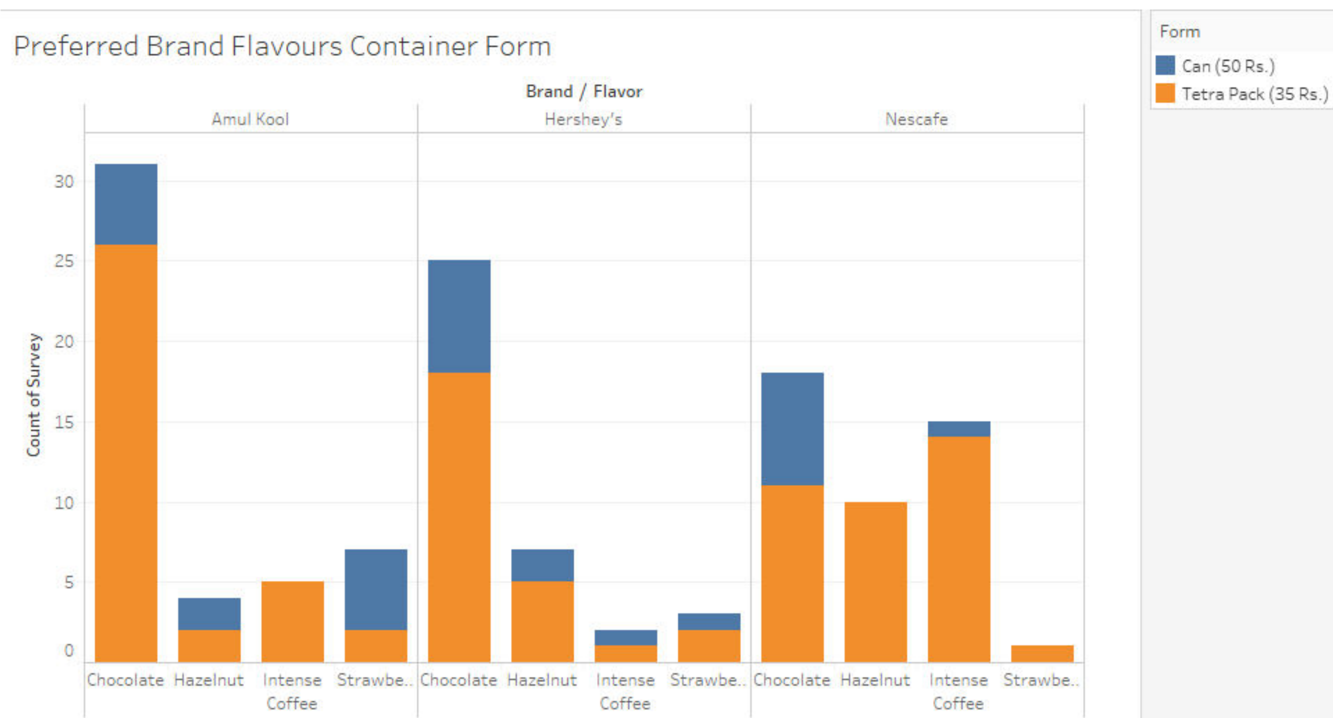


From the given exhibit we can see that preferred flavors have been given with the brands (AMUL Kool, Hershey's and Nescafe) and in each of the brands we can see that chocolate flavor is leading the flavor slab in every brand. In AMUL Kool chocolate is leading and the same is repeated in Nescafe and Hershey's.

Preferred Brand Flavours Container Form

		Flavor			
Brand	Form	Chocolate	Hazelnut	Intense Coffee	Strawberry
Amul Kool	Can (50 Rs.)	5	2		5
	Tetra Pack (35 Rs.)	26	2	5	2
Hershey's	Can (50 Rs.)	7	2	1	1
	Tetra Pack (35 Rs.)	18	5	1	2
Nescafe	Can (50 Rs.)	7		1	
	Tetra Pack (35 Rs.)	11	10	14	1

In the given exhibit all the brands are given with their flavors and their respective container form and from the data we can see that In AMUL Chocolate Tetra pack is the most trending and demanding one and in Hershey's we can see the same pattern chocolate flavor in Tetra pack and we can see that in Nescafe also same pattern has been followed but in Nescafe Can has also shown great while compare to



all other brands.

In the given exhibit all the brands are been given with their flavors and their container forms respectively and it can be observed that in all the brands Chocolate flavor is the most demanding one followed by intense coffee flavor and when it comes to packaging the Tetra pack is the most asked by the consumers as it has less price too.

Conclusion:

As per the objective of the study and requirement the Ready to Drink Beverages (RTD) is surveyed and it can be concluded through the sample size of the target group that Amul RTD is governing the industry this is due to the strong brand image the company has in the market in the Milk Industry. The packaging preferred by most of the consumer is Tetra pack due to the less price of Tetra packaging.

Theconclusion we can draw from the given data is that people are more inclined towards famous and economical RTD brand Amul and Tetra pack packing. This represents the population which includes college going students and working officials whereas the rural part of the population prefers to have Amul in Tetra pack more than any other brand as it was observed from their behavior and interaction that it suits their personality and is economical.

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