
Health Drinks and Role of Branding with special reference to Nagpur Districts

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ABSTRACT

Over the last decade the health consciousness of consumers has become an important factor driving the Health food drink market. These drinks are traditionally consumed as milk substitutes and marketed as a nutritious drink, mainly consumed by the old, the young and the sick. The product concept holds that consumers will favor those products that offer the most quality, medically accepted and recommended nutritional content and a good flavor which is almost a must for children. As the customer is considered to be the king of the market, this fact is very much true for the liquid food drink industries. It is very important on the part of the organization to learn customer behavior in order to increase their sale and create a good brand image in the minds of the customer. Which makes customer brand loyal and this brand loyalty provides firms with tremendous competitive weapons. Brand loyal consumers are fewer prices sensitive, Consumer acceptance of drinks is mainly determined by their sensory perception, while choice is strongly influenced by the perceived value for money. The basic purpose of this research paper is to identify the influence of various factors on the buying decision of customers. The research has been undertaken with an objective to understand the customer behavior in the "Health Food Drink (HFD)" product category.

Keywords: Health Drink, Satisfaction, Brand, Branding, Strategy

1.1 Background Of Study:

The Health food drinks category consists of white drinks and brown drinks. South and East India are large markets for these drinks, accounting for the largest proportion of all India sales. The total market is placed at about 90,000 ton and is estimated to be growing at about 4%. These Malt beverages, though, are still an urban phenomenon. The normal food does not take care of the daily requirements of children who need that some extra nutrients for healthy growth. Most of the promos are targeted at children who compel their parents into purchasing the brand. Brand loyalties are very strong as the key target audience; children are always looking for the change. Bournvita is a chocolate flavored health drink. When the brand was introduced in the market, it tried to solve a perennial problem that mother's face: a need for a healthy food which is tasty. Bournvita offered that unique combination of health and taste. Thus it targeted the mothers concern about her child's eating habits and used the 'Nutrition Meter' as an interesting device to communicate the RDA formula - "2 Cups of Bournvita for Balanced Nutrition". To further target the child section it has offered many freebies and gifts from time to time.

1.1.1 Health Drinks available in Nagpur City:

1.1.1.1 Cadbury Bournvita:

In Indian company was incorporated on July 19th 1948 as a private limited company under the name of Cadbury-Fry (India). Soon thereafter the company launched Bournvita. Through the years, Bournvita has been a market leader in the Health Drinks market as well as have a dominant share of the Chocolates market. Cadbury Bournvita was introduced in 1948. Since then, it has always been the leading brown MFD brand in the country and the second largest MFD brand as a whole. Bournvita has worked towards achieving this status by never remaining motionless. Throughout its history, Bournvita has constantly endeavoured to re-invent its product, packaging, promotion and distribution. Each has been aimed at improving the value proposition to the consumer.

1.1.1.2 Horlicks:

Some malted barley, pinches of wheat flour with a dash of evaporated milk. That's Horlicks recipe for success. James Horlicks, after whom the brand is named, was a chemist who worked for a company which produced dried infant food. Horlicks was fortified with Smart Nutrients – a unique combination of vitamins and minerals – intended to imbibe growing children with mental agility and physical fitness. Junior Horlicks was relaunched with extra nutrients to build the immunity of little children. Today, Junior Horlicks contributes 11% to Horlicks'

total sales turnover and has been one of the fastest growing product extensions to the Horlicks brand. But it isn't just product development that Horlicks has concentrated upon. It has also created new attractive packaging options including jars, refill packs and sachets. Horlicks was the first brand in India to introduce a refill pack option and also the first to shrink-wrap bottles. In a way, there's a Horlicks pack for every occasion and mood.

1.1.1.3 Boost:

Boost was developed by the company's Indian R&D team in 1974 and launched in Kerala in 1975/76. Positioned as the 'energy fuel', the brand soon generated great consumer pull and was subsequently launched at a national level. Infused with this insight, Boost was consequently repositioned. It pushed forward the association of kids of this age group with cricket. This has since remained a winning strategy. GlaxoSmithKline plc. is recognized as one of the leading health and pharmaceutical companies in the world. Its powerful combination of skills and resources has enabled it to offer frontline health products to the consumer.

1.1.1.4 Complian:

Glaxo brought Complian to India in 1964 and marketed it through doctors as a convalescence drink. After it went OTC in 1969, Complian's growth closely resembles its core consumers; it has been growing over the last twenty years to register a constant upswing in its market. In this period, it has doubled its market share while commanding a price premium in excess of 40% over its nearest competitor.

1.1.1.5 Nestle MILO:

Milo is a chocolate and malt powder which is mixed with hot or cold water or milk to produce a beverage popular in many parts of the world. Produced by Nestle, Milo was originally developed by Thomas Mayne in Sydney, Australia in 1934. Most commonly sold as a powder in a green tin, often depicting various sporting activities, Milo is available as a premixed beverage in some countries, and has been subsequently developed into a snack bar and breakfast cereal. Its composition and taste differ in some countries and City.

1.2 Literature Review:

Hanna & Wozniak (2013:75) Perception is the process of selecting, organizing, and interpreting sensations into a meaningful whole. **Krishnamurthi and Raj (1991)** brand loyalty provides firms with tremendous competitive weapons. Brand loyal consumers are less price sensitive (**Schmitt 1999**) Despite the existence of some studies investigating how brand preference is built and changed, most of them focus on examining factors from consumer behavior perspective or advertising perspective. **Metwally (1980)** tried to find a relationship between sales and advertising found that the firm will always be able to sustain volume of sales even if it spends nothing on advertising. These sales to 'loyal' customers can be regarded as an independent variable of advertising. **Raj (1982)** presented the methodology that enables us to assess brands current strengths and to gauge the market response to increased advertising. He concluded that the advertising did contribute to the brands attractive and retentive strengths throughout the duration of the campaign investigated the different advertising effect on purchase behavior of consumers of high loyalty increase brand and product purchase when advertising for that brand increases. **Part and Young (1986)** in their work 'Consumer response to TV commercials: The impact of involvement and background music on brand attitude formation', suggest that a commercial containing music, affects brand attitude more as compared to the one which contains no music. This difference is expected because in addition to the visual part, the music of a commercial should act as another persuasion. (**Aaker 1991**) loyalty reduces the sensitivity of consumers to marketplace offerings, which gives the firm time to respond to competitive moves.

1.3 Research Methodology:

A total of 15 in-depth interviews were conducted during research and consisted of eight open-ended questions. The interviews were meant as a follow-up to the survey to uncover deeper insights into the use of health food drinks. Interviewees are retailers, including Selling, wholesale/retail, Distribute & advertising, the health food drinks Such as Bournvita, Boost, Horlics, & Complian and 220 Parents (Mother or father) are taking as a sample to find the use and impact of Health food drinks and its advertisement on their child. This research represents the first phase of a research plan intended ultimately to identify and measure the consumer experiences attributes that are associated with quality and satisfaction of health drink. This study is basically explorative and descriptive study, the more and more information exploring from respondents to solve problems and future benefits. The Primary data has collected through Questionnaire, and schedule questions as to the respondents and the secondary data has been collected through books, journals, newspapers and websites.

1.3.1 Sample Size:

220 Respondents i.e. Parents (Mother or father) of Child / Customers.& 15 dealers & retailers of health drink in Nagpur City.

1.3.2 Objectives of study:

- a) To know the market share of different health food drinks in Nagpur city.

- b) To find out the Branding effect of health drinks on people of Nagpur City.
- c) To identify the level of satisfaction about each brand of Health drinks in Nagpur.

1.3.3 Hypothesis of Study:

1.3.3.1 Null Hypothesis:

H0. Nutrition Branding of Health drinks do not influence the purchase decision of customer.

1.3.3.2 Alternate Hypothesis:

H1. Nutrition Branding of Health drinks influence the purchase decision of customer.

1.3.4 Period of study:

The study was conducted in the period of November 2014 to February 2015.

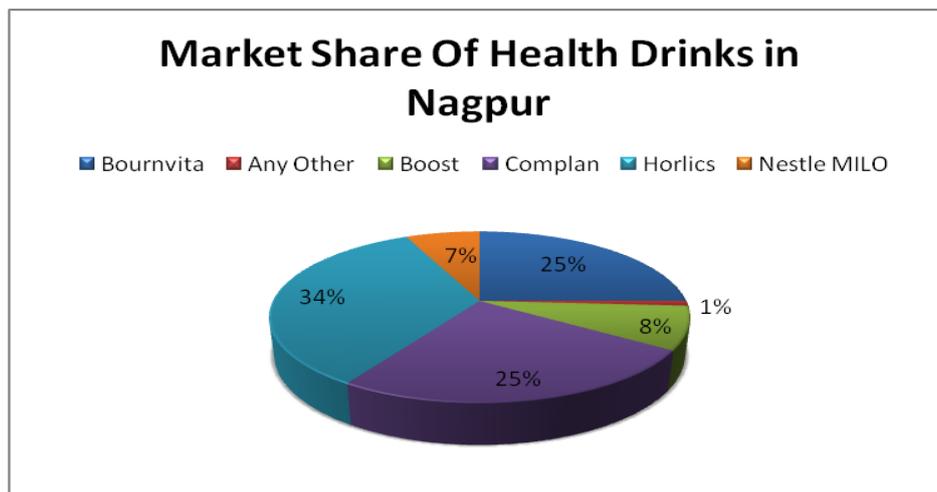
1.4 Analysis & Interpretation:

There are three objectives researcher wants to identify. This is analyzed accordingly.

1.4.1 Analysis 1:

Market Share of Health Drink Brands in Nagpur				
	Frequency	Percent	Valid Percent	Cumulative Percent
Bournvita	55	3.8	25.0	25.0
Any Other	2	.1	.9	25.9
Boost	18	1.2	8.2	34.1
Complan	55	3.8	25.0	59.1
Horlics	75	5.1	34.1	93.2
Nestle MILO	15	1.0	6.8	100.0
Total	220	15.0	100.0	

Table 1: Market Share of Health drink in Nagpur



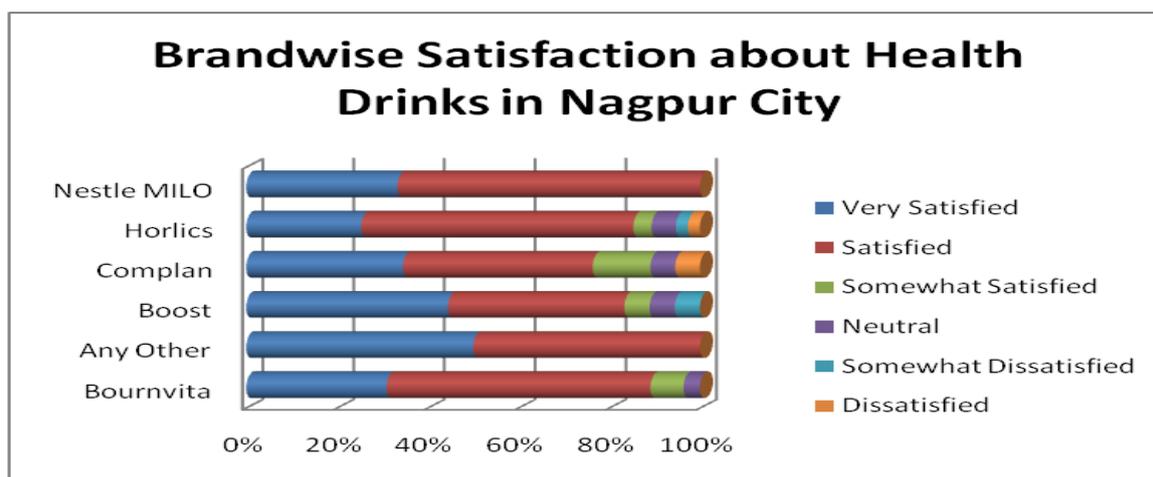
Graph 1: Market Share of Health drink in Nagpur

In above analysis Horlics Company has major share in market i.e. 34% secondly Bournvita & Complan on the same position having 25% boost on third place having 8% and rest are in down position. Hence from above analysis the **First objective** of study has been proved.

1.4.2 Analysis 2:

Brands Of Health Drink Use * Overall satisfaction about Health Drink in Nagpur								
		Overall satisfaction about Health Drink in Nagpur						Total
		Very Satisfied	Satisfied	Somewhat Satisfied	Neutral	Somewhat Dissatisfied	Dissatisfied	
Brands Of Health Drink Use	Bournvita	17	32	4	2	0	0	55
	Any Other	1	1	0	0	0	0	2
	Boost	8	7	1	1	1	0	18
	Complan	19	23	7	3	0	3	55
	Horlics	19	45	3	4	2	2	75
	Nestle MILO	5	10	0	0	0	0	15
Total		69	118	15	10	3	5	220

Table 2: Brand wise Overall satisfaction about Health Drinks



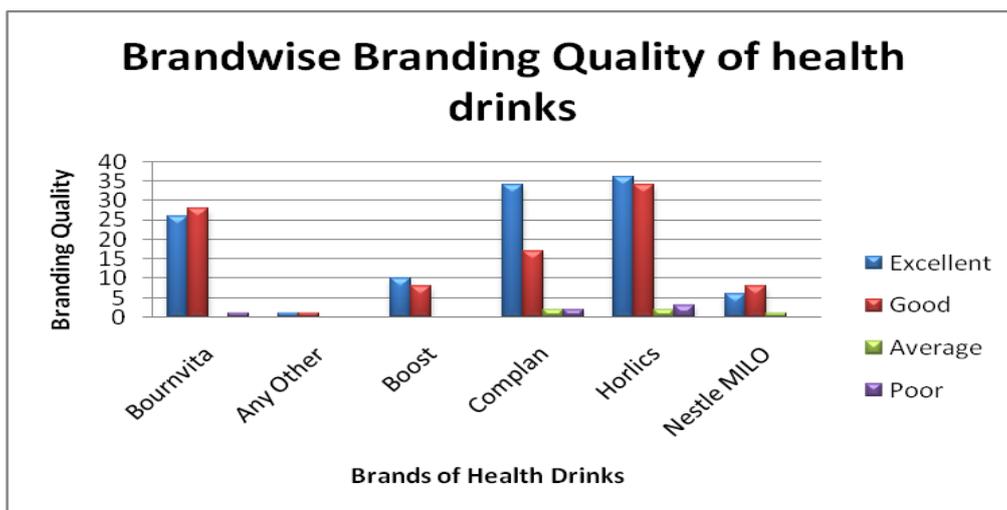
Graph 2: Brandwise Satisfaction of health drinks in Nagpur

In above analysis the ration of satisfaction and very satisfied is greter than dissatisfaction in all brands. Due to this the thirs objective of the study has been proven.

1.4.3. Analysis 3:

Brands Of DTH Use * Branding about Quality						
		Branding Quality				Total
		Excellent	Good	Average	Poor	
Brands Of Health Drink Use	Bournvita	26	28	0	1	55
	Any Other	1	1	0	0	2
	Boost	10	8	0	0	18
	Complan	34	17	2	2	55
	Horlics	36	34	2	3	75
	Nestle MILO	6	8	1	0	15
Total		113	96	5	6	220

Table 3: Brandwise brand quality parameter



Graph 3: Brandwise Brand quality representation

In above analysis the brandwise branding quality has been shown. In which Customer have been given a response about product quality. And benefits they get by respective product. Horlics and bournvita has good and excellent product quality in large state rest are on average but poor quality is in very fewer ration in all segments and hence the Objective No.2 has been proven.

1.5 Testing Of Hypothesis:

Null Hypothesis:

H0. Nutrition Branding of Health drinks do not influence the purchase decision of customer.

Alternate Hypothesis:

H1. Nutrition Branding of Health drinks influence the purchase decision of customer.

One-Sample Statistics				
	N	Mean	Std. Deviation	Std. Error Mean
Nutrition is main Motive of health drink Purchase	220	1.69	.665	.045

Source: Analysis and interpretation by SPSS-20 on survey data

Table 4: One sample statistics for Hypothesis (i.e. Nutrition of Health Drink)

One-Sample Test						
	Test Value = 0					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Nutrition is main Motive of health drink Purchase	37.688	219	.000	1.691	1.60	1.78

Source: Analysis and interpretation by SPSS-20 on survey data

Table 5: One sample test for hypothesis of study (i.e. Nutrition of Health Drink)

1.5.1 Interpretation:

From the above one sample T-Test the Sign value = 0.000 < 0.05, Thus, the null hypothesis H0 is rejected at 5% level of significance and hence the alternate hypothesis is accepted. The alternate hypothesis is H1. Nutrition Branding of Health drinks influence the purchase decision of customer.

1.6 Findings:

1. Nagpur City Customers are satisfied with overall quality of Health drinks.
2. Branding of Nutrition of health drinks motivates purchase decision of consumer.
3. Branding is a key factor to run health drink successfully into Nagpur market.

Conclusion:

It is widely accepted that consumer acceptance of drinks is mainly determined by their sensory perception, while choice is strongly influenced by the perceived value for money. Ethical factors are important in some cases, but they may be overstated. The general observation is that customers are not greatly influenced by advertisements but they are influenced by the nutrition parameters of health drinks. Which creates a good brand image for health drinks itself. Therefore, customers may not be aware of the extent of influence advertisements have on them. As the decision to purchase health drinks is done by adults and nutrition is a major factor behind purchasing a health drink, Horlics, Bournvita, Boost & other health drinks with its focus on nutrition, has a great advantage. As people prefer to buy chocolate flavor in health drinks and taste being the second factor while purchasing a health drink, the chocolate flavor and better taste of Horlics and Bournvita has really helped its case. Coupled with the fact that kids love the delicious taste of these drinks, once they have tried them, lies the basic tale of milk additives and the growth and development of the Health Food Drink (HFD) category. All the information gathered during this survey and after analyzing it properly one comes to only one conclusion that liquid food drink industries has a great scope in future.

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