EXAMINING ADVERTISING EFFECTIVENESS OF HINDUSTAN COCA-COLA COLD DRINKS WITH SPECIAL REFERENCE TO RURAL CONSUMERS OF COIMBATORE DISTRICT

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ABSTRACT

The investigator has taken up the research study to analyze the advertising effectiveness of Hindustan Coca-Cola cold drinks with special reference to rural consumers of Coimbatore District. The study is designed in descriptive nature and sample size of the study is 500. To select the sample, convenience sampling technique was used. Primary data collection was done with the help of Structured Questionnaire / Interview Schedule and Secondary data was collected through books, journals and websites. To analyze the collected data, statistical tools viz. Chi – Square Analysis and Correlation Analysis were done with the help of SPSS Version 16. From the analysis, the investigator found that TV is the most effective media of advertisement for cold drinks and respondents liked the advertisement of the Hindustan Coca-Cola cold drinks because of the presence of celebrities and moreover, majority of the respondents said that, advertisement has forced to consume more cold drinks then the normal consumption level and at last recommendations were given by the investigator to improve the advertising effectiveness of Hindustan Coca-Cola drinks, so that in turn, will improve the sales figure in future.

KEYWORDS: Advertisement, Cold Drinks, Effectiveness, Media.

INTRODUCTION

The objectives of all business are to makes profits and a merchandising concern can do that by increasing its sales at remunerative prices. This is possible, if the product is widely polished to be audience the final consumers, channel members and industrial users and through convincing arguments it is persuaded to buy it. Publicity makes a thing or an idea known to people. It is a general term indicating efforts at mass appeal. As personal stimulation of demand for a product service or business unit by planting commercially significant news about it in a published medium or obtaining favorable presentation of it upon video television or stage that is not paid for by the sponsor. On the other hand, advertising denotes a specific attempt to popularize a specific product or service at a certain cost. It is a method of publicity. It always intentional openly sponsored by the sponsor and involves certain cost and hence is paid for. It is a common form of non-personal communication about an organization and or its products idea service etc. that is transmitted to a target audiences through a mass medium. In common parlance the term publicity and advertising are used synonymously.
Review of Literature

1] Ehrenberg [1974], tried to postulate an Awareness - Trial - Reinforcement model of consumer response to advertising and according to him, the main purpose of advertising for established brands is its defensive role in maintaining repeat buyers. In answer to how advertisement works, one model that applies to certain advertising categories is "Advertising offers a stimulus to a potential user, which it is hoped will produce the response of an increased predisposition to buy the advertised brand".

2] Gilligan and Crowther [1983] says that the essential purpose of advertising is to influence the attitude of individuals and the same is achieved by changing the mental state or predispositions of the person.

3] Cutler [1990] says that new interactive media provides the opportunity to instantaneously advertise, execute a sale, and collect payment.

4] Fulk and Boyd [1991] found that interactive advertising has the potential to fundamentally change the nature of advertising in much the same way that electronic communication infrastructure has changed the nature of group interaction.

5] Novak and Hoffman [1996] found that the internet and other interactive television, have been touted as more powerful, responsive, and customizable than traditional media.

6] Port [1999] suggests that consumers respond to much of the advertising on the internet in the same ways they respond to advertising in more traditional media, at least with respect to traditional measures of advertising effectiveness.

7] Dreze and Husserr [1999] found response to the advertising on the internet to be similar to response to advertising in other media, except that advertising on the internet appeared to be easier to ignore.

8] Mira Vlach [2000] says that the aim of advertising is either increase in sales or building brand and he also says that measuring advertising effectiveness is not easy. Sometimes, the result of measuring are just better guesses. There are dramatic differences in the effectiveness of various forms of advertising.

9] Lynch and Ariely [2000] says that traditional measures of advertising effectiveness are recall, attitude change and brand choice etc.

10] Jerry W. Thomas [2008] found the barriers to great advertising and they are self - delusion, belief on sales performance, big creative ego, lack of strategy, client ineptness and poor copy testing.

11] Stephen Rampur [2009] found that billboards are one of the most of the effective conventional outdoor advertising techniques that are used by businesses even today.
12] Padgett [2010] found that through different strategies and techniques, the advertisers can address the consumers' needs in their advertising methodologies.

13] Andrew [2010] found that 79% of the internet users click on banner advertisements on various websites but only 57% of these users clicked on banner advertisements found on social network sites.

14] Jaberwocky [2011] found that at first, many companies tried posting advertisements on websites such as MySpace, face book, and other social networks but realized that the click through rate for these ads actually ended up with a much lower rate than traditional online banners and resulted in higher costs and lower sales for the companies.

OBJECTIVES OF THE STUDY

● To find out the most effective media of advertisement for cold drinks.

● To analyze the reasons for liking the advertisement of Hindustan Coca-Cola cold drinks.

● To find out the most popular slogan of Hindustan Coca-Cola cold drinks.

● To test the demographic factors have any significant influence on consumers' attitudes.

● To offer recommendations to improve the advertising effectiveness of Hindustan Coca-Cola cold drinks.

LIMITATIONS OF THE STUDY

● The study was restricted to the rural consumers of Hindustan Coca-Cola cold drinks of Coimbatore District.

● The sample includes only 500 respondents. This may not give the exact opinion of the universe.

● Though the result of the study undertaken is unbiased, there may exist some biased responses that may affect the results of the study.

● The respondents have replied to the queries recalling from their memory. Therefore, recall bias and personal bias are possible.

RESEARCH METHODOLOGY

The research design used in the study is descriptive by nature. The population for the study consists of all rural consumers of Hindustan Coca-Cola Cold drinks in Coimbatore district. The sample size was 500 respondents. To select the sample, convenience sampling technique was used. Primary data collection was done with the help of Structured Questionnaire / Interview Schedule and Secondary data was collected through books, journals and websites. To analyze the
collected data, statistical tools viz. Simple Percentage Analysis, Chi – Square Analysis and Correlation Analysis were done with the help of SPSS Version 16.

**DATA ANALYSIS AND INTERPRETATION**

**SIMPLE PERCENTAGE ANALYSIS**

**TABLE - 1: MOST EFFECTIVE MEDIA OF ADVERTISEMENT FOR COLD DRINKS**

<table>
<thead>
<tr>
<th>Media</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspaper</td>
<td>50</td>
<td>10.0</td>
</tr>
<tr>
<td>Billboard</td>
<td>160</td>
<td>32.0</td>
</tr>
<tr>
<td>Television</td>
<td>250</td>
<td>50.0</td>
</tr>
<tr>
<td>Mobile</td>
<td>40</td>
<td>8.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>500</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The table - 1 shows that 50 percentage of the respondents opted Television as the most effective media of advertisement for cold drinks and 32 percentage of them opted for Billboard. 10 percentage of rural consumers opted for Newspaper as the most effective media and only 8 percentage of the them preferred Mobile advertisement.

**TABLE - 2: REASONS FOR LIKING THE ADVERTISEMENTS OF HINDUSTAN COCA - COLA COLD DRINKS**

<table>
<thead>
<tr>
<th>Reason for liking the advertisement</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Because of Celebrities</td>
<td>270</td>
<td>54.0</td>
</tr>
<tr>
<td>Because of Music</td>
<td>190</td>
<td>38.0</td>
</tr>
<tr>
<td>Because of Theme</td>
<td>40</td>
<td>8.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>500</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The table - 2 clearly indicates that 54 percentage of the respondents liked the advertisements of Hindustan Coca - Cola cold drinks because of the presence of celebrities in the advertisements,
38 percentage of them liked because of music and only 8 percentage liked the advertisements because of its theme.

**TABLE - 3: MOST POPULAR SLOGAN OF HINDUSTAN COCA - COLA COLD DRINKS**

<table>
<thead>
<tr>
<th>Slogan</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thanda matlab Coca - Cola</td>
<td>120</td>
<td>24.0</td>
</tr>
<tr>
<td>Jo chaho ho jaye, Coca - Cola enjoy</td>
<td>140</td>
<td>28.0</td>
</tr>
<tr>
<td>Burrrrrrrrr</td>
<td>130</td>
<td>26.0</td>
</tr>
<tr>
<td>Drink Fanta, stay Bamboocha</td>
<td>110</td>
<td>22.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>500</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The table - 3 clearly indicates that 28 percentage of the respondents opted 'Jo chaho ho jaye, Coca - Cola enjoy' as the most popular slogan of Hindustan Coca - Cola cold drinks, 26 percentage of them opted for 'Burrrrrrrrr'. 'Thanda matlab Coca - Cola' slogan was opted by 24 percentage of the rural consumers and only 22 percentage of them opted for 'Drink Fanta, stay Bamboocha'.

**CROSS TABULATION**

The below given table - 4 point outs that, out of 500 respondents, 200 of them are consuming Hindustan Coca – Cola cold drinks on weekly basis and out of that 200, 130 are female and 70 are male. 120 respondents are consuming it on daily basis and out of that 120, 100 are segmented as male and 20 are female. 130 out of 500 respondents are consumed on a monthly basis and in that 130 respondents, 100 are male and 30 are female. Only 50 out of 500 respondents’ consumption pattern is not regular and that 50 was segmented as 30 male and 20 female respondents.

**TABLE - 4: CROSS TABULATION OF GENDER * CONSUMPTION FREQUENCY**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Consumption frequency</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daily</td>
<td>Weekly</td>
</tr>
<tr>
<td>Male</td>
<td>100</td>
<td>70</td>
</tr>
<tr>
<td>Female</td>
<td>20</td>
<td>130</td>
</tr>
</tbody>
</table>
TABLE - 5: CROSS TABULATION OF MONTHLY INCOME * CONSUMPTION FREQUENCY

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>Consumption frequency</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daily</td>
<td>Weekly</td>
</tr>
<tr>
<td>Rs.5000 and below</td>
<td>30</td>
<td>190</td>
</tr>
<tr>
<td>Rs.5001 to 15000</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Rs.15001 to 25000</td>
<td>70</td>
<td>50</td>
</tr>
<tr>
<td>Total</td>
<td>140</td>
<td>280</td>
</tr>
</tbody>
</table>

The table - 5 specifies that, out of 500 respondents, 280 of them are consuming Hindustan Coca – Cola cold drinks on weekly basis and out of that 280, 190 of them are earning Rs.5000 and below, 40 are earning between Rs.5001 to 15000 and 50 are earning between Rs.15001 to 25000. 140 respondents are consuming it on daily basis and out of that 140, 70 are segmented under the monthly income of Rs.15001 to 25000, 40 are under Rs.5001 to 15000 category and 30 are earning Rs.5000 and below. 30 out of 500 respondents are consuming on a monthly basis and that 30 is segmented as 10 under each category of monthly income. Only 50 out of 500 respondents’ consumption pattern is not regular.

TABLE - 6: CROSS TABULATION OF AGE * ABILITY TO RECALL THE ADVERTISEMENT

<table>
<thead>
<tr>
<th>Age</th>
<th>Opinion on ability to recall</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>Somewhat</td>
</tr>
<tr>
<td>Below 20 years</td>
<td>70</td>
<td>0</td>
</tr>
</tbody>
</table>
The table - 6 illustrates that, out of 500 respondents, 300 of them are able to recall the advertisement of their most liked Hindustan Coca – Cola cold drink and among those 300 respondents, 160 of them belong to the age group of 21 to 30 years, 70 respondents belong to each category of 31 to 40 years and below 20 years respectively. 200 respondents are able to recall the advertisement somewhat and among those 200, 100 respondents belong to above 40 years, 70 belong to the age group of 21 to 30 years and 30 of them are between 31 to 40 years.

**CHI - SQUARE ANALYSIS**

The following hypotheses were analyzed with the help of Chi - Square Test to test the demographic factors have any significant influence on consumers' attitudes.

H₁: There is no significant relationship between gender and consumption frequency of Hindustan Coca – Cola cold drinks.

H₂: There is no significant relationship between age and consumption frequency of Hindustan Coca – Cola cold drinks.

H₃: There is no significant relationship between monthly income and consumption frequency of Hindustan Coca – Cola cold drinks.

H₄: There is no significant relationship between age and ability to recall the advertisement of the most liked Hindustan Coca – Cola cold drinks.

H₅: There is no significant relationship between occupation and consumption frequency of Hindustan Coca – Cola cold drinks.

**TABLE - 7: CHI - SQUARE ANALYSIS OF DEMOGRAPHIC FACTORS * CONSUMERS' ATTITUDES**

<table>
<thead>
<tr>
<th>Hypothesis Number</th>
<th>Pearson Chi - Square Value [p]</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H₁</td>
<td>.011</td>
<td>Rejected</td>
</tr>
<tr>
<td>H₂</td>
<td>.041</td>
<td>Rejected</td>
</tr>
<tr>
<td>H₃</td>
<td>.039</td>
<td>Rejected</td>
</tr>
</tbody>
</table>
The table - 7 proves the following results of various hypotheses framed above.

H1: As the p value = .011 is less than .05, the hypothesis rejected at 5 % significant level and found that there is significant relationship between gender and consumption frequency of Hindustan Coca – Cola cold drinks.

H2: As the p value = .041 is less than .05, the hypothesis rejected at 5 % significant level and found that there is significant relationship between age and consumption frequency of Hindustan Coca – Cola cold drinks.

H3: As the p value = .039 is less than .05, the hypothesis rejected at 5 % significant level and found that there is significant relationship between monthly income and consumption frequency of Hindustan Coca – Cola cold drinks.

H4: As the p value = .008 is less than .05, the hypothesis rejected at 5 % significant level and found that there is significant relationship between age and ability to recall the advertisement of the most liked Hindustan Coca – Cola cold drinks.

H5: As the p value = .021 is less than .05, the hypothesis rejected at 5 % significant level and found that there is significant relationship between occupation and consumption frequency of Hindustan Coca – Cola cold drinks.

**CORRELATION ANALYSIS**

Correlation Test was used to test the correlation between the following demographic factors and consumers' attitudes.

- Age * Consumption frequency of Hindustan Coca - Cola cold drinks
- Monthly Income * Consumption frequency of Hindustan Coca - Cola cold drinks

**TABLE - 8: CORRELATION ANALYSIS OF DEMOGRAPHIC FACTORS * CONSUMERS' ATTITUDES**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Pearson Correlation Value [r]</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age * Consumption frequency of Hindustan Coca - Cola cold drinks</td>
<td>.345</td>
<td>Low Positive Correlation</td>
</tr>
<tr>
<td>Monthly Income * Consumption frequency</td>
<td>.286</td>
<td>Low Positive Correlation</td>
</tr>
</tbody>
</table>
The table - 8 confirms the following results of Correlation Analysis of above mentioned two factors:

- As the r value = .345 is close to .5, it is found that there is low positive correlation between age and consumption frequency of Hindustan Coca - Cola cold drinks.

- As the r value = .286 is close to .5, it is found that there is low positive correlation between monthly income and consumption frequency of Hindustan Coca - Cola cold drinks.
FINDINGS

- Television is the most effective media of advertisement for cold drinks.
- Majority of the respondents liked the advertisements of Hindustan Coca-Cola cold drinks because of presence of celebrities in the advertisements.
- 'Jo chaho ho jaye, Coca-Cola enjoy' is the most popular slogan of Hindustan Coca-Cola cold drinks.
- Out of 500 respondents, 200 of them are consuming Hindustan Coca-Cola cold drinks on weekly basis and out of that 200, 130 are female and 70 are male.
- Out of 500 respondents, 280 of them are consuming Hindustan Coca-Cola cold drinks on weekly basis and out of that 280, 190 of them are earning Rs.5000 and below, 40 are earning between Rs.5001 to 15000 and 50 are earning between Rs.15001 to 25000.
- Out of 500 respondents, 300 of them are able to recall the advertisement of their most liked Hindustan Coca-Cola cold drinks and among those 300 respondents, 160 of them belong to the age group of 21 to 30 years, 70 respondents belong to each category of 31 to 40 years and below 20 years respectively.
- There is significant relationship between gender and consumption frequency of Hindustan Coca-Cola cold drinks.
- There is significant relationship between age and consumption frequency of Hindustan Coca-Cola cold drinks.
- There is significant relationship between monthly income and consumption frequency of Hindustan Coca-Cola cold drinks.
- There is significant relationship between age and ability to recall the advertisement of the most liked Hindustan Coca-Cola cold drinks.
- There is significant relationship between occupation and consumption frequency of Hindustan Coca-Cola cold drinks.
- There is low positive correlation between age and consumption frequency of Hindustan Coca-Cola cold drinks.
- There is low positive correlation between monthly income and consumption frequency of Hindustan Coca-Cola cold drinks.
RECOMMENDATIONS

- Media for advertisement should be selected based on target customers.
- More attention is needed in making the advertisement more effective.
- Advertisement should be attractive in all aspects.
- People act on emotions, not on logic. Advertisements should touch on human desires and needs, and offer solution to the problem.

CONCLUSION

From the research study, the investigator concluded that, TV is the most effective media for advertisement of cold drinks and majority of the consumers liked the advertisements because of the presence of celebrities in the advertisements. Utmost care to be taken while designing advertisements and it would be more effective in all aspects. All advertisements should touch on human desires and needs, and offer solution to the problem.

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