



Challenges Faced by the Retailers in Selling the Selected Carbonated Dairy Drink in Anand City, Gujarat

P. Navyasree ^{a++}, M. R. Prajapati ^{b#} and A. B. Mahera ^{c#*}

^a Department of Agribusiness Management, University of Agricultural Sciences, Dharwad, Karnataka-580005, India.

^b Department of Financial Management, International Agribusiness Management Institute, Anand Agricultural University, Anand, Gujarat-388110, India.

^c Department of Marketing Management, International Agribusiness Management Institute, Anand Agricultural University, Anand, Gujarat-388110, India.

Authors' contributions

This work was carried out in collaboration among all authors. All authors read and approved the final manuscript.

Article Information

DOI: 10.9734/AJAEES/2022/v40i121781

Open Peer Review History:

This journal follows the Advanced Open Peer Review policy. Identity of the Reviewers, Editor(s) and additional Reviewers, peer review comments, different versions of the manuscript, comments of the editors, etc are available here: <https://www.sdiarticle5.com/review-history/94863>

Original Research Article

Received: 18/10/2022
Accepted: 19/12/2022
Published: 21/12/2022

ABSTRACT

Carbonated drinks or fizzy drinks are beverages that contain dissolved carbon dioxide. These are the packaged drinks that are available in bottles, cans, and PET bottles without any alcohol content. This industry has been experiencing paramount changes regarding product innovations, variations, and offerings. To create a wider penetration of carbonated beverages and sustaining the customer base, companies have been using a variety of strategies. This study was conducted to identify the problems faced by the retailers in selling the selected carbonated dairy drink in Anand city, Gujarat. Primary data was collected with the help of collecting the information from 60 retailers

⁺⁺ Research Scholar;

[#] Assistant Professor and Head;

^{*}Corresponding author: E-mail: drashish.mahera@gmail.com;

of different general stores, parlors, bakeries and petty shops using purposive sampling method in order to analyze and interpret the information. According to the findings of the study conducted, using the percentage and tabular analysis, it was observed that 41.67 percent of the respondents felt that the price of the carbonated dairy beverages are higher than the other competitive carbonated drinks. 30 percent of the retailers gave their feedback of better service as there was replacement of the old stock and the company was resolving the issues as per the need. 20 percent of the respondents felt that the quality of the selected carbonated dairy drink was good. Only 8.33 percent respondents reported that there was better supply. So, the data depicted that the retailers were not so satisfied with the selected carbonated dairy beverage products. About 55 percent of the retailers were not satisfied with the marketing and promotional strategies of carbonated dairy drinks. The results clearly represented that the retailers expect more promotional activities from the companies, draw suitable marketing strategies, attract the new customers by creating the awareness, retain and nurture the existing ones and target the potential ones to increase the sales revenue and maximize the profit.

Keywords: Retailers; challenges; financial management; dairy; marketing.

1. INTRODUCTION

Carbonated beverages (CBs) are invariably consumed without dilution and are quite popular across the globe with an impressive dominance in the world beverage market. These are the beverages that contain dissolved carbon dioxide [1]. The market for these beverage products is continuing to show outstanding growing potential. Carbonated beverages improve swallowing ability in young as well as adult individuals. The industry is experiencing major changes regarding product innovations and offerings. "Companies have been using a variety of strategies for creating a wider penetration of carbonated beverages and sustaining the customer base. Product innovation is one of the major moves that most companies have been opting to enhance their revenue" [2]. "High demand for low sugar and diet carbonated drinks among consumers, because of increasing adoption of a healthy lifestyle is another factor fuel the growth of the global carbonated beverage market. Also, the increasing young population in emerging countries and rising disposable income are factors expected to encourage the overall growth of the global market in the future" [3].

"The Indian carbonated soft drinks market had total revenue of \$8,315.7million in 2018" [4]. "The market consumption volume of soft drinks reached to a total of 6,216.2 million litres in 2018" [5]. "Large base of population, rising disposable income and rapid urbanization are majorly driving Indian carbonated soft drinks market. The market is expected to grow annually by 9.35 percent (CAGR 2021-2025)" [6]. "The average per capita consumption stands at 4.3 litres in 2019" [7].

"The development of dairy products containing probiotic bacteria is a major focus of the industrial sector, and the production of food containing probiotic strains that maintain an adequate concentration of viable cells during shelf life is generally a technological challenge" [8]. "With the growing health concerns, there is increasing demand for healthier beverages rather than soft drinks. Whey based carbonated beverages can meet this demand. The increased consumption of dairy beverages and the benefits of carbonation upon these beverages means that there are opportunities to develop widely accepted and popular carbonated dairy beverages. Carbonated dairy beverages have become increasingly popular in recent years, and innovations in this area could help drive increased consumption of these beverages" [8].

"India Whey Protein Ingredients Market size is estimated to be \$860 million in 2019 and is projected to be growing at CAGR of 37.64 percent during the forecast period 2020-2025" [9]. "The growing trend of fitness activities and growing population are the major factors increasing demand for whey protein ingredients in India. The Indian whey protein market is expected to register a CAGR of 11 percent, during the forecasted period (2019 - 2024)" [10].

"India has several outstanding achievements as well as impressive growth during last few decades. Indian retail market is one of the top five retail markets in the world by economic value and it is considered as one of the fastest growing retail markets in the world" [11]. "Retailing in India is the most important pillar of its economy and accounts of about 10 per cent of its GDP" [12]. "In today's competitive environment

delivering high quality service is the key for a sustainable competitive advantage” [13]. “There is a rapid development of retailing which leads to shifting of customers from unorganized to organized sectors mainly because of changing behaviour and preferences of consumers” [14-15].

2. MATERIALS AND METHODS

The primary data was collected from the consumers with the help of structured schedule. The sampling method used was non-probability sampling method under which purposive sampling method was used to collect the information from the retailers. To satisfy the objective, the data was collected from 60 retailers of Anand city. Out of 60 retailers, information of 15 retailers were collected from Winner traders (near bus stand), information of 15 retailers were collected from Santram traders (near Ganj Market), information of 15 retailers were collected from Chandini traders (near Ganesh chokdi) and the information of the remaining 15 retailers were collected from Shakti traders (Anand-Vidyanagar road).

The secondary data regarding the study was collected from different magazines, literature reviews, govt. and private publications, research papers and books, government websites like Directorate of Animal Husbandry, Govt. of Gujarat, National Dairy Development Board (NDDB), United Nations FAO, Agriculture and Processed Food Products Export Development

Authority. The sampling method used was non-probability sampling method under which convenience sampling method was used.

3. RESULTS AND DISCUSSION

3.1 Frequency of Buying of Selected Product by the Retailers

Frequency of buying is very important for the business to analyse and measure to increase their market share by potentially expanding the product to their target consumers. It helps us to understand the buying pattern of retailers and consumers which allows the company to decide on strategies for market segmentation, distribution and sales promotions.

From the Table 1 represented above, it was depicted that, out of 60 retailers surveyed, most of the retailers purchased weekly (55%) followed by those who purchased fort nightly (25%) interpreting that the demand for the selected product is not a record level.

From the Table 2 represented below, it was noticed that, out of the total retailers surveyed, most of the retailers purchased 6 to 10 cartons (60%), followed by those who purchased 11-15 cartons (28.33%), concluding that the weekly purchase of most of the retailers is in the range of 6-15 cartons to meet the demand of the consumers.

Table 1. Frequency of buying of selected carbonated dairy drinks by the retailers

Duration	Frequency	Percentage (%)
Daily	9	15
Weekly	33	55
Fort-nightly	15	25
Monthly	3	5
Total	60	100

(Source: Primary data)

Table 2. Quantity of buying of the product by the retailers (Weekly)

Quantity (cartons)	Frequency	Percentage (%)
1-5	4	6.67
6-10	36	60.00
11-15	17	28.33
16-20	3	5.00
Total	60	100

(Source: Primary data)

Table 3. Feedback of the retailers regarding carbonated dairy beverage

Feedback	Number of Retailers	Percentage
Better Quality	12	20
Availability of Product	5	8.33
Better Service	18	30
Higher Price	25	41.67
Total	60	100

(Source: Primary data)

Table 4. Problems faced by the retailers

Problems	Number of Retailers	Percentage (%)
Unawareness	12	20.00
Less Demand	13	21.67
Price	16	26.67
Unavailability	7	11.67
Low margin	3	5.00
Packaging	9	15.00
Total	60	100.00

(Source: Primary data)

Table 5. Satisfaction of marketing and promotional strategies for the selected product

Marketing and Promotional strategies	Number of Retailers	Percentage (%)
Satisfied	21	35
Dissatisfied	33	55
Neutral	6	10
Total	60	100

(Source: Primary data)

Table 6. Expectation of retailers regarding the selected product

Expectation regarding the product	Number of Retailers	Percentage (%)
Promotional activities	27	45.00
Sales follow up	3	5.00
Better Supply	7	11.67
Acceptable Packaging	9	15.00
Price reduction	14	23.33
Total	60	100

(Source: Primary data)

The data presented in the above Table 3 depicted that majority of the retailers felt that the price of selected carbonated dairy drinks was higher than the other competitive carbonated drinks (41.67%), followed by those who gave their feedback of better service as there was replacement of the old stock and the company was resolving the issues as per the need (30%). Some of the respondents (20%) felt that the quality of dairy carbonated beverages was good because of the healthy ingredients present in the selected drink.

From the data represented in the above Table 4, it was concluded that bulk of the retailers felt that

the price of the carbonated dairy beverage was more (26.67%) and some of the retailers reported that the demand for the selected product was less when compared to the other normal carbonated beverage brands due to the un-awareness, unavailability, inaccessibility and less affordability (21.67%). Some of the retailers (15%) reported that the packaging of the product was faulty as the bottle was not sealed properly and there was leakage of gas in most of the bottles received by the retailers. Therefore the data unveiled that although there were good number of retailers satisfied with the quality of the product, many of them were also of opinion that the price of the product was high.

From the above Table 5 represented above, it was observed that, out of the total retailers surveyed, only 35 per cent were satisfied with the marketing and promotional strategies followed and majority of the respondents (55%) felt that the marketing and promotional strategies were not up to the mark as the consumers were still unaware regarding the goodness, purity, novelty and nutritional value of the product.

From the above Table 6, the results clearly represented that, majority of the respondents (45%) expect more promotional activities for the carbonated dairy beverages to bring awareness regarding the goodness of whey protein and real fruit juices in the product. Some of the respondents (23.33%) expect that the price of the product must be reduced as the price of the PET can of this product was found to be Rs. 15 for 200 ml comparatively higher to other carbonated beverages price at Rs.10 for the same quantity supplied. Some of the respondents (15%) expect the packaging of the bottles must be acceptable without any defects as there were grievances of the retailers regarding ineffective packaging.

4. CONCLUSION

The results depicted that most of the retailers felt higher price of the carbonated dairy beverages compared to the other competitive carbonated drinks due to their un-awareness, unavailability, inaccessibility and less affordability and they were not satisfied with the marketing and promotional strategies for the selected carbonated dairy beverage products. The results clearly represented that the retailers expect more promotional activities from the companies and attracting the new customers by creating the awareness regarding the nutritional value and purity of the product in order to increase the revenue. The issues in retail marketing also make running a retail business challenging and each retail executive must be able to identify the retail marketing issues and have plan to handle them as well. Product delivery should be extended through online stores, supermarkets and bakeries along with parlours and retail stores to expand the sales. There should be constant rapport with the distributors and retailers to ensure the availability of the product. After sale service measures should be done regularly in order to monitor their sales and to facilitate for further improvement. Company should develop, conduct and control mass communications such as advertising, sales promotion, public relations,

etc. and digital communications such as social media, mobile marketing, etc. to build brand preference, attract new consumers, target the potential and retain the existing ones.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES

1. Ranadheera CS, Prasanna PH, Pimentel TC, Azeredo DR, Rocha RS, Cruz AG, Vidanarachchi JK, Naumovski N, McConchie R, Ajlouni S. Microbial safety of nonalcoholic beverages. In Safety Issues in Beverage Production. 2020;187-221. Academic Press.
2. Khan I, Ghauri TA, Majeed S. Impact of brand related attributes on purchase intention of customers – A study about the customers of Punjab, Pakistan. *Interdisciplinary Journal of Contemporary Research in Business*. 2012;4(3):194-200.
3. Yenyurt S, Townsend JD, Talay MB. Factors influencing brand launch in a global marketplace. *The Journal of Product Innovation Management, Product Development & Management Association*. 2007;24(5):471- 485.
4. Anonymous. Carbonated beverage market in India; 2021. Accessed on Feb 17th, 2021. Available:<https://economictimes.indiatimes.com/industry/cons-products/food/indias-per-capita-soft-drink-consumption-to-be-almost-double-to-84-bottles-a-year-by-2021-vbl/articleshow/68950836.cms?from=md>
5. Anonymous. Carbonated soft drinks in India; 2021. Accessed on Feb 29th, 2021. Available:<https://store.marketline.com/report/carbonated-soft-drinks-in-india-5/>
6. Anonymous. Carbonated beverage market in world. Accessed on Feb 29th, 2021. Available:<https://www.mordorintelligence.com/industry-reports/carbonated-beverages-market>
7. Anonymous. Carbonated beverage market in India. Accessed on Feb 17th, 2021. Available:<https://economictimes.indiatimes.com/industry/cons-products/food/indias-percapitasoft-drink-consumption-to-be-almost-double-to-84-bottles-a-year-by-2021-vbl/articleshow/68950836.cms?from=md>

8. Patel S. Emerging trends in nutraceutical applications of whey protein and its derivatives. Journal of Food Science and Technology. 2015;52(11): 6847-58.
9. Anonymous. India whey protein market; 2020. Accessed on March 28th 2021. Available: <https://www.mordorintelligence.com/industry-reports/india-whey-protein-market>
10. Anonymous. India whey protein market; 2020; Accessed on March 29th, 2021. Available: <https://www.researchandmarkets.com/reports/4773626/india-whey-protein-market-growth-trends-covid>
11. Ashu N, Bineet S. Challenges faced by Indian organised retail outlets: a descriptive study of Delhi/NCR. International Journal of Management and Applied Science. 2017;3(9).
12. Banumathy S, Hemameena M. Analysis of brand preference of soft drinks in global environment. Indian Journal of Marketing. 2006;36(6):12-16.
13. D'Andrea G, Lopez-Aleman B, Stengel A. Why small retailers endure in Latin America. International Journal of Retail and Distribution Management. 2006;34(9): 661-673.
14. Gandhi MB, M CK. A study on problems in unorganized retail with regards to customer and retailer perception. International Journal of Engineering Development and Research. 2017;5(4):928-932.
15. Mogale S, Dalvi CA. Study on retailing in india: growth and challenges. International Journal of Trend in Scientific Research and Development; 2019. Special Issue. 95-97. DOI: 10.31142/ijtsrd23073.

© 2022 Navyasree et al.; This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Peer-review history:
The peer review history for this paper can be accessed here:
<https://www.sdiarticle5.com/review-history/94863>