

A Study on Marketing of Packaged Drinking Water With Reference to Villupuram Town

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Abstract:

Packaged drinking water has become an indispensable part of human life. The present study the awareness of the consumers and analyze of the perception and levels of satisfaction of the consumers, retailers on marketing of packaged drinking water and the sample consists of 420 respondents, 210 were retailers and 210 were consumers and sample percentage analysis have been used and suggested to lower the unit prices and to make sales promotional activities in an effective manner to enhance their distribution networks in order to reach the small cities like Villupuram and expand their presence. It may be concluded that there will be a battle in bottle water market in between private brands and government brand, ultimately, the consumers of packaged drinking water will be the beneficiaries of this water battle.

Key words: Packaged drinking water, consumers, retailers, consumer perception and satisfaction.

Introduction

Packaged drinking water has become an indispensable part of human life. The water used for portable purpose should be free from undesirable impurities. The water available from untreated sources such as well, boreholes and spring is generally not hygienic and safe for drink. Thus, it is desirable and necessary to purify the water and supply under hygienic condition for human drinking purpose. “The sale of packaged water has shot up to 60lakhs liters per day from 40lakhs liters last year’s”, said N.Murali, Patron, Tamil Nadu Packaged Drinking Water Association. The market reach of packaged drinking water has taken the industry by surprise. “It was once considered an elitist purchase, but not anymore. Easy availability and handiness has resulted in water cans and sachets being used by the lower income group too”, he said. At least 35lakhs liters of water are sold in cans every day, said S.Anand, a resident of Gandhi Nagar in Pulianthope, “The water supply

from the community tap is not sufficient to meet domestic needs. If the water is not tapped during high pressure, it stinks. It is wiser to spend money on good quality water than pay a huge sum at the hospital, latter". In several homes, bubble top water containers have found permanent place in the kitchens.

Statement of the problem

Water, water everywhere, how many brands are safe to drink? Unauthorized packaged drinking water manufacturing units mushroom as consumption goes up by 15% over the past decade. Packaged drinking water has become an indispensable part of urban life. This rising demand for water in this summer has also paved the way for the sale of sub-standard quality of water and operation of unauthorized manufacturing units.

Throwing all norms to the wind, the retailers collect three or four rupees more than the maximum retail price (MRP) for a little bottle of soft drinks or water. The practice is rampant in bus stand, cinema halls and markets. Some of the restaurants in the town go a step ahead by charging Rs5 or more for the serving the soft drinks and water chilled. When customers demand an explanation, shop keepers say the extra money is for "cooling electricity". The retailers are getting away with charging more as most of the consumers do not question and the authorities concerned remain mute spectators to the practice. "If we question, the shopkeepers talk rudely and refuse to sell us anything. Some of the retailers drive us away from their premises", S. Indira, a resident in Sampath Nagar, says. Many retailers, however, claim that the customers do not mind paying extra for a bottle of soft drinks and it is usual practice followed all across the state. "Even the government officials here pay extra and do not complain it", a shopkeeper in front of the collectorate says. The consumer organization in the district is yet to take up this issue seriously and press for action. The administration has also grossly failed to initiate any concrete efforts to check this practice.

A team of enforcement officials from the Bureau of Indian Standards (BIS), Southern Regional Office, conducted a raid at packaged drinking water unit in Arumbakkam and found water jars with fake ISI in sigma. The raid took place at Aqua Deepack Industries, Sri Sakthi Nagar main Road, Arumbakkam, where drinking water was being filled and packed in 20litres PET jars bearing brand names such as Amutham, Podhigai, Aqua centre, Your Trust and King Fresh. The team seized the spurious products. According to the prevention of Food Adulteration Act, it is mandatory that, units manufacturing packaged drinking water should obtain a license from BIS to use the ISI mark before manufacturing such water.

Chennai Corporation Council passed a resolution on Thursday, seeks to ban drinking water sachets in the city. Mayor M.Subramanian said that, the drinking water sold in polythene sachets in the city had been found to contain coli form bacteria and faecal matter. The absence of non-touch technology in 22 units led to their closure. A large number of cases of diarrhea and typhoid in the city have been caused because of consumption of substandard water, he said. The Corporation has requested the government to slap a ban on sale of drinking water sachets and other product such as unhygienic juices.

Objectives

The primary objectives of the present research work are to study on marketing of packaged drinking water with reference to Villupuram town. The specific objectives are as follows:

1. To study the awareness of the consumers with regard to marketing of packaged drinking water in the study area.
2. To analyze the perception and levels of satisfaction of the consumers with regard to marketing of packaged drinking water in the study area.
3. To analyze the opinion of the retailers on marketing of packaged drinking water in the study area.
4. To summarize the findings of the study and offer suggestions for the improvement in marketing of packaged drinking water in the study area.

Methodology

This study is mainly based on primary data. The primary data was collected through personal interview from the retailers and consumers in the study area with the help of separate schedules. The secondary data was also collected to seek more information on packaged drinking water from different sources like books, journals, articles, newspaper, unpublished dissertations and websites.

Scope of the Study

The study covers the aspects pertaining to the opinion of the retailers on marketing of packaged drinking water and the opinion of the consumers towards brand awareness, preference and their levels of satisfaction on utilization of packaged drinking water. The study is restricted to Villupuram town only.

Sampling

The total sample consists of 420 respondents. Out of the total respondents, 210 were retailers and 210 were consumers. The respondents have been selected from bus stand, cinema halls, markets, railway junctions and from the residence of the respondents. Villupuram town is covered by 42 wards. By adopting convenience sampling techniques, five retailers and five consumers were selected from every 42 wards. Because of convenient accessibility and proximity to the researcher, convenience sampling method has been adopted.

Table 1
Sample Plan

S. No.	Classification of Respondents	Sample size
1.	Retailers	$42*5 = 210$
2.	Consumers	$42*5 = 210$
Total sample size		420

Source: Computed data.

Statistical Tool

The collected data were properly classified, arranged, coded, segregated, tabulated and summarized into a Master Table. From the Master Table, the values were taken into the concerned tables. The entire collected data were then analyzed by using simple percentage analysis method.

Limitation of the Study

Even though precautions and vigilance were taken by the researcher to make the study objective and error free, this study is not free from the limitations. The major limitations of the study were.

1. As the study is based on micro level, manufacturers and dealers were not taken into consideration. However, due care has been given to cover the aspects of marketing.
2. As the interview has been conducted at cinema halls, markets, bus stand, railway station and alike some of the respondents were at pause mood to respond the questions. Hence, the researcher felt hard to receive exact answers from the respondents.
3. Water pouches were not taken into consideration for this study because most of the branded packaged water companies are not marketing water pouches.

Rank of the branded of the packaged drinking water

There were 15 branded packaged drinking water brands playing their role on packaged drinking water market in villupuram town. Most of the retailers were marketing two or more brands of packaged drinking water. Hence, it is necessary to rank the branded on the basis of retailers' opinion. Table 1.2 shows the rank of branded packaged water for interpretation.

Table 1.2

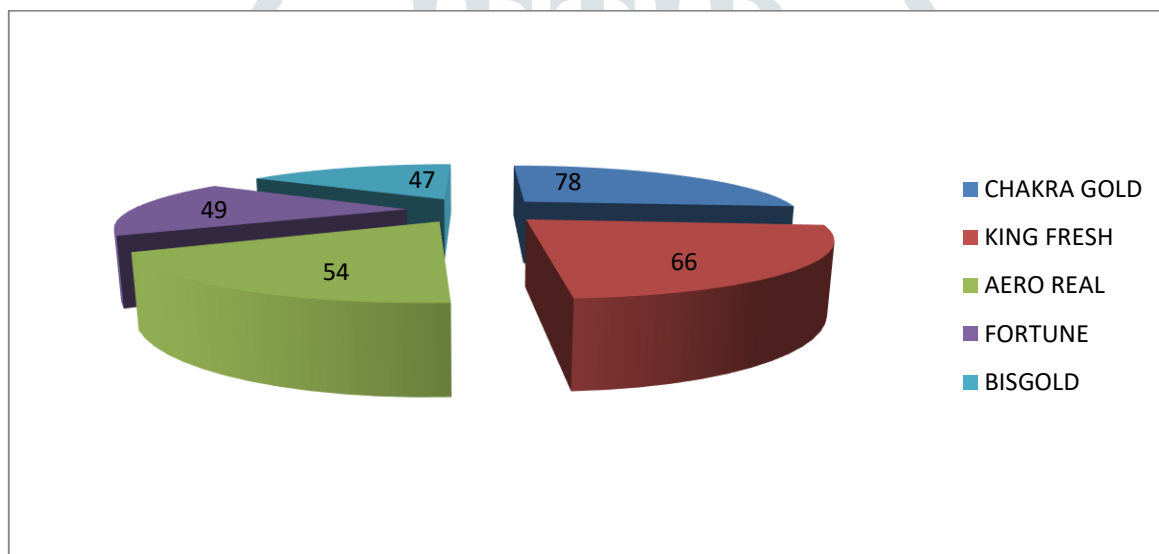
Rank of the branded packaged drinking water

S. No.	Brand name	No of the respondents	Rank of the branded
1.	Aquafina	38	VII
2.	Kinley	43	VI
3.	Bisleri	28	VIII
4.	True drop	22	IX
5.	Aero real	54	III
6.	Fortune	49	IV
7.	Ve-care	7	XIV
8.	Sky	21	X
9.	King fresh	66	II
10.	Chakra Gold	78	I

11.	Top3	18	XI
12.	G2M	15	XII
13.	Aquo Sure	10	XIII
14.	Bisgold	47	V
15.	Pearl	6	XV
16.	Rail near	4	XVI
	Total	210	

Source: Primary data

The above table shows the rank of the branded packaged drinking waters. The brand Chakra gold possess the first rank, King fresh brand possess the second rank in the market, Aero real brand possess the third rank in the market and Rail near brand possess the last rank in the packaged drinking water market. The majority of the branded, among the 15 branded is chakra gold



Source: Table 1.2

Table 1.3

Influencing factor on marketing of Packaged Drinking Water

S. No.	Influencing factor	No. of the respondent	Percentages of the respondent
1.	Profit motive	160	76
2.	To maintain customer loyalty	12	5
3.	To retain the customer	18	9
4.	To maintain the goodwill	20	10
	Total	210	100

Source: Primary data

The above table shows the factor influencing the retailers about marketing the packaged drinking water. 160 retailers said that, profit motive was the main purpose of retailing the packaged drinking water and 12 retailers said to maintain the customer loyalty, 18 retailers said to retain the customer and 20 retailers said to maintain the goodwill.

Opinion of the Retailers and levels of Satisfaction on marketing of packaged drinking water

Satisfaction level is the crucial thing in every activity. Without satisfaction no one repeat their work. Hence, to analyse the satisfaction level of the retailers, the following table is exhibited here.

Table 1.4
Opinion of the Retailers and levels of satisfaction

S. No.	Opinion of Retailers	Highly Satisfied	Satisfied	Neither Satisfied Nor Dissatisfied	Dissatisfied	Highly Dissatisfied
1	Supply of Product	180	30	-	-	-
2	Credit period	160	15	30	5	-
3	Profit Margin	163	17	15	10	5
4	Customer Retention	175	35	10	-	-
5	Attracting new customers	-	5	170	30	5

Source: Primary data

Supply of product : 180 retailers are highly satisfied, and 30 retailers are satisfied about the supply of product.

Credit period: 160 retailers are highly satisfied, 15 retailers are satisfied, 30 retailers are neither satisfied nor dissatisfied and 5 retailers are dissatisfied.

Profit margin: 163 retailers are highly satisfied and 17 retailers are satisfied.

Customer Retention: 175 retailers are highly satisfied, 35 retailers are satisfied and 10 retailers are neither satisfied nor dissatisfied.

Attracting New Customers:170 retailers are neither satisfied nor dissatisfied. 30 of them are dissatisfied.

Brand preferences of packaged drinking water by the consumers

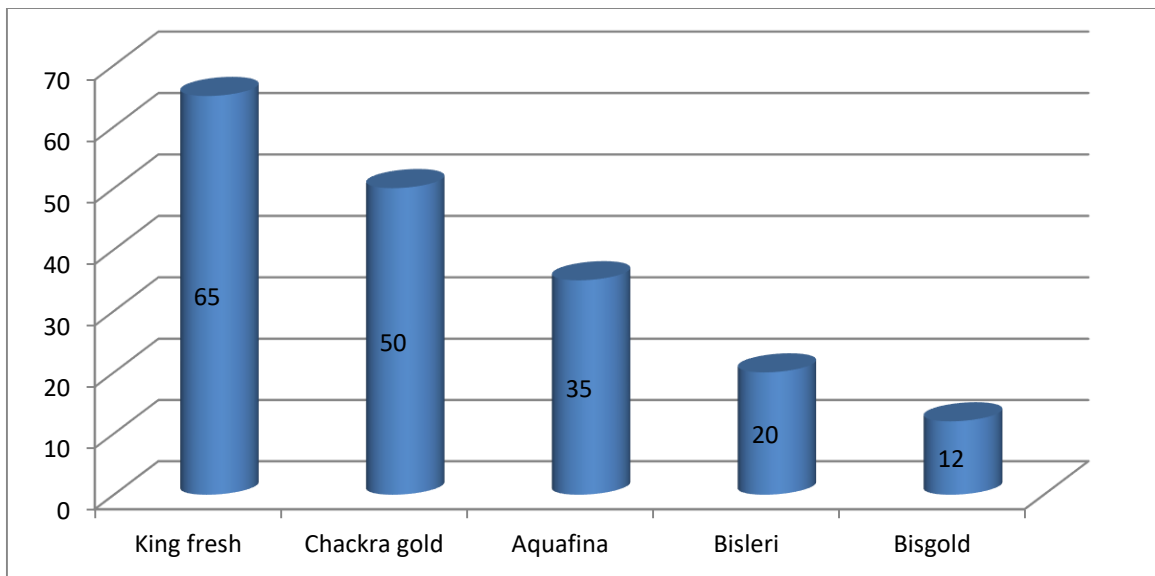
The taste and preferences of the consumers are different and also the influencing factors of them are not uniform. Let us know the brand preferences of packaged drinking water consumers. The information on different packaged drinking water users is represented in the table 1.5

Table 1.5**Distribution of the consumers according to the brand preferences**

S. No.	Brands	No of the respondents	Ranks of the brand
1.	Aquafina	35	III
2.	Kinley	6	
3.	Bisleri	20	IV
4.	True drop	5	
5.	Aero real		
6.	Fortune		
7.	Ve-care		
8.	Sky	6	
9.	King fresh	65	I
10.	Chakra gold	50	II
11.	Top 3	8	
12.	G2M	3	
13.	Aqua sure		
14.	Bisgold	12	V
15.	Pearl		
16.	Rail neer		
Total		210	

Source: Primary data

The table 1.5 explain that expresses the brand preferences of the packaged drinking water users. The Aquafina branded occupied the third place in the marketing among the consumers, Bisleri brand occupied the fourth place in the marketing, King fisher brand occupied the first place in the marketing, Chakra Gold brand occupied the second places in the marketing field and Bisgold company brand occupied the fifth place in the marketing of the packaged drinking water.



Source: Table 1.5

Table 1.6

Distribution of the respondents according to the level of satisfaction of the consumer about packaged drinking water

S. No.	Particulars	Highly satisfied	Satisfied	Neither satisfied nor dissatisfied	Dissatisfied	Highly dissatisfied	Total
1.	Price	15	131	37	27	-	210
2.	Quality	10	190	10	-	-	210
3.	Package	-	175	32	3	-	210
4.	Availability	10	175	10	15	-	210
5.	Taste	4	190	11	5	-	210

Source: Primary data

Price: Among the total respondents, 131 respondents were satisfied about the price of their packaged drinking water.

Quality: Among the total respondents, 190 respondents were satisfied about the quality of their packaged drinking water.

Package: Among the total respondents, 175 respondents were satisfied about their package of drinking water.

Availability: Among the total respondents, 175 were satisfied about the availability of their packaged drinking water.

Taste: Among the total respondents, 190 respondents were satisfied about taste of their packaged drinking water.

Suggestions

1. Due to low brand loyalty in the study area, the manufacturers are suggested to lower the unit prices and to make sales promotional activities in an effective manner to enhance their distribution networks in order to reach the small cities like Villupuram and expand their presence.
2. The packaged water industry needs to have inspections and laboratory certification must be made frequently. Frequent inspections in the shops selling packaged drinking water should be made in order to ensure that, the water is of good quality for consumption.
3. Most of the respondents do not have knowledge about the RO and UV treatments of the packaged drinking water. Hence, the awareness must be created through advertisement and postures by the concerned authorities.
4. The respondent preferred the packaged drinking water during travelling, at workplace, at their residence and in the places where the corporation water supply was not proper. Although most of the consumers consumed it at resident due to the reason of irregular supply of corporation water. The government should take steps for providing sufficient municipal water and even packaged water also.
5. To expand the market, the suppliers of packaged drinking water are suggested to provide storage facility to the retailers those who are in need.
6. It is observed by the researcher that the sellers are charging high extra price from the consumers for chilled supply of packaged water. It is suggested that the consumer organization should give necessary care on this and consumers should be educated to demand explanations from the shop keepers.

Conclusion

The study covers the aspects pertaining to the opinion of the retailers on marketing of packaged water and consumers towards brand awareness, preference and their levels of satisfaction on utilisation of packaged drinking water at Villupuram town. But at the time of submission of this research work, the Tamilnadu Government had directed the State Transport Corporations to set up 'Amma Mineral Water' plants across Tamilnadu. They will market mineral water, packaged in plastic bottles, at Rs.10 a litre. The price line would make the product attractive, as private brands were sold at Rs.20 a litre and that of Railways at Rs.15. The government decision to market safe packaged drinking water is in line with similar measures aimed at helping households beat inflation. It will ensure quality and affordable drinking water to the poor and middle class people. The government initiative would be a boon to the people, especially the chennaites who were left in the lurch by the recent strike by packaged drinking water firms after the Tamilnadu Pollution Control Board Shut down 92 manufacturing units found operating without licence. Hence, it is the high time to wake up the stake holders of packaged drinking water at Villupuram town that how they are going to compete with 'Amma mineral water'. It may be concluded that there will be a battle in bottle water market in between private brands and government brand, ultimately, the consumers of packaged drinking water will be the beneficiaries of this water battle.

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