

Analytical Study on Attitudinal Profile of the Customers towards Branded Tea and Competitive Position of Brooke Bond Red Label in North Kolkata Metropolis

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Abstract: Indian tea industry being an oldest labour-intensive organized sector with a contribution of nearly 30% of the global production, acts as nation's one of the major foreign exchange earner and employment generator. The Indian branded tea market is highly vibrant and one of the most penetrated product category with a large network of tea producers, retailers, distributors, auctioneers, exporters and packers. This article attempts to ventilate some interesting aspects of the branded tea market in India in the packed, tea bag and flavored tea segments and also investigates the profile of attitudinal preference shown by the customers of the branded (packaged) tea in North Kolkata area followed by comparative evaluation of the brand Brooke Bond Red Label relative to other rival brands available.

Keywords: Beverage product, Branded tea, Consumer attitude, Intrinsic factors

I. Introduction

Tea that had been known in India as a medicinal plant got its unique utility as an energizer, stress-reliever after the British used to drink it for pleasure and established plantations in the 19th century. In 1824 tea plants were discovered by them in Assam and introduced the tea culture into India in 1836. Tea being one of the oldest as well as popular & cheapest beverages appears to be both competitive and challenging in terms of product and competition. The Indian branded tea market is highly vibrant and one of the most highly penetrated branded product category with a large network of tea producers, retailers, distributors, auctioneers, exporters and packers. India apart from being the largest consumer of tea worldwide (30 % of the global tea production¹) has still modest per-capita consumption of 750 grams per person every year. With yearly 950 million kilograms of tea production over six lakh hectares of cultivation area across the country, India has ranked second largest after China in production. The Indian tea industry is likely to reach a turnover of Rs 33,000 crores by 2015, clocking a CAGR of 15 percent. The Indian Tea Industry because of its labour intensive nature contributes in employment generation and foreign exchange earnings. Although loose tea suppliers enjoy a lion's share, branded tea makers are fighting the race too in escalating their market share due to rising consumer incomes, quality consciousness and diversified flavoured tea production. It not only has a wide geographical spread but also has complex demographics, which lead to varied regional taste preferences creating challenges for any tea marketer. Branded Packet tea market dominated by HUL and Tata tea is highly populated by multiple brands, having a deep presence in both urban and rural market, together accounting 30-40% of the total packaged tea segment. The next major players - Duncan's, Eveready, Goodricke, GPI, Waghbakri, Girnar, Sapat, Dhunseri, Mohini, Society, Marvel etc. The study was undertaken with site visits for three festive months (October to December) in & around North Kolkata to measure the demand and satisfaction of tea-lovers. In the questionnaire some attributes like customers' requirement in terms of flavour, colour, taste, variety and availability of different pack-size offered by company were identified as motivational factors for increased sales & satisfaction to consumers. Since, in North Kolkata region Red Label tea encounters a stiff competition from Duncan's, Goodrick, Tata tea it was essential to know the feedback of customers so as to plan effective marketing and sales strategies in future and improve the quality of service to achieve better consumer satisfaction.

II. Branded Tea Market In India

Indians consider drinking tea as past time of the nation with highest share in the non-alcoholic beverages market in the country & contributing 4% of our national income from tea. As of 2013 India's total annual tea production was 1200 million kgs out of which 65%, used to come from the big tea gardens while the rest is small tea growers. According to ASSOCHAM report 2013, Assam produces more than half of India's tea sharing over 12% of the annual global tea yield. This state along with West Bengal have 8,500 tea estates and the southern states of Kerala, Karnataka and Tamil Nadu covers 5,500 tea estates. In case of packaged or

branded tea almost the entire urban India is captured by various brands. Apart from the giants HUL and Tata tea with all pack size and price variants & holding together 40% branded tea market other major players are Duncan's, Eveready, Goodricke, GPI, Waghbakri, Ginnar, Sapat, Dhunseri, Mohini, Society, Marvel etc. Out of Tata Tea Premium, Tata Tea Gold, Tata Tea Agni Dust, Tata Tea Chakra Gold the Agni brand was the key driver in the economy segment within packaged tea while brands Red Label, Red Label, Taaza, A1 and 3 Roses brands of HUL are making the competition too tough. The market consists of both leaf and dust tea variants both in the CTC and Orthodox Grades (Darjeeling & Assam). The broad categories of tea available in India are Assam tea (rich and full-bodied), Darjeeling Tea (exquisite and delicately flavored) and Nilgiri tea (subtle and gentle flavour & frequently blended with other, more robust teas.). Indian branded tea segment is boasted with regional preference also like South Indians prefer dust variant whereas the north's Indians go for leaf tea. In west, Gujarat and Maharashtra good quality packaged tea & loose tea both are demanded while in MP and Rajasthan CTC is the choice. But West Bengal and Assam do not hold packet tea but go for loose tea. Though Indians are fond of black tea, their interest in flavoured tea has encouraged Tata & HUL to introduce flavoured tea category in 2012 with array of green tea, lemon, earl grey (with bergamot essence), ashwaghandha, mulethi (yashtimadhu), masala chai, green lemon tea, etc. and tulsi flavours. The CTC (cut, twist and curl) holding 80% share in the tea market followed by Orthodox & Darjeeling version, the green tea sales are on a rising front due to increased health consciousness among the Indians.

Table No 1: Scenario of Indian Production (Quantity in Million Kgs) from 1998-2014

Years	1998	2005	2007	2010	2011	2012	2013	2014
Production	874	946	986	966	1116	1126	1200	1185
Imports	9	17	16	20	21	21	20	20
Exports	210	199	179	222	215	208	219	201
Consumption	650	760	798	860	881	903	926	912
TOTAL Auction	76.73	58.67	67.97	106.32	106.07	125.25	132.2	126.88

[Source: Indian Tea Association (ITA) & <http://www.indiatea.org>]

But surprisingly, even being a tea-drinking nation with over 9 lakh tonnes of tea consumption every year, no big tea bar chains exist in the country, compared to the coffee cafes as in India, tea rules the homes while coffee rules the streets (Café Coffee Day or Barista running hundreds of cafes in all parts of India). Only some posh localities in metros and five-star hotels have tea bars serving global varieties to the well-to do connoisseurs only since the myth exists among Indian middle classes that tea is a poor man's drink while the coffee is an aspirational product. Passion – My Cup of Tea in Delhi; Tapri in Jaipur; Infinita, Chaipatty and Chai Point in Bangalore; the Tea Junction in Kolkata; Tea Pot in Cochin; Tea Centre in Mumbai are some of the popular tea bars currently the nation is having. The several distribution channels in organised sector for packaged/branded tea like tea bars and tea vending machines installed in large office complexes and hospitals etc still remain in its infancy as the smaller street chai shops appeal more to the Indians.

III. Objectives Of The Study

1. To understand packaged tea (dust) market in North Kolkata along with the study on attitudinal preference on the brand of packaged tea.
2. To survey the use of HUL's Brooke Bond Red Label tea in comparison with other brands available in North Kolkata.

IV. Research Methodology

(a) **Research Approach:** Descriptive & Survey based. In tune with objectives of study, survey of customers conducted for three months (October'14 –December'14) at North Kolkata.

(b) **Types of Data Collected:** Use of questionnaires for retailers and customers & the types of Data Collected are

a) Primary Data through questionnaires for consumer.

b) Secondary Data through Internet and company's report, website and their manuals, handbooks and journals and other records.

(c) **Data Collection Instrument:**

(i) **Questionnaire:** A structured questionnaire of 12 questions of mix type with open ended, closed ended and multiple choice questions, having of a 5-point Likert Scale ranging from 'strongly disagree' (denoted by 1) to 'strongly agree' (denoted by 5) through 'can't say options (marked by 3).

- (ii) Sampling Procedure: 1. Type: Descriptive 2. Type of Method: Random 3. Sample Unit: Young generation, Consumer visited Retail shop and Multiplexes 4. Sample Size: 150 Respondents 5. Sampling Method: Random Sampling Method
- (iii) Tool Used: Charts, Bar-Diagram, Tables, Percentage, t-distribution
- (iv) Area: North Kolkata proper (Excluding Outskirts/Suburban)
- (v) Respondent profile: General People, Youngsters, Teenagers and Mall based Retailers
- (d) Variables for comparative evaluation of Brooke Bond Red Label with other 4 brands:-**
- (a) Price/Value for Money, (b) Taste & Flavour, (c) Family influence (d) Availability of Varied Pack-size, (e) Average Sales of Brooke Bond Red Label Tea.

Research Hypothesis

H₀: The aggressive media advertising & HUL’s image have major contribution on sale of Brooke Bond Red Label in North Kolkata area than intrinsic variables like taste & flavour, availability of varied pack-size, family influence, and price

H₁: It is the intrinsic variables like taste & flavour, availability of varied pack-size, family influence, price etc that play significant role on the sale of Brooke Bond Red Label tea in North Kolkata whereas aggressive media advertising & HUL’s brand image play partial role.

Table - 2: User/Non-users of Brooke Bond Red Label tea

Using Status of Brooke Bond Red Label	No of Respondents	% of Responses
Yes	60	40%
No	63	42%
Used in the Past	27	18%
Total	150	100%

Table - 3: Satisfaction level of Present & Past users of Brooke Bond Red Label tea

Satisfaction Level	No of Respondents	% of Responses
Highly satisfied	19	21.84%
Satisfied	41	47.14%
Neutral	17	19.54%
Dissatisfied	6	6.89%
Highly Dissatisfied	4	4.59%
Total	87	100%

Table - 4: Showing Brand preference of non-users of Brooke Bond Red Label

Using Status of Other Products	No of Respondents	% of Responses
Tata Tea	35	55.55 %
Goodrick	13	20.64 %
Waghbakri	5	7.94 %
Duncan’s	10	15.87 %
Total	63	100%

From the Table 2 to 4, it can be inferred that 58% respondents used the Brooke Bond Red Label tea, among them 40% are the current users and rest of the 18% are used in the past. Out of 27 (18%) who used Red Label tea in past, 51.85% of the respondents have switched over to other brand because of high price, 29.62% due to poor taste & variety and rest 18.53% cases are shared by non availability of different pack size and habitual switching behaviour. It is observed that 55.55% of total 42% non-users of Red Label tea are using Tata tea whereas 20.64% used Goodrick and least number of people (7.94%) used Waghbakri.

Table - 5: Respondent rating on tea purchasing customers of North Kolkata

Factors Influencing Purchase Decision	No. of Respondents					Total rating
	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	Rate 5	Rate 4	Rate 3	Rate 2	Rate 1	$(vi) = \{(i)x5 + (ii)x4 + (iii)x3 + (iv)x2 + (v)x1\}/100$
Brand/Company	2	49	38	40	21	4.21
Taste & Flavour	79	60	11	0	0	6.68
Price/Value for Money	12	73	60	5	0	5.42
Family influence	52	49	30	13	6	5.78
Quality/Certification	3	56	59	25	7	4.73

Availability of Varied Pack-size	36	62	30	10	12	5.5
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Table - 6: Reason behind switching of Past Users of Brooke Bond Red Label tea

Reason	No of Respondents	% of Responses
Non availability of different pack size	8	29.62 %
High price relative to quality	14	51.85 %
Poor Taste/Flavour & variety	2	7.42 %
Family Influence	3	11.11 %
Total	27	100%

As per Table 5, top three factors influencing purchase of Red Label tea in North Kolkata region are Taste & Flavour, Family influence, Price/Value for Money as they have composite score of 6.68, 5.78 & 5.42 respectively. Table 6 shows that out of 6 influencing factors (as per Table 5 above) of branded tea purchase, deficiency of four among them are responsible for 18% of the 150 respondents surveyed to switch from Red Label to other brands in North Kolkata. Out of these four factors maximum negative effect is brought about by high price (51.85%) of Red Label brand followed by non availability of different pack-sizes (29.62%).

Table 7: Rating of Price/Value for Money

Serial No	Company Name	Mean Rating of Price/Value for Money
1	Tata Tea	6.12
2	Goodrick	4.25
3	Brooke Bond Red Label	4.84
4	Waghbakri	1.84
5	Duncan's	3.07

Table 8: Rating of Taste & Flavour

Serial No	Company Name	Mean Rating of Taste & Flavour
1	Tata Tea	8.35
2	Goodrick	7.76
3	Brooke Bond Red Label	10.85
4	Waghbakri	2.30
5	Duncan's	4.84

Table 9: Rating of Family influence

Serial No	Company Name	Mean Rating of Family influence
1	Tata Tea	6.04
2	Goodrick	5.21
3	Brooke Bond Red Label	5.73
4	Waghbakri	3.06
5	Duncan's	4.97

Table 10: Rating of Availability of Varied Pack-size

Serial No	Company Name	Mean Rating of Availability of Varied Pack-size
1	Tata Tea	6.04
2	Goodrick	5.21
3	Brooke Bond Red Label	5.73
4	Waghbakri	3.06
5	Duncan's	4.97

Table 11: Rating of Average Sales of Brooke Bond Red Label Tea during study months

Serial No	Company Name	Mean Rating of Average Sales
1	Tata Tea	6.88
2	Goodrick	5.14

3	Brooke Bond Red Label	6.63
4	Waghbakri	2.53
5	Duncan's	4.73

V. Statistical Data Analysis

The tabulated data from Table No: 7 to 11 are put to comparative statistical analysis under the following sectors – Linear Regression, t-Test & ANOVA.

(A) t - Test

To conduct t-Test tabulated data on Average Sales of Brooke Bond Red Label Tea (taken as variable denoting Sales) are compared with the tabulated data on (a) Rating on Price/Value for Money, (b) Taste & Flavour, (c) Family influence (d) Availability of Varied Pack-size.

Table No: 12 [Group wise t-Test results]

Cluster No	Comparing variables under Group	N	Mean	Difference between Means	S D	SEM	t value	P for Normality test	P for Equal variance test
1	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	6.051	2.191	3.433	0.991	2.084 at 22 d.o.f	0.335	0.051
	Rating on Taste & Flavour	5	3.860		1.219	0.352			
2	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	6.051	2.469	3.433	0.991	2.283 at 22 d.o.f	0.382	0.080
	Rating on Price/Value for Money	5	3.583		1.498	0.433			
3	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	6.051	2.454	3.433	0.991	2.217 at 22 d.o.f	0.278	0.129
	Rating on Availability of Varied Pack-size	5	3.597		1.708	0.493			
4	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	6.051	2.333	3.433	0.991	2.106 at 22 d.o.f	0.234	0.165
	Rating on Family influence	5	3.718		1.716	0.496			

From Table No: 12 it has been found that since under each group, the difference in the Mean values for two group members is more than what would be expected by chance, there exists statistically significant differences between the input group members in the following manner:-

Cluster No	P Value	Remarks
1	0.049	P > 0.05
2	0.032	P > 0.05
3	0.037	P > 0.05
4	0.047	P > 0.05

Thus the test reflects the fact that, the sample-data is significant at 95% confidence level.

(b) Linear Regression

The group wise comparisons involved in previous t-Test are again taken for determining association and relationship by using Linear Regression.

Table No: 13 [Group wise Linear Regression results]

Group No	Comparing variables under Group	N	R	Regression Equation line	R ²	Adj. R ²	S E of Estimate
1	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	0.455	Average amount of products bought = 10.99 – (1.28 x Mean rating on High Price fluctuation)	0.207	0.127	3.207
	Rating on Taste & Flavour						
2	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	0.737	Average amount of products bought = 0.00323 – (1.688 x Mean rating on Poor Quality product)	0.543	0.497	2.434
	Rating on Price/Value for Money						

3	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	0.742	Average amount of products bought = 0.0682 – (1.493 x Mean rating on Poor Promotional Commission)	0.551	0.506	2.412
	Rating on Availability of Varied Pack-size						
4	Rating on Average Sales of Brooke Bond Red Label Tea during study months	5	0.837	Average amount of products bought = 12.271 – (1.673 x Mean rating on Easy Availability)	0.700	0.670	1.973
	Rating on Family influence						

Table No: 14 [ANOVA Result]

Group No	Particulars	DF	SS	MS	F	P	Normality Test	Constant Variance Test
1	Regression	1	26.806	26.806	2.607	0.137	P = 0.232 & Passed	P = 0.181 & Passed
	Residual	10	102.822	10.282				
	Total	11	129.628	11.784				

The above tables 13 & 14 show there exists relation of dependent variable, average sales of Brooke Bond Red Label Tea during study months in North Kolkata region with other independent variables - taste & flavour, family influence, availability of varied pack-size, price/value for money.

VI. Discussion On Data Analysis

As per the insights drawn from previously shown data analysis, a comparative analysis was undertaken between the variable of Sales of Brooke Bond Red Label Tea with other intrinsic independent variables - taste & flavour, family influence, availability of varied pack-size, price/value for money. The testing of Hypothesis based t-Test reveals that alternate Hypothesis (H_1) is significant according to the data gathered which means only aggressive media advertising & HUL's brand image is not the sole governing factor causing sale of Brooke Bond Red Label Tea in North Kolkata area rather the various intrinsic factors as stated earlier contribute the most in this respect. This hypothesis is further reinforced by the results of Linear Regression showing good association of various key intrinsic variables with the average Sale of Brooke Bond Red Label Tea.

VII. Conclusion

Indian branded tea industry has undergone a paradigm shift due to people's increased patronization of branded items for assured quality & value for money. The results and analysis of this study in northern part of metropolis Kolkata finally arrive at the following key conclusions- There is a significant bearing of various intrinsic product oriented variables on Sale of Brooke Bond Red Label Tea in North Kolkata outperforming aggressive media advertising & promotions. Out of these intrinsic factors, taste & flavour and family influence along with price play major influential role in shaping the buying attitude towards branded packaged tea in north Kolkata region. Among the 5 popular branded tea companies in the study region, Brooke Bond Red Label's performance appears to be commanding in terms of sale, brand-awareness and assortment depth stocked by outlets irrespective of the robust rivalry from Tata tea.

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