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MARKETING OF PACKAGED WATER : CUSTOMER PERSPECTIVE

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Abstract

“Water, water everywhere, but not a drop to drink” from the Rhyme of the Ancient Mariner is perhaps a fitting description of the attitude of many consumers living in urban areas today, who are increasingly looking toward bottled water as a means of meeting some or all of their daily requirements. As fresh water supplies are further stretched to meet the demands of industry, agriculture and an ever-expanding urban population, the shortage of safe and accessible drinking water will become a major challenge in many parts of the world. In the wake of several major outbreaks involving food and water, there is always a growing concern for the safety and quality of drinking water. While bottled water is widely available in both industrialized and developing countries, it may represent a significant cost to the consumer. Consumers may have various reasons for purchasing bottled drinking water such as taste, convenience or fashion but for many consumers, safety and potential health benefits are important considerations. The study highlights the attitude of customers towards bottled drinking water, their preference and satisfaction level towards the choice of drinking water. Statistical tools like, Percentage analysis, Chi-square analysis, Weighted average score analysis were applied and findings were used to frame suggestions.

Introduction

With two thirds of the earth's surface covered by water and the human body consisting of 75 percent of water, it is evidently clear that water is one of the prime elements responsible for life on earth. Contrary to the ancient society, the present society has become indifferent to this miracle of life. Of late, our natural heritage (rivers, seas and oceans) have been exploited, mistreated and contaminated. Ten years ago, the prospect of drinking only purified or bottled water was a fiction or a novelty for most people. Nowadays, as it is becoming a necessity in maintaining and preserving good health, finding pure water is becoming more than just food for thought. However, if tap water is the only option, then it is no longer the best available option with today's pollution. The unhygienic water causes 75% of the diseases. The germs escape even when the water is subjected to filtration several times. Hence, the business of packaged water. Various bottling plants were leading the market

before the government directed them to have ISI on their product. Now the government has framed rules about the quality of packaged water and it has resulted in the decrease of number of unethical manufacturers.

Statement of the Problem

One of the most profitable schemes ever devised to deprive the gullible of their money must be the sale of bottled water. In the western world, tap water is about as safe as it can be and it is relatively cheap. Yet many people are prepared to pay upto 1,500 times as much when the same stuff comes in a bottle. The bottled water boom was indeed an unlikely phenomenon. There was a general lack of money in people's pockets and yet bottled water became an overnight success.

Natural water is pure when it is in the form of rain. Once it hits the ground, however, all that changes. Seeping into the soil, it moves underground through passages and caverns

carved over the millennia, eating away at the rock and dissolving metals, salts and minerals along the way. As it goes, its character changes, depending on the type of rock through which it passes. Eventually, it arrives in underground lakes or aquifers - the sources of most bottled packaged waters. Of late, the people's consumption level towards packaged water is high. As there are many brands of packaged water available in the market, the consumption also has increased considerably. To attract consumers, the companies producing packaged water give advertisements and have good distribution network for marketing the same. Hence, the study aims at bringing out the perception of consumers towards the purchase and consumption of packaged water.

Objectives of the Study

- To study the level of awareness of consumers towards packaged water.
- To study the consumers' preference towards packaged water.
- To study the factors behind the choice of packaged water and find out the frequency of purchase.
- To study the consumers' satisfaction level with reference to their brand.
- To study the problems and complaints of consumers.
- To provide suggestions regarding improvement of the product and service standards.

Methodology of the Study

The area of study is Coimbatore City. The study is based on the primary data only. The questionnaire for collection of data was prepared in such a way that questions were simple and intelligible so as to enable the respondents to express their opinions freely and frankly. The sampling procedure used in this study was convenience-sampling method. The sampling

size was 100 respondents. The statistical tools used to analyze the data in tune with the objectives of the study were:

- Percentage analysis
- Chi-square analysis
- Weighted average score analysis.

Analysis and Interpretation

The data collected from the customers are systematically presented under various headings. They are:

Section A : Deals with analysis of data relating to the customers by using percentage analysis

Section B: Deals with application of statistical analysis such as

- Chi-square analysis
- Weighted average score analysis

Application of Statistical Tools

Section A

The data collected from the respondents were systematically analyzed. Based on the percentage analysis, the interpretations are given below:

- Ø Majority (44%) of respondents consume Aquafina.
- Ø Considerable number of respondents (29 %) use Kinley as alternative brand.
- Ø Majority (66%) of respondents are influenced by advertisements.
- Ø Majority (77%) of respondents are influenced by television and prefer packaged water only during traveling.
- Ø Majority (36%) of respondents use packaged water for a period less than 2 years and they prefer to purchase them in department stores.
- Ø Majority (70%) of respondents prefer quality and hence use packaged water upto 10 litres.

- Ø Majority (46%) of respondents spend less than Rs.100 per month and do their purchase of bottled water occasionally.
- Ø Majority (65%) of respondents prefer 1-litre bottle and they are highly satisfied with the quality of their brand.
- Ø Majority (85%) of respondents carry on word of mouth advertisement for their brands and strongly feel that advertisement is necessary for packaged water.
- Ø Majority (82%) of respondents have not come across problems while using packaged water.
- Ø Majority (28%) of respondents were not happy due to the high cost of packaged water.
- Ø Majority (77%) of respondents' complain to dealers if they come across problems.

Section B

The collected data was classified and tabulated and statistical tools were used to analyse the data in detail:

- Chi-square analysis
- Weighted average score analysis

A. Chi-square Analysis

Chi-square test was used to test the significance of two attributes. In other words, chi-square test was used to test if one factor has significant influence over the other. Personal factors considered for this analysis are given below.

- (i) Age
- (ii) Educational status
- (iii) Occupational status
- (iv) Marital status
- (v) Family monthly income
- (vi) Size of the family

The other factors considered for the analysis regarding the packaged water are:

- (i) Source of awareness
- (ii) Consumption of brand
- (iii) Preference of brand

All the tests were carried out at 5% level of significance. The chi-square test was applied between the personal factors and study factors and the results are given in the following tables with suitable hypotheses and interpretation.

1. Hypothesis

The personal factors of the respondents have no significant influence over the source of awareness of packaged water.

Table No-1 shows that the hypothesis is accepted. In other words, personal factors have no significant influence over the source of awareness of packaged water

2. Hypothesis

The personal factors of the respondents have no significant influence over the consumption of their present brand.

Table No-2 establishes that the table value is more than the calculated value (chi-square value) and hence it is concluded that the personal factors have no significant influence over the consumption of brands of packaged water. Thus the second hypotheses also is accepted.

3. Hypothesis

The personal factors of the respondents have no significant influence over the preference of brands of packaged water.

Table No-3 establishes that age, educational qualification, occupational status and marital status have no influence over preference of brands of packaged water while family monthly income and size of family have significant influence over the preference of

brands of packaged water. Thus the third hypothesis is partially accepted.

B. Weighted Average Score Analysis

In order to use this technique, first the qualitative information is converted into quantitative data through a five point scaling technique similar to Likert Scaling Technique. After converting the scores, the weighted average score is calculated mainly to assess the level of opinion awareness of the different categories of respondents on various issues.

In this study, weighted average score analysis was prepared for ranks which are given by respondents. In applying the above tool, the quality characteristics were converted into numerical value by using 4 points or 5 points scaling. In the 3 point scaling technique, a score of 3 is highly satisfactory, score 2 is given for satisfactory and score 1 is given for not satisfactory. Based on the scores, the weighted average score was calculated for each factor.

It is understood from the Table no.4 that most of the respondents assigned first rank to Bisleri, second rank to Aquafina, third rank to Kinley, fourth rank to Sabol and fifth rank to Siruvani. Majority of respondents assigned first rank to Bisleri. **(Refer fig.1)**

It is clear from the Table no.5 that the quality is given top rank, second rank to brand image, third rank to package, fourth rank to taste and fifth rank to price. Majority of respondents were highly satisfied with the quality. **(Refer fig.2)**

Suggestions

- Ø The bottled water industry causes a severe strain on environment and hence the government has to take steps to control pollution and insist on maintaining quality by bottled water manufacturers.
- Ø Poor quality packaged water has been allowed to be marketed for more than a decade. To avoid this, Government has to

specify standards and the manufacturers have to mark the BIS certificate number on labels.

- Ø The bottled water controversies should be looked into and all claims must be scrutinized and substantiated. The sub-standard brands must be heavily penalized.
- Ø The bottled water industry needs to have inspections and laboratory certifications frequently to ensure that it is safe to drink.
- Ø The water bottles should not be re-used in order to lessen their negative impact on the environment.
- Ø The recent crack down on sale of packaged drinking water products has resulted in a huge gap between supply and demand in the city. This has led to price hikes. These price fluctuations have to be controlled.

Conclusion

Packaged water is a product, which people buy not only when they undertake traveling but also during the stay in their own places. The reason is that people are becoming health conscious in the present day environment. However, the cost aspect of packaged water cannot be overlooked. The people, who are in the cities, consume packaged water due to large pollution problems. Consuming packaged water was always seen as a status symbol, especially in comparison to our western counterparts. But today it has become a necessity.

Companies are competing with each other for positioning packaged water as a beverage and as a life style product. Hence it becomes evident that those brands that show importance to above aspects will capture the market for their survival.

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Table - 1
Chi Square Analysis between Personal Factors and Source of Awareness

S.No	Personal factors	Chi-square value	Tale value	S/NS
1	Age	11.73	16.91	NS
2	Educational qualification	8.42	16.91	NS
3	Occupational status	6.38	24.99	NS
4	Marital status	1.09	7.81	NS
5	Family monthly income	6.58	16.91	NS
6	Size of the family	5.75	16.91	NS

S-Significant, NS-Not Significant

Source: Primary data

Table - 2
Chi Square Analysis between Personal Factors and Consumption of Brands

S.No	Personal factors	Chi-square value	Tale value	S/NS
1	Age	17.78	21.02	NS
2	Educational qualification	13.95	21.02	NS
3	Occupational status	16.00	31.41	NS
4	Marital status	7.16	9.48	NS
5	Family monthly income	15.03	21.02	NS
6	Size of the family	7.38	21.02	NS

S-Significant, NS-Not Significant

Source: Primary data

Table - 3
Chi Square Analysis between Personal Factors and Preference of Brands

S.No	Personal factors	Chi-square value	Tale value	S/NS
1	Age	13.58	16.91	NS
2	Educational qualification	1.72	16.91	NS
3	Occupational status	11.79	24.99	NS
4	Marital status	1.20	7.81	NS
5	Family monthly income	19.28	16.91	S
6	Size of the family	23.68	16.91	S

S-Significant, NS-Not Significant

Source : Primary data

Table - 4
Weighted Average Score for Brand Preference

S.No	Brand name	5	4	3	2	1	Total score	Weighted average score	Rank
a.	Aquafina	38	19	19	11	13	100	3.58	II
b.	Bisleri	31	29	26	10	4	100	3.73	I
c.	Siruvani	10	8	14	28	40	100	2.20	V
d.	Kinley	14	31	21	21	13	100	3.12	III
e.	Sabol	7	13	21	29	30	100	2.38	IV

Source : Primary data

Figure 1:Brand Preference

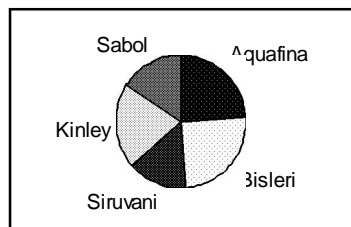


Table - 5
Weighted Average Score for Satisfaction Level

S.No	Factors	Level of satisfaction			Total score	Weighted average score	Rank
		Highly satisfied	Satisfied	Not satisfied			
a.	Quality	54	43	3	100	2.51	I
b.	Price	7	68	25	100	1.82	V
c.	Taste	20	69	11	100	2.09	IV
d.	Package	26	68	6	100	2.20	III
e.	Brand image	34	61	5	100	2.29	II

Figure-2 Satisfaction Level

