Customer Satisfaction towards Pepsi and Coca-Cola: An Exploratory Study of Jind City (Haryana)

Bajrang Lal¹ and Pankaj²
¹(Ph.D Research scholar, Department of Management, CRSU, Jind, Haryana, India)
²(CRSU, Jind, Haryana, India)

Abstract: Knowledge of customer behaviour for effective marketing is very important. The salesmen must be fully aware of customers’ behaviour so that objectives of an organization may be obtained as well as satisfaction for customers. Marketers should understand the behaviour of consumers in a specific target market in which they intend to enter with a market mix. In fact, it is very crucial for the marketers to understand the beliefs, motives, tastes and preferences which prompt consumers to buy an offered brand. Customer behaviour has a very complex and a dynamic nature. This paper strives to explore the factors which are important for purchase decision making and to assess the customer satisfaction regarding the Pepsi and Coca-Cola.

Keywords: Customer, Consumer satisfaction, Marketing, Marketing Mix.

I. INTRODUCTION

Customer satisfaction has been a subject of the great interest to the organizations and researchers alike. The prime objective of organizations is to maximize profits and to minimize cost. Profit maximization can be obtained through increase in sales with lesser costs. One of the important factors that can help to increase sales is customer satisfaction, because satisfaction leads to customer loyalty, recommendations and repeat purchasing (Wilson et al., 2008, p. 79). Customers became very vital for business during the marketing era of the 1950s when companies could produce what they can sell and not just selling what they can produce as it was during the production era. The focus on customers has increased more as the consumption era shifts to post-consumption; where organizations are obliged to render more services in addition to what they provide as offers to their customers (David, A., 2009). What are the qualities of these services provided to customers? Are the customers satisfied with these services? Thus this research originated from the fact that customer is the key to business. In fact, customer satisfaction is the most important tool that helps to increase sales and generate profits for the business. Moreover, the importance of customer satisfaction and service quality has been proven relevant to help improve the overall performance of organizations (Magi & Julander, 1996, p. 40). Consumer: An end user, and not necessarily a purchaser, in the distribution chain of a good as service see also customer. A consumer is a person or organization that uses economic services or commodities. Customer: A customer is an individual or business that purchases the goods or services produced by a business. Attracting customer is the primary goal of the businesses, because it is the customer who creates demand for goods and services.

Definitions of Customer Satisfaction

It has been differently defined in various studies. The word satisfaction first appeared in English during the thirteenth century. The word satisfaction itself is derived from the Latin satis (meaning enough). Early usage centered on satisfaction being some sort of release from wrong doing. Later citings of the word emphasizes satisfaction as a “release from uncertainty” (The Oxford Library of Words and Phrases, 1993). The word satisfaction has been fundamental to the marketing concept for over three decades. Keith (1960) viewed marketing as “satisfying the needs and desires of the consumer”. This means to fulfill customer’s need in a good way. When a product says “satisfaction guaranteed” it means if your need doesn’t fulfill, you will get your money back. A good meal provides satisfaction of your hunger. Consumer satisfaction is a product feature or attribute that fulfills consumer’s need (Beitman, 1974), it is consumption experience (Bearden and Teel, 1983), the perceived performance of the product”, as proposed by Koiler (1991), Parasuraman et al. (1985, 1988), consumer’s evaluation of product’s perceived quality (Yi, 1990), It can be transaction specific consumer satisfaction and cumulative consumer satisfaction (Andreassen, 2000). Transaction-specific consumer satisfaction is an evaluation of purchase occasion with post consumption experience (De Ruyter et al., 1997; Oliver, 1980, 1993), cumulative consumer satisfaction is a new idea that presents an overall evaluation based on the entire purchase and consumption experience with a product over time (Anderson et al., 1994; Fornell, 1992). Thus, we can conclude customer satisfaction: Customer satisfaction is the feelings of customer after the use of product. If the product’s quality and performance are as per the expectations of the customer and have proved right as per the claims given by the company in the advertisement about the product and all this will impact the attitude of customer positively and finally customer will think himself/herself satisfied. Customers
regularly consume a variety of products and soft drink is one of them. This paper explores the factors which play a crucial role in customer awareness, purchasing, consumption, disposal of products (Pepsi and Coca-Cola) and also in customer satisfaction. This study is one of the earliest studies in the field of soft-drinks in Haryana. The study will definitely provide a clear understanding about customers’ satisfaction and about different other hidden variable that often influence customers’ buying behaviour and in turn company’s market share. The study can surely help to the marketers to increase customer satisfaction and finally their profits.

II. REVIEW OF LITERATURE

In his article “An Analysis of Consumer Behaviour - A Case Study of Soft Drinks” done in Rohtak during 1983-84, showed taste of brand and the respondents’ interest in the product’s advertisements, were found to play the most important role in the purchase decision. It was also found that about 70 percent of the respondents changed their brand quite often (Dhuna, 1984). The study shows that there is a strong relationship between self concept and consumer brand choice decision (Russell, W. B., 1988). In his project report entitled “Consumer preference for soft drinks in urban area of Coimbatore reported that Gold Spot is the most popular drinks for male and for female Thumps-up is the most popular drinks (Kumar, 1990). The study revealed that advertising and representatives visits increase the sale of popular drink-brands (Krishnakumar, 1995). The store image directly generates customer’s expectations that may subsequently influence a consumer’s assessment of retailer’s action and behaviour in future (Oliver, 1997). Satisfaction with quality leads to more purchasing of soft drink (Murugesan, 1990, Dararowska, Borcz & Nawrocki, 2003, Suchánek, Richter and Králová, 2014). The researchers found that consumer’s satisfaction with dealers directly impacts consumer’s satisfaction regarding product (Huber and Herrmann, 2001). Improvements in the existing product will help to sell the product itself (Tickle et al., 2003). Quality of products, commodities and services brings about consumer satisfaction (Chan et al., 2003). Dealers’ involvement is must for consumer satisfaction (Lloyd, 2004). This study suggests that generally, brand changes occur only due to its non-availability (Gopala, 2004). Taste of soft drink is not major indicator of its purchasing but branding in the marketplace, health concerns, and convenience as well (Wells, 2005). The study shows that high price volatility for good imaged goods brings about more consumer satisfaction (Estelami and Bergstein, 2006). The study shows that high price volatility for good imaged goods brings about more consumer satisfaction (Estelami and Bergstein, 2006). Factors like the quality of the physical product itself, convenient availability, the brand name and company reputation are important for choosing a soft drink (Okiooga, 2007). The two dimensions – physical quality and staff behaviour have a positive impact on both desires congruence and consumer satisfaction (Philip, Graham, Massey, 2008). Creating awareness and satisfying consumers lead a brand successfully in market (Arivazhagan, 2011). The study demonstrates that a corporate brand is an important predicate of consumer satisfaction. Consumer’s values like functional, emotional and symbolic are critical and consistent predictors of consumer satisfaction (Anisimova, 2013). Brand name creates a fabulous brand positioning in minds of consumers like coca-cola (Pavithra, and Subramani, 2015). Good quality with affordable price positively impacts consumer purchase and satisfaction (Yuvaraj and Subramani, 2015). They found that there was a positive correlation between product attribute and consumer purchase decision (Shiau, and Hui, 2015). Price, Flavour, Taste, Brand Positioning, and Availability of the products bring about consumer satisfaction (Thangam and Karthikeyan, 2016).

Research Gap

After review of literature, we found that research studies related to customer satisfaction toward Pepsi and coca-cola have not been conducted especially, in Jind city (Haryana). That is why, we have undertaken this study.

Objectives of the Study

➢ To explore the factors which are important for purchase decision making in case of Pepsi and Coca-Cola?
➢ To assess the customer satisfaction regarding the Pepsi and Coca-cola in Jind city.

Hypotheses

➢ There exists a significant difference in customer satisfaction among different age groups.
➢ There exists a significant difference in customer satisfaction between married and unmarried groups.
➢ There exists a significant difference in customer satisfaction among various occupation levels.

III. RESEARCH METHODOLOGY

This chapter includes the following aspects.

Data Collections

➢ Primary sources
   o Data are collection through questionnaire
➢ Secondary sources
   o Data are collected from the company’s website.
   o Books and journals pertaining to the topic.

http://indusedu.org

This work is licensed under a Creative Commons Attribution 4.0 International License
Sample Size
The data was collected from 157 respondents in Jind city.

Research Design
Research Design is Exploratory-cum-Descriptive.

Sample Selection
Sample selection has been done through simple random sampling.

Statistical Methods
Descriptive statistics; Frequencies, Pie charts; Independent Samples Test; ANOVAs

IV. DATA INTERPRETATION AND DATA ANALYSIS

Table 4.0: Are you satisfied with your preferred Brand?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>134</td>
<td>85.4</td>
<td>85.4</td>
</tr>
<tr>
<td>No</td>
<td>23</td>
<td>14.6</td>
<td>14.6</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Figure: 4.0
Inference: The Table 4.0 shows those 134 respondents who are satisfied with their preferred brand and are 85.4% of the total sample and other 23 respondents who are not satisfied with their preferred brand are 14.6% of the total samples.

Table 4.1: Which brand of soft drinks do you prefer?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca-Cola</td>
<td>63</td>
<td>40.1</td>
<td>40.1</td>
</tr>
<tr>
<td>Pepsi</td>
<td>80</td>
<td>51.0</td>
<td>51.0</td>
</tr>
<tr>
<td>Other</td>
<td>14</td>
<td>8.9</td>
<td>8.9</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Figure: 4.1
Inference: The Table 4.1 shows that out of 157 respondents 63(40.1%) respondents prefer Coca-Cola, 80(51%) respondents prefer Pepsi and 14 (8.9%) respondents are those who prefer other brand in Jind City.
Table 4.2: Do you recommend preferred brand?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>100</td>
<td>63.7</td>
<td>63.7</td>
</tr>
<tr>
<td>No</td>
<td>57</td>
<td>36.3</td>
<td>36.3</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Figure: 4.2

Inference: The Table 4.2 shows that out of 100 consumers (63.7%) who recommend others to purchase their preferred brand and there are 57(36.3%) consumers who do not no recommend others to purchase their preferred brands.

Table 4.3

<table>
<thead>
<tr>
<th>Source of Information</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>T.V. Advertisement</td>
<td>66</td>
<td>42.0</td>
<td>42.0</td>
</tr>
<tr>
<td>Internet</td>
<td>9</td>
<td>5.7</td>
<td>5.7</td>
</tr>
<tr>
<td>Friends</td>
<td>42</td>
<td>26.8</td>
<td>26.8</td>
</tr>
<tr>
<td>Newspaper</td>
<td>3</td>
<td>1.9</td>
<td>1.9</td>
</tr>
<tr>
<td>Shopkeeper</td>
<td>17</td>
<td>10.8</td>
<td>10.8</td>
</tr>
<tr>
<td>Hoardings</td>
<td>7</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>8.3</td>
<td>8.3</td>
</tr>
<tr>
<td>Total</td>
<td>157</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Figure: 4.3

Inference: The Table 4.3 shows that 66(42%) consumers who get information about soft drink from T. v. and advertisement. 9(5.7%) consumers get information about soft drink from internet. 42(26.8%) consumers get information about soft drink from friends. 3(1.9%) consumers get information about soft drink from newspaper. 17(10.8%) consumers get information about soft drink from shopkeeper. 7(4.5%) consumers get information about soft drink from hoardings. 13(8.3%) consumers get information about soft drink from other.

Section: B (Hypotheses Testing)

Hypothesis: H1—There exists a significant difference in customer satisfaction towards Pepsi and Coca-Cola among different age groups. Inference: In this study, ANOVAs test has been used to test the hypothesis.
The study shows that there are four cases in which significant value is either equal to (0.05) or less than this. These cases are given here. In the case of “What is the most common place where you purchase soft drinks from” the significant value is (.001), in the case of “Do you like to change the brand frequently” the significant value is (.051), in the case of “Does advertisement in soda affect your purchase decision” the significant value is (.039) and in the case of “How much quantity do you usually prefer to buy” the significant value is (.000). This shows that there is highly significant difference in consumer satisfaction towards Pepsi and Coca-Cola among different age groups.

**Hypothesis: H2** - There exist a significant difference in customer satisfaction towards Pepsi and Coca-Cola between married and unmarried groups. Inference: Here Levene’s Independent sample Test has been used to test the undertaken hypothesis. There are four cases in which we found the significant value less than (0.05). The cases are given here. In the case of “if the price of your favourite brand increases, will you buy other brand” the significant value is (.006), in the case of “If the company launches more than two liters bottle in the market, will you accept it” the significant value is (.003) and this show that there is a significant difference between married and unmarried consumers regarding the consumers satisfaction in case of coca-cola and Pepsi.

**Hypothesis: H3** - There exist a significant difference in customer satisfaction towards Pepsi and Coca-Cola among various occupation levels. Inference: For this hypothesis ANOVAs has been used. There are two cases in which we found the significant value less than (.05). In the case of “What is the most common place where you purchase soft drinks from” the significant value is (.038) and in the case of “If your preferred brand is not available for purchase what will, you do” the significant value is (.021). This shows that there is significant difference in customer satisfaction towards Pepsi and Coca-Cola among various occupation groups.

### V. FINDINGS

- Pepsi is the biggest brand of the market. There are 51% consumers who prefer Pepsi brand.
- There are 85.4% consumers satisfied with their preferred brands and 14.6% customers are not satisfied.
- There are 63.7% consumer recommend others to purchase their preferred brands.
- There are 75.8% consumers whose choice influences by the Taste of soft drink. There are 42% consumers who get information from TV, advertisement and 26.8% consumers are informed by friends circle.
- There are 20.4% local shops which prefer to offer coca-cola soft drink. 12.1% local shops prefer to offer Pepsi and 28.7% local shops offer both.
- There are 35.7% customers who like to change the brand frequently when such conditions are created to adopt the new soft drink.
- There are 39.5% consumers who purchase if the price of their favourite brand is reduced and remaining consumers are not affected by price and this concludes that price is not the biggest factor.
- There are 33.8% consumers who like to change their brand if the price of their favourite brand increases other consumers not affected by increase the price but any company don’t take risk increasing by price.
- There are 61.8% consumers who want to buy soft drinks in quantity of 250-500ml.
- There are 66.2% consumers who search of their preferred brand if their Prefer brand is not available and more customers don’t affected by the availability of preferred brand.
- There are 68.8% consumers who will accept if the company launches more than two liters bottle in the market.
- 60.5% consumers’ purchasing decisions are affected by the packaging of (Pepsi and coca-cola) and so companies need to offer more effective packing of soft drink and increasing the sales.
- There are 51.6% consumers whose purchasing decisions are affected by the colours of both brands.
- There are 66.9% consumers whose purchasing decisions are affected by the brand names.
- There are 51.6% consumers whose purchasing decisions are affected by the advertisements.

**Suggestion & Recommendations**

- Pepsi and coca-cola both companies should try to make soft drinks without use of chemical.
- Pepsi and coca-cola both companies should try to make a health and beneficial soft drink.

### VI. CONCLUSIONS

In the study of “Customer Satisfaction toward Pepsi and Coca-Cola” found that 52.9% customers consume soft drink occasionally and Pepsi is the biggest brand with 51% market share and 85.4% customers are satisfied with their preferred brand. It is also found that 66.9% consumers are influenced by Brand name, 51.6% are influenced by Colour, 75.8% by taste, 60.5% packaging and 54.1% by technology and thus these factors have more impact on the purchasing decisions of the customers and minor variations have been found in case of the price increases (33.8%) and when price decreases(39.5%). In Jind city, 85.4% customers are satisfied with
their preferred brand. Thus, we can conclude that Brand Name, Colour, Taste and Packaging of Pepsi and Coca-Cola directly influence customer buying behaviour and bring about customer satisfaction.

**Limitations of the study**

The main limitations of the study are given below.

- Small Sample Size has been taken, if large sample size is used, the results may vary.
- This study is confined to Jind city only.

**References**


