

## MILLENNIAL GENERATION- A Study on Soft Drink Preferences

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### ABSTRACT

Generation Y – the millennial generation are the primary consideration for marketers in forecasting preferences for soft drinks. Gen Y has come of age in the most brand crazy period in history. They expect a constant rush of new products and iterations of their favorite products. Even with decades of experience with young consumers, marketers may not know what they are in for with Gen Y. Hence a sustained understanding of Gen Ys preferences and perspective will help companies to reinvent themselves and ride on the wave of youth expectations.

This study thus attempts to identify preferences, purchase and consumption patterns, switch motives and indicators among Gen Y for soft drinks. A survey was conducted on 125 male and female consumers of soft drinks aged between 18-25 years in Pune city and data was collected through a self administered questionnaire.

Gen Y was found to show preference for both aerated and non-aerated soft drinks. However consumption of aerated drinks was found to be higher than non-aerated. Taste and thirst quenching were the primary drivers of consumption whereas friends were the most powerful influencers of consumption. Awareness of health hazards due to consumption of soft drinks was notable and the primary indicator of switch from aerated to non aerated soft drinks.

The preference for non-aerated drinks and willingness to switch from aerated to non-aerated indicates that there is a need for more non-aerated options which will also fulfill the taste criteria.

**Keywords**-Generation Y, Preferences, Influencers, Switch patterns

### I. INTRODUCTION

As Generation Y are maturing into their peak-consumption period, and since they are equal in number to their parent's generation (the baby boomers), with twice the population, and over twice the spending power of Generation X, the key to surviving the recession and consolidating a new consumer base is to shift focus away from marketing to Generation X and to put all energy

towards targeting the vast emerging market of Generation Y (Morrison, 2010).

Generation Y'ers are health-conscious, yet prone to fits of decadent eating. For instance, they favor fitness and understand more about healthy foods and ingredients than their parents or grandparents did at the same age. Yet many think nothing of indulging in some of the most decadent fast food around, from stuffed-crust pizzas and mile-high burgers to cheese fries, onion strings and cold drinks (HALPERIN, 2012).

Generation Y'ers are the most brand crazy people. Even with decades of experience with young consumers, marketers are not sure about the expectations of Gen Y. Therefore this study was carried out to understand the Gen Ys' preferences and perspective so that the marketers can reinvent themselves and ride on the wave of youth expectations.

### II. OBJECTIVES OF STUDY

The study was based on the below mentioned objectives:

To identify the soft drink preferences of Generation Y

To identify influencing factors of soft drink purchase and consumption among Generation Y.

To study the soft drink switch motive and patterns.

### III. METHODOLOGY

For this research, primary data was collected through survey method. Data was collected from 125 soft drink consumers aged between 18-25 years. Self administered questionnaires were randomly distributed which was used to collect data from respondents in Pune city. The sampling procedure adopted was Purposive sampling wherein the data was collected from the

respondents who were soft drink consumers. Statistical packages like SPSS 18.0 were used to analyze the data.

#### IV. RESULTS AND DISCUSSION

**TABLE 1: Summary of Sample Characteristics**

Demographic Variables		Frequencies	Percentage
Gender	Male	72	57.6
	Female	53	42.4
	<b>Total</b>	<b>125</b>	<b>100</b>
Age	18-19	4	3.2
	19-20	4	3.2
	20-21	11	8.8
	21-22	34	27.2
	22-23	37	29.6
	23-24	22	17.6
	24-25	13	10.4
	<b>Total</b>	<b>125</b>	<b>100</b>
Occupation	Student	123	98.4
	Working	2	1.6
	<b>Total</b>	<b>125</b>	<b>100</b>

##### Sample Description

The above table summarizes the demographic details of the sample (TABLE 1).

**TABLE 2: Preference Aerated And Non-Aerated Soft Drinks:**

Variables	Frequency	Percent
Aerated	26	20.8
Non-Aerated	21	16.8
Both	78	62.4
<b>Total</b>	<b>125</b>	<b>100</b>

**TABLE 2A: Gender Vs Types Of Soft Drink Consumed:**

Variables		Types Of Soft drink Consumed			Total	Chi-Square Test
		Aerated	Non-aerated	Both		
Gender	Male	12	6	54	72	.002
	Female	14	15	24	53	
<b>Total</b>		<b>26</b>	<b>21</b>	<b>78</b>	<b>125</b>	

It was observed that majority of people preferred both aerated as well as non-aerated soft drinks (TABLE 2).

However, it was also observed that gender do not play influential role on consumption of soft drink (TABLE 2A).

**TABLE 3: Soft drink preferred:**

Soft drink Preferred	Frequency (more than one options selected)	Percent
Pepsi	37	29.6
Coca Cola	50	40.0
Thumpsup	46	36.8
Maaza	63	50.4
Frooti	44	35.2
Sprite	35	28.0
Mountain Dew	31	24.8
Slice	41	32.8
Limca	13	10.4
Other	10	8.0

It was observed that majority of people preferred to drink Maaza followed by Coca-cola, Thumpsup, Frooti and Slice. However, the total count of preference for non-aerated soft drinks was considerably higher than aerated soft drink (TABLE 3).

**TABLE 4: Drivers of soft drink consumption:**

Variables	Frequency	Percent
Taste	74	59.2
Quenches Thirst	30	24
Peer Influence	7	5.6
Common Trends	8	6.4
Other	6	4.8
<b>Total</b>	<b>125</b>	<b>100</b>

It was observed that majority of the respondents were of the opinion that they consume a particular soft drink for its taste. Consumption of soft drink to quench thirst was the second highest reason for consumption of soft drink (TABLE 4).

**TABLE 5: Influencers of consumption:**

Variables	Frequency	Percent
Friends	67	53.6
Family	9	7.2
Advertisements	29	23.2
Promotional Activities	9	7.2
Celebrities	1	0.8
Other	10	8
<b>Total</b>	<b>125</b>	<b>100</b>

Majority of the respondents were of the opinion that the major influencers for soft drink selection were Friends (TABLE 5).

**TABLE 6: Awareness of health hazards:**

Variables	Frequency	Percent
Yes	110	88.0
No	15	12.0
<b>Total</b>	<b>125</b>	<b>100.0</b>

It was observed that maximum number of soft drink consumers were aware of the health hazards occurring due to aerated soft drink consumption (TABLE 6).

**TABLE 7: Change in soft drink consumption pattern due to soft drink consumption awareness:**

Variables	Frequency	Percent
Yes	91	72.8
No	34	27.2
<b>Total</b>	<b>125</b>	<b>100</b>

Maximum numbers of respondents were of the opinion that awareness regarding health hazards due to consumption of soft drinks made them change their soft drink consumption pattern (TABLE 7).

**TABLE 8: Switching to non-aerated drinks due to health hazards awareness:**

Variables	Frequency	Percent
Yes	79	63.2
No	46	36.8
<b>Total</b>	<b>125</b>	<b>100.0</b>

Also maximum number of respondents were of the opinion that they are ready to switch from aerated drinks to non-aerated soft drinks after getting to know about the health hazards occurring due to aerated soft drink consumption (TABLE 8).

## V. INFERENCE

From the above observations it can be inferred that Gen Y prefer both aerated and non-aerated soft drinks. However consumption of non-aerated drinks was found to be higher than aerated. Taste and thirst quenching were the primary drivers of consumption whereas friends were the most powerful influencers of consumption. Awareness of health hazards due to consumption of soft drinks was notable and the primary indicator of switch from aerated to non-aerated soft drinks. Change in soft drink consumption pattern due to soft drink consumption awareness was also significant.

## VI. CONCLUSION

These results will have important implications for the soft drink industry. Though there is demand for both aerated as well as non-aerated soft drink, the huge consumption of Maaza, Frooti and Slice together indicates that people prefer non-aerated soft drinks over aerated soft drinks. The company can emphasize more on taste aspect while trying to differentiate their soft drink brand from soft drinks of other companies while communicating about their soft drink in the market. Thus we can conclude that the preference for non-aerated soft drinks and willingness to switch from aerated to non-aerated indicates that there is a need for more non-aerated options which will also fulfill the taste criteria.

## REFERENCES

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