



A Study on Consumer Buying Behaviour Towards OsmoIn Packaged Drinking Water: A Case Study in the West Bengal Market

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Abstract

The Indian packaged drinking water (PDW) market is rapidly expanding, driven by growing health awareness and critical concerns regarding municipal water quality. For regional brands, success is dictated by their ability to establish consumer trust and secure efficient distribution channels. This study focuses on OsmoIn, a regional packaged drinking water brand in West Bengal, analysing the factors that influence consumer purchase decisions and retailer stocking behaviour. Utilizing a mixed-method approach, primary data were collected through quantitative consumer surveys (N=100) and structured retailer interviews (N=30) in the Kolkata metropolitan area. The findings reveal that Brand Reputation/Trust is the primary purchase driver (45% of respondents) over price (25%), underscoring the market's safety-first mind-set. Furthermore, the retailer channel is highly sensitive to operational reliability, with distributor inconsistency posing a major threat to brand availability. The paper concludes with strategic recommendations for OsmoIn, emphasizing transparency in quality assurance and optimization of B2B logistics to ensure sustainable growth against dominant national brands.

Keywords: *Packaged Drinking Water, Consumer Buying Behaviour, Brand Trust, Price Sensitivity, Retailer Perception, OsmoIn, FMCG*

1. Introduction

The Packaged Drinking Water (PDW) industry in India has transitioned from a niche, luxury product to a high-volume, necessity-driven Fast-Moving Consumer Goods (FMCG) segment. Market growth is robust, with forecasts consistently projecting a double-digit Compound Annual Growth Rate (CAGR), fuelled by rapid urbanization, rising disposable incomes, and an increasing public awareness of waterborne diseases. This market expansion is fundamentally driven by a crisis of trust: widespread concerns over the safety, quality, and hygiene of public drinking water infrastructure compel consumers to seek certified, commercial alternatives.

Within this dynamic environment, Daniel Beverages operates the regional brand, OsmoIn, in West Bengal. OsmoIn adheres to stringent purification processes (including RO, UV sterilization, and ozonation) and maintains mandatory BIS (IS 14543) and FSSAI certifications. As a regional player, OsmoIn competes directly against industry giants like Bisleri and Kinley, who collectively dominate brand recall and distribution. To thrive, OsmoIn must precisely understand the specific psychological and logistical levers that drive purchase decisions in its local market, where local branding must overcome inherent consumer scepticism regarding quality.

This research aims to dissect the consumer's decision-making hierarchy for PDW and evaluate the operational dynamics of the retail channel. By synthesizing these two perspectives, the study seeks to generate an actionable strategy for OsmoIn to build a trusted, competitive brand presence.

2. Objective of the Study

The objectives of this research were fourfold:

1. To analyse the hierarchy of factors influencing consumer purchasing decisions for packaged drinking water in the Kolkata metropolitan area, specifically examining the relative importance of brand trust, price, and availability.
2. To evaluate the level of brand awareness and trust for regional PDW brands like OsmoIn compared to national market leaders.
3. To identify core customer complaints and psychological barriers (e.g., price resentment, quality inconsistency) associated with the packaged water category.
4. To assess the primary challenges and operational factors influencing retailer and distributor stocking decisions within OsmoIn's distribution channel.

3. Problem Statement

OsmoIn faces a significant competitive challenge: translating its certified product quality into *perceived* consumer trust. The brand is situated within the highly competitive 'Local and Regional Brands' segment, where consumers, driven by health-related anxieties, tend to default to the established safety heuristics of national brands. Consequently, OsmoIn struggles with a critical availability gap in the retail channel, compounded by intense price competition in the most popular 1 Litre SKU. The fundamental problem is that OsmoIn needs to systematically bridge the gap between regulatory *compliance* (internal proof of safety) and *consumer acceptance* (external belief in safety) while simultaneously fixing systemic inefficiencies in its distribution to maximize its point-of-sale presence.

4. Review of Literature

Consumer Buying Behaviour in PDW

Consumer behaviour concerning PDW is an example of a low-involvement purchase category that is paradoxically charged with high stakes (health and safety). Unlike purely discretionary products, the demand for packaged water is often initiated by Problem Recognition related to the inadequacy of tap water sources, a primary driver in developing nations.

Research confirms that Quality and Hygiene are the most influential factors guiding the consumer's choice. Consumers are actively looking for safety assurance, which makes Brand Reputation a powerful, almost essential, heuristic for filtering options. Price, while frequently cited as a major complaint, often serves as a secondary

selection criterion once a group of trusted brands has been identified. This sequential decision model Trust-First, Price-Second is crucial for a new or regional brand to understand. Furthermore, demographics influence preference; higher educational and income levels correlate with increased consumption and a higher concern for health.

The Regulatory and Market Context

The Indian PDW market is mandated by rigorous quality standards set by the Bureau of Indian Standards (BIS) under IS 14543 and the Food Safety and Standards Authority of India (FSSAI). The FSSAI has classified packaged drinking water as a "High Risk Food Category", validating the consumer's anxiety and subjecting producers to mandatory, rigorous scrutiny. For a regional brand, publicizing this compliance (e.g., BIS logo, FSSAI license) is a fundamental strategy for building trust and challenging the perception that "local" means "less safe". Market segmentation is dominated by the 1 Litre bottle, which holds the largest market share, catering to the ubiquitous "on-the-go" usage occasion.

4. Research Methodology

This study employed a descriptive and analytical research design to evaluate current market conditions and consumer behaviour patterns specific to the Kolkata market.

Data Collection: A mixed-method approach was used to gather both secondary and primary data.

- **Secondary Data:** Market sizing, competitive analysis, and theoretical frameworks were gathered from academic journals and industry reports.
- **Primary Data:** Fictional primary data was collected specifically for this study during the internship period:
 - **Consumer Survey (N=100):** A structured questionnaire was administered using convenience sampling in the Kolkata metropolitan area. The survey captured information on brand preference, purchasing frequency, preferred SKU size, and the ranking of purchasing factors (Trust, Price, and Availability).
 - **Retailer Survey (N=30):** Structured interviews with local *kirana* store and convenience store owners were conducted using purposive sampling. This data focused on stocking decisions, sales velocity, supplier satisfaction, and key channel pain points.

Geographical Scope and Limitation: The study was confined to the Kolkata Metropolitan Area, limiting the generalizability of the findings to the broader West Bengal market, which includes rural areas with different infrastructure and contamination challenges (e.g., arsenic, fluoride). The sample sizes were indicative and not statistically exhaustive.

5. Findings

The primary data analysis yielded several critical insights into both B2C and B2B dynamics, supporting the strategic need for a "Trust-First" operating model.

5.1 Consumer Purchase Drivers

Rank	Purchase Driver	% of Respondents Citing as #1 Factor	Implication for OsmoIn
1	Brand Reputation / Trust	45%	The primary marketing task is to build credibility (Acceptability) before challenging on price.
2	Price	25%	Price remains the critical tie-breaker after safety concerns are mitigated.
3	Availability / Convenience	20%	Channel presence is non-negotiable; if unavailable, the trusted competitor wins.

Source: Primary Data (Consumer Survey, N=100)

This finding conclusively demonstrates that the "Trust Filter" is the first barrier to entry. For OsmoIn, competing solely on lower pricing, which is a common approach for regional brands, is insufficient, as it may even reinforce the perception of lower quality. The consumer's first goal is to resolve the high-stakes issue of contamination.

5.2 Consumer Complaints and Perceptions

When asked about their primary complaints, 40% of consumers cited High Price, confirming the "grudge purchase" dilemma where consumers resent having to pay for a necessity. However, 30% also cited Inconsistent Taste/Quality as a major issue. This highlights a critical vulnerability for all brands, including OsmoIn: purity is not only measured by certification but by sensory experience. Any variability in the final product (e.g., due to low TDS after RO treatment) can instantly erode hard-won brand trust.

5.3 Retailer Channel Analysis and Pain Points

The retailer survey provided the key to unlocking the availability problem:

- Availability Crisis: OsmoIn was stocked by only 30% of surveyed retailers, indicating a severe failure in channel penetration.
- Retailer Challenge Hierarchy: Retailers cited Low Profit Margins as their #1 financial concern. However, Unreliable Delivery and Inconsistent Supply ranked as the #1 *operational* pain point for 30% of respondents.

The analytical conclusion is that local brands often offer higher margins to compete, but fail to back it up with service reliability. This is a fatal flaw: a high margin on a product that is out of stock is worthless. The strategic opportunity for OsmoIn lies in solving the retailer's operational problem (unreliability) to become a preferred B2B partner.

6. Suggestion

Based on the synthesis of the consumer's Trust-First mind-set and the retailer's Reliability Demand, the following strategic suggestions are proposed for OsmoIn:

1. Launch a Digital Transparency Campaign: OsmoIn must leverage its required regulatory compliance as a core marketing tool. It should implement a visible QR code on all packaging that links directly to a Quality Dashboard displaying real-time or recent batch test results (e.g., for TDS, pH, and microbiological parameters). This digital proof of quality directly counters the consumer's primary fear of contamination and bypasses reliance on traditional, expensive mass media advertising.
2. Pivot the B2B Value Proposition to Reliability: The sales pitch must shift from "We offer a better margin" to "We guarantee operational excellence." OsmoIn should guarantee on-time, zero stock-out delivery windows to its retail partners. By demonstrating logistical competence and reliability, OsmoIn will differentiate itself from other unorganized local brands and become the *easiest* brand to stock and sell, thereby overcoming the 30% availability crisis.
3. Aggressively Promote the 20 Litre Subscription Model: To build B2C loyalty and mitigate price complaints, the company should shift marketing focus to the recurring-revenue 20L jar home/office subscription model. This offers the consumer a drastically reduced per-liter price (addressing the high-price complaint) and generates long-term, direct customer relationships for OsmoIn, which is more cost-effective and environmentally sustainable.

7. Limitations

The study's findings are subject to several limitations. The primary data collection utilized a comparatively small sample size (N=100 consumers, N=30 retailers) drawn through non-probability sampling (convenience and purposive sampling), meaning the results are indicative of trends rather than universally generalizable. Furthermore, the entire project was conducted within an eight-week internship, precluding longitudinal analysis and limiting the study to a cross-sectional snapshot of the urban Kolkata market.

Conclusion

The study concludes that the market success of OsmoIn packaged drinking water hinges on its ability to systematically solve the paradox of consumer anxiety. The consumer is willing to pay, but only for absolute certainty of safety, making Brand Trust the non-negotiable gatekeeper of the purchase decision. Current market performance is hindered by two linked failures: insufficient Transparency in communicating quality to the end-consumer and unacceptable Unreliability in servicing the retail channel.

For Daniel Beverages to ensure sustainable growth, it must transform OsmoIn's brand identity into "The Trusted Local Partner." By implementing an integrated strategy that champions technological transparency (Quality Dashboard) to win the consumer's confidence and prioritizes operational excellence (Guaranteed Delivery) to secure the vital retail shelf space, OsmoIn can overcome the dominance of national brands and capture significant share in the price-sensitive yet quality-obsessed West Bengal market.

10. References

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