

**UGC MINOR RESEARCH PROJECT [COMMERCE]**

**A STUDY ON INFLUENCE OF MULTINATIONAL SOFT  
DRINKS BRANDS ON THE DEMAND OF LOCAL SOFT  
DRINKS BRANDS WITH SPECIAL REFERENCE TO  
MANGALURU TALUK.**

**EXECUTIVE SUMMARY**

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# **A STUDY ON THE INFLUENCE OF MULTINATIONAL SOFT DRINKS BRANDS ON THE DEMAND OF LOCAL SOFT DRINKS BRANDS WITH SPECIAL REFERENCE TO MANGALURU TALUK**

## **1.1: INTRODUCTION**

Globalisation has led to the changes in the economic policies of developing countries. In India the seed for globalisation were sown in 1980's by granting concessions for foreign capital in crucial sectors. The real thrust of globalisation process began in 1991 at the behest of the World Bank. Ever since the Multinational Companies (MNCs) have been increasing their operations in India, government liberalized its economic policies. These MNCs had strategized their marketing tools through branding. MNCs branded products are easily identified and used by the consumers to depict their status. In India the consumers of beverage industry are highly influenced by the MNCs soft drink brands. Among MNCs soft drink brands, the most popular brand name known and used by every Indian consumer is Pepsi and Coca Cola. Some of the local branded soft drinks merged with the MNCs brand because of inability to face competition in the market. Some of the local brands still exist in the market depending on the place where they have established their brand name and have been able to create demand. The most popular local soft drinks brands that are available in Mangalore are Joy, Zaffa, Ferns and others. The influence of MNCs soft drink brands on the demand for these local soft drink brands is unknown.

## **1.2: SCOPE OF THE STUDY:**

The scope of the study is defined as the extent of content that will be covered by the means of the research that helps to come to more logical conclusions and give conclusive and satisfactory answers to the research. The scope of this study is to determine the demand factors of local soft drinks brands and to compare the factors that influence the demand of local soft drinks brands and multinational soft drinks brands.

### **1.3: OBJECTIVES OF THE STUDY:**

Research objectives describe what we expect to achieve by a project. Research objectives serve as the guide to the activities of the research. The following are the objectives of the study:

1. To study the factors leading to the demand for the soft drinks.
2. To study the consumer preferences between MNCs soft drinks and Local soft drinks.
3. To study the impact of MNCs soft drinks on demand of local soft drinks.

### **1.4: HYPOTHESIS**

Hypothesis means a mere assumption or some supposition to be proved or disproved. Researcher hypothesis is a formal question that he intends to resolve. Hypothesis is defined as a proposition or set of proposition set forth as an explanation for the occurrence of some specified group of phenomena either asserted merely as a provisional conjecture to guide some investigation or accepted as highly probable in the light of established facts. The hypothesis assumed for this research is Null hypothesis.

Null Hypothesis is comparison of two methods about its superiority and if we proceed on the assumptions that both methods are equally good, then this assumption is termed as the null hypothesis. The null hypothesis is symbolized as  $H_0$  and the alternative hypothesis is termed as  $H_1$ . The hypothesis assumed for this study is

$H= 0$  means that the demand of multinational soft drinks and demand of local soft drinks are independent.

$H= 1$  means that the demand of local soft drink brands are influenced by the demand of multinational soft drinks brands.

### **1.5: LIMITATIONS OF THE STUDY**

The present study is confined to selected Towns and Villages selected on the basis of population and direction (i.e. North, South, East and West) of Mangalore Taluk.

## **2.1: LITERATURE REVIEW**

The literature review helps the researcher to provide evidence for the study and helps to clearly define the research problem. The following articles were reviewed for the purpose of the study on multinational brands influencing the demand of local brands.

Zeenat Ismail<sup>1</sup>, Sarah Masood and ZainabMehmoodTawab Students of Institute of Business Administration – Karachi (2012) in their research paper on the study of factors affecting consumer preferences of international brands over local brands concluded that the status symbol is the major factor that affects the consumer preferences.

Dr.SatnamUbeja and Ranjana Patel of Prestige Institute of Management and Research, Indore (2014) in the study on consumer preference towards soft drinks concluded that the consumer preferred soft drinks on the basis of taste and refreshment. Consumers are indifferent to the carbonated and non carbonated drinks.

Adriant.Beverly (1998) said that the relative contributions of taste and health considerations on consumer liking and purchase intent of cola drink. The factors such as health and dietary fat remain secondary to taste in the selection of the cola drinks.

Chia-Hsien Chu, (2000), Taiwan, in the article investigates factors of marketing communication and consumer characteristics that induce the impulse buying behaviour. The study revealed that the impulse buying behaviour is differs from pulse buying behaviour of the consumers. The study also revealed that the sales promotion strategy influences the impulse buying behaviour of the consumer.

ManojPatwardhan (2007), in the study aimed at improving the business performance through an understanding of consumer preferences and desires. The study revealed the various factors that influences the consumer preferences and desires such as packaging cost, availability, ingredients etc.

GihanWijesundera, RuwanAbeysekera (2010) University of Kelaniya, Sri Lanka, in their study on factors influencing the demand of beauty soap among female consumers in the greater Colombo Region concluded that the product characteristics influences the preference of the consumers.

### 3.1: COMPANY PROFILE OF PEPSI CO INDIA

Pepsi Co entered Indian market in 1989 after two decades of debate over the entry of multinational brands to the Indian market. The Company has grown in the beverages sector to become one of the largest food and beverages business in India. The products of PepsiCo are enjoyed by consumers of more than 200 countries around the world. The growth of Pepsi Co has been guided by “Performance with Purpose”, it means the goal of the company is to deliver top-tier financial performance while creating sustainable growth and shareholder value. Pepsi Co is the large investor in the areas of product innovation, increasing manufacturing capacity, ramping up market infrastructure, strengthening supply chain and expanding company’s agriculture programme in India and has built strong brands. The company has been built an expansive beverage and snack food business which is supported by 62 plants across the country. In span of two decades, the company has been able to organically grow eight brands each of which generate estimated sales of Rs. 1000 crores or more.

PepsiCo India has a diverse portfolio which reflects its commitment to nourish consumers with a diverse range of fun and healthier products and includes iconic brands like Pepsi, Lay’s, Kurkure, Tropicana, Gatorade and Quaker. In addition to the recently launched Lay’s Maxx, 7UP Revive and Tropicana Slice Alphonso, the portfolio includes several healthier treats like Quaker Oats, Tropicana juices, rehydrator Gatorade, Tata Water Plus and Quaker flavored oats.

#### 3.1.1: Products of Pepsi Co in India



*\*We are Performance with Purpose.*

### **3.2: COCA - COLA INDIA PVT. LTD**

Coca-Cola entered the Indian market in 1950 with the opening of the first bottling plant by Pure Drinks, Ltd, in New Delhi. In 1977 the company exited the country due to the implementation of India's Foreign Exchange Act. Towards the end of 1992 the Indian economy opened its doors for foreign investment, during this time the Coca-Cola re-entered the Indian market. In 1993 the Coca-Cola formally began its operations in India with the opening of a production facility outside of Agra. In 1999, Coca-Cola bought Parle, India's top soft drink brand, which bottled Thums up, Limca and Gold Spot.

#### **3.2.1: Products of Coca-Cola India Pvt Ltd.**



### **3.3: LOCAL SOFT DRINKS BRANDS AVAILABLE IN MANGALORE TALUK**

Mangalore Taluk is in Dakshina Kannada district, Karnataka. It is made up of Mangalore Corporation, and Ullal City Municipality. Mangalore Taluk consists of 26 towns and 74 villages. There are 49 panchayath villages in Mangalore Taluk. Due to the weather condition prevailing in Mangalore Taluk, there is always demand for the soft drinks or fruit juices throughout the year. The following are the local soft drinks brands available in Mangalore Taluk.

### **3.3.1: COLOUR PET BOTTLES**

The Colour Pet Bottles manufacturing plant is located in Moodabidri Town of Mangalore city. Mr. Balachandra Shetty is the owner of the firm. The firm manufactures different flavors of soft drinks. They are as follows:

### **3.3.2: JOY AND JAFFA FACTORY**

The Joy and Jaffa factory was established in outskirts of Mangalore city in 1987. There are four manufacturing plants of Joy and Jaffa Factory located at different places in and around Mangalore. The products manufactured by the firm are soft drinks named Joy, Zaffa and Joy Jeera.

### **3.3.3: SUNSIP**

The SUNSIP was established in the year 2010 in Mangalore. The plant is located in Mangalore city. The company manufactures soft drinks and soda drinks and distributes to the local shops in and around Mangalore city. The products of SUN SIP are Lime Soda, Ginger Ale and Red Apple. BondaNeer is a 100% natural tender coconut juice with great taste

### **3.3.4: NANDAS SOFT DRINK**

The Nandas Soft Drink firm is a retailer and manufacturer of the soft drinks. The manufacturing plant is located in Mangalore City. H Sheena Shetty and LeelavathiShetty established Nandas Soft Drinks in the year 1995. The products of Nandas Soft Drinks are in different flavors. They are Ginger, Lemon, Brindo & Apple.

### **3.3.5: BOON:**

The BOON firm manufactures and supplies the soft drinks in and around Mangalore city. The firm was established in 1969, but the name was changed to BOON in 1987. The manufacturing plant is located in Mangalore City. The firm has only one flavor of soft drinks i.e. Lemon Soda.

### **3.3.6: ZRF BOTTLING COMPANY**

The ZRF Bottling Company was established by Mr. Riyaz in Mangalore city. The company manufactures only one brand i.e. H<sub>2</sub>- Go with Lemon flavor. It is available in 2litre, 1Litre, 600ml, 500ml and 250ml bottles.

### **3.3.7: RANG SOFT DRINKS**

The Rang Soft Drinks is manufacturer located in Mangalore city. The firm was established in 2014. The firm manufactures cola flavored, orange flavored, lemon flavored soft drink, strawberry flavored soft drink & guava flavored soft drink in Mangalore, Karnataka.

### **4.1 DEMAND**

Demand for a product means how many goods and services are bought at various prices during a certain period of time. Demand is the consumer's need or desire to own the product or experience the service, willingness and ability of the consumer to pay for the good or service at the price offered.

Factors considered for the study that influence the demand of a product in the market are:

- Price is the most important factor that affects demand of a product. Different Products have different sensitivity to the changes in price.
- Income levels of Individuals decide their ability to purchase goods and services and this also influences the demand.
- The share of the market held by the competitors influence the price of the product and determines the demand of the product.
- Current Fashions prevailing in the market determines the demand for the product.
- Consumer tastes and preferences have a significant effect on demand of products.

### **4.2 CONSUMER PREFERENCES:**

Consumer preferences are to select an option among a number of options by the consumer in order to satisfy his/her needs or desires. The preference of the consumer is the result of their behaviour they show during searching, purchasing and disposing the products and are independent of income and prices. Consumer preferences are defined as the subjective (individual) tastes, as measured by utility, of various bundles of goods. At present situations across the world brands have been redefined in the marketing literature because it has lot of influence on the consumers preferences. The American Marketing Association (AMA) in the 1960s (Keller, 1998:2) defined brand as “a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and differentiate them from those of competitors.”

The following factors are considered for the study that affects consumer preferences:

1. The country of origin effect on consumer preferences has been defined as “the positive and negative influence that a product’s country of manufacture may have on consumers’ decision making processes or subsequent behavior”. Consumer value global brands depending on the country where the product was originally introduced.
2. Consumers perceive a price difference between local-owned and foreign owned brands. Price dissimilarities affect their preference for local-owned brands. Therefore, price is also one of the most important extrinsic cues that consumers use when evaluating the product/brand.
3. Ingredients of the products determine the quality, taste and hygiene of the products. Foreign brands use foreign quality and hygienic ingredients to manufacture the products so their tastes vary with each variety of the products. Local brands local quality and hygienic ingredients to manufacture the products so their tastes remain the same with each variety of the products. Thus influences the consumer preference between foreign brand and local brand.
4. Quality is defined as the consumers’ judgment about an entity’s (service’s) overall excellence or superiority. Consumers value global brands since they are of high quality and prestigious image.
5. Reliability and cleanliness factor measures the name of brand with respect to reliability, and hygiene consciousness of the consumers from the use of the food products.
6. Taste factor measures the name of brand having taste consciousness toward the food products. Consumers are very conscious about the food products they want reliability on taste and refreshment. They always check and compare the flavor before purchasing the products of any type.
7. Availability of the product in the market influences the consumer preferences. Foreign Brands are available at every shop, big or small and in all places. But some local brands are available only in some small shops as well as in some places only.
8. Foreign brands provide the information of date of manufacture, batch details, price and the contents used in the manufacture of the product on the pack. Local brands do not provide any information on the pack of the product. So information available to consumers influences their preferences between foreign brands and local brands

9. Brand positioning factor measures the name of brand with respect to position in consumers mind. Customers are very much influenced by this factor as they are very conscious about packaging, color, etc.
10. Current trends are the situations prevailing in the market according to the economic conditions prevailing in the area of the sales of the product. If the area is well developed and the people are with higher income then the current trends adopted in the product influences their buying decisions between foreign brand and local brand.
11. Foreign Brands supply different quantities of the products in single brand name so that the consumers can have a choice. Local brands do not supply the products in different quantities and consumers do not have choices. Thus varieties in the quantity supplied of the product influence the consumer preferences between foreign brands and local brands.
12. Life style of the consumer also influences the consumer buying preferences. Consumers with high income have rich life style and prefer only foreign brands as it builds their societal image. Consumers with middle income may not have rich life style but they also use foreign brands to maintain social status. Consumers with low income use local brands as they only want to satisfy their needs.
13. Social Comparison is identified as a variable that can help separate personal from social reasons that influence consumer behavior. If a person is well attentive of what people around him think, then it influences his decisions between foreign brand and local brand.
14. Friends and family include groups or people whom one can look up for guidance and ask for opinion. These are important source of influencing the brand purchases due to special skills, knowledge, and personality.
15. Perceptions are influenced by factors such as social status, social comparison, life cycle of the consumer, etc. If a consumer is an elderly person, his perception towards brands is to satisfy his need and not to create any social status in the society then it is different from a young consumer perception who wants to buy the product that is branded and creates a social status for him the society, so elderly person may prefer low priced local brand to foreign brand.
16. An attitude is a mental and emotional entity that inheres in, or characterizes a person. Attitudes of a person are complex and an acquired state through experiences and it is precipitated through a responsive expression toward a person, place, thing, or event (the attitude object) which in turn influences the individual's thought and action.

Consumers' attitude towards consumer preference between foreign brands and local brands.

17. Relaxation and refreshment on celebration is also a factor measuring satisfaction of the consumers. The consumers prioritise this factor as they are very conscious about celebration and parties and they want refreshment through soft drinks and they buy products that give enjoyment and relaxation
18. Social Status of the consumers also influences their preferences as global brands are associated with higher prestige local brands due to their relative scarcity and higher price.
19. Advertisements expenditure incurred by the foreign brands for the promotion of the products is more than the local brands. These foreign brands advertisements are attractive and provide all the information of the products to the consumers. Such advertisements are not there for the local brands promotion
20. Some foreign brands adopt promotion of the product through consumer's favorite celebrities as these companies can afford to pay high remuneration. These celebrities endorse these products and thus influence the consumer preference to choose foreign brands.
21. Foreign brands incur huge expenditure in sponsoring the events that are more popular to build brand image. But local brands spend fewer amounts in sponsoring the events so they lack the advantage of having brand image. This factor also influences the consumer preferences.

#### **FINDINGS:**

- There are seven local soft drinks brands existing in the market of Mangalore Taluk with different flavors of soft drinks.
- Similar promotion policy is followed by all the local soft drink brands of Mangalore Taluk.
- 115 respondents are of age group 16-30 years, 73 respondents are between the age of 31-45 years, 38 respondents are between the age of 46-60 years, 14 respondents are below 15 years and 10 respondents are above 60 years.
- 167 respondents are female and 83 respondents are male.

- 86 respondents are privately employed, 70 respondents are students, 47 respondents are in other employment, 28 respondents are employed in public sector, and 19 respondents are self employed.
- 92 respondents are graduated, 49 respondents are qualified upto preuniversity, 48 respondents are qualified upto post graduation, 38 respondents are qualified below 10<sup>th</sup> standard, 21 respondents are qualified upto diploma and 6 respondents are qualified with other education.
- 86 respondents do not have any income, 72 respondents have income ranging from 10,000 – 30,000 per month, 43 respondents have income ranging from 30,000 – 50,000 per month, 33 respondents have income below 10,000 per month and 15 respondents have income above 50,000 per month.
- 129 respondents consume soft drinks sometimes, 78 respondents consume soft drinks only on special occasions, 24 respondents always consume soft drinks and 19 respondents do not consume soft drinks.
- 145 respondents prefer multinational soft drinks and 104 respondents prefer local soft drinks.
- 110 respondents prefer multinational soft drinks to local soft drinks, 66 respondents prefer local soft drinks to multinational soft drinks, and 74 respondents prefer both multinational soft drinks and local soft drinks.
- 85 respondents agree, 76 respondents strongly agree and 71 respondents are neutral, 10 respondents disagree and 8 respondents strongly disagree that earnings of the consumer influence their preference of soft drinks between multinational and local.
- 87 respondents are neutral, 86 respondents agree and 45 respondents strongly agree, 19 respondents disagree and 13 respondents strongly disagree that the ingredients used in soft drinks influence the consumer preference between multinational soft drinks and local soft drinks.
- 89 respondents agree, 86 respondents strongly agree and 59 respondents are neutral, 9 respondents disagree and 7 respondents strongly disagree that the quality of the product influences the consumer preference between multinational and local soft drinks.
- 103 respondents agree, 71 respondents strongly agree and 58 respondents are neutral, 10 respondents disagree and 8 respondents strongly disagree that hygiene factor of the

product influences the consumer preference between multinational soft drinks and local soft drinks.

- 93 respondents agree, 65 respondents strongly agree and 68 respondents are neutral, 14 respondents disagree and 8 respondents strongly disagree that taste of the product influences the consumer preferences between multinational soft drinks and local soft drinks.
- 102 respondents agree, 33 respondents strongly agree and 74 respondents are neutral, 31 respondents disagree and 10 respondents strongly disagree that the availability of the product in market in all seasons influences the consumer preference between multinational soft drinks and local soft drinks.
- 84 respondents agree, 50 respondents strongly agree and 74 respondents are neutral, 31 respondents disagree and 12 respondents strongly disagree that the availability of the product in different quantities influences the consumer preference between multinational soft drinks and local soft drinks.
- 81 respondents are neutral, 70 respondents agree and 41 respondents strongly agree, 43 respondents disagree and 15 respondents strongly disagree that the availability of the product in all cities, towns and villages influences the consumer preferences between multinational soft drinks and local soft drinks.
- 112 respondents are neutral, 67 respondents agree, and 35 respondents strongly agree, 29 respondents disagree and 7 respondents strongly disagree that the information provided in the product influences the consumer preference between multinational soft drinks and local soft drinks.
- 102 respondents are neutral, 69 respondents agree and 42 respondents strongly agree, 26 respondents disagree and 10 respondents strongly disagree that the information of the product given through advertisements influences the consumer preference between multinational soft drinks and local soft drinks.
- 95 respondents agree, 67 respondents are neutral and 46 respondents strongly agree, 30 respondents disagree and 12 respondents strongly disagree that the package design of the product influences the consumer preference between multinational soft drinks and local soft drinks.
- 81 respondents are neutral, 68 respondents agree and 55 respondents strongly agree, 34 respondents disagree and 11 respondents strongly disagree that the brand position

of the product in the market influences the consumer preference between multinational soft drinks brands and local soft drinks.

- 88 respondents are neutral, 78 respondents agree, and 42 respondents strongly agree, 35 respondents disagree and 7 respondents strongly disagree that the current trends prevailing in the market influences the consumer preference between multinational soft drinks and local soft drinks.
- 83 respondents are neutral, 80 respondents agree, and 51 respondents strongly agree, 27 respondents disagree and 9 respondents strongly disagree that the life style of the consumers influences the consumer preference between multinational soft drinks and local soft drinks.
- 111 respondents are neutral, 72 respondents agree, and 28 respondents strongly, 29 respondents disagree and 9 respondents strongly disagree that the social comparison between the consumers in the society influences the consumer preference between multinational soft drinks and local soft drinks.
- 91 respondents are neutral, 84 respondents agree and 35 respondents strongly agree, 28 respondents disagree and 12 respondents strongly disagree that the family and friends influence the consumer preference between multinational soft drinks and local soft drinks.
- 107 respondents are neutral, 62 respondents agree, and 42 respondents strongly agree, 30 respondents disagree and 9 respondents strongly disagree that the influences the consumer preference between multinational soft drinks and local soft drinks.
- 94 respondents agree, 88 respondents are neutral and 41 respondents strongly agree, 20 respondents disagree and 6 respondents strongly disagree that the attitude of the consumers towards the product influences the consumer preference between multinational soft drinks and local soft drinks.
- 94 respondents agree, 69 respondents are neutral, and 58 respondents strongly agree, 21 respondents disagree and 8 respondents strongly disagree that the usage of the product for relaxation and refreshment influences the consumer preference between multinational soft drinks and local soft drinks
- 119 respondents are neutral, 61 respondents agree and 19 respondents strongly, 33 respondents disagree and 17 respondents strongly disagree that the usage of the soft drinks increases the social status in the society influences the consumer preference between multinational soft drinks and local soft drinks.

- 80 respondents are neutral, 79 respondents agree and 45 respondents strongly agree, 34 respondents disagree and 11 respondents strongly disagree that attractive advertisements in different Medias influence the consumer preference between multinational soft drinks and local soft drinks.
- 99 respondents are neutral, 64 respondents agree and 43 respondents strongly, 31 respondents disagree and 13 respondents strongly disagree that the promotion of the product through celebrities influences the consumer preference between multinational soft drinks and local soft drinks.
- 106 respondents are neutral, 66 respondents agree and 27 respondents strongly agree, 37 respondents disagree and 14 respondents strongly disagree that the events sponsored by the firm as a sales promotion influences the consumer preference between multinational soft drinks and local soft drinks.
- 124 respondents are neutral, 39 respondents agree and 28 respondents strongly agree, 34 respondents disagree and 25 respondents strongly disagree that the patriotism to the country influences the consumer preference between multinational soft drinks and local soft drinks.
- 95 respondents agree, 88 respondents are neutral and 16 respondents strongly agree, 36 respondents disagree and 15 respondents strongly disagree that the consumers buy international products so that they are accepted in a particular social group; this influences the consumer preference between multinational soft drinks and local soft drinks.
- 100 respondents agree, 83 respondents are neutral and 26 respondents are strongly agree, 34 respondents disagree and 7 respondents strongly disagree that the status symbol influences the consumer preference between multinational soft drinks and local soft drinks.
- 162 respondents are sometimes influenced, 39 respondents are always influenced, and 49 respondents are never influenced by the brand image of the company in preference between multinational soft drinks and local soft drinks.
- 169 respondents are sometimes influenced; 21 respondents are always influenced; 60 respondents are never influenced by the market share acquired by the soft drink brands in preference between multinational soft drinks and local soft drinks.

- 120 respondents are sometimes influenced; 87 respondents always are influenced; and 43 respondents are never influenced by the information of product like expiry date in preference between multinational soft drinks and local soft drinks.
- Both multinational soft drink brands and local soft drink brands are available in the market in all seasons.
- The local soft drink brands are not available in different quantities and flavors as compared to multinational soft drink brands.
- The local soft drinks brands are available only in small shops in and around Mangalore, but multinational soft drinks brands are available in all the shops and shopping malls in Mangalore.
- As per the Chi-Square test which was applied to the factors of consumer preferences reveal that multinational soft drink brands do not influence the demand of local soft drinks brands.
- The consumer preference between multinational soft drinks and local soft drinks are independent i.e. there is no factor which is commonly influencing the consumer preference between the multinational soft drinks and local soft drinks.

## **CONCLUSION**

Globalisation led to the entry of multinational companies in Indian market. These multinational companies through their financial strength slowly acquired the small Indian origin companies, and established themselves in the Indian market. One of the sectors in which multinational companies strongly grew was the soft drinks sectors. The Multinational soft drinks brands entered the Indian market and acquired most of the local brands prevailing in the sector and strongly established their market. But some of the local brands still exist in some parts of the country. In Mangalore Taluk there are seven local soft drinks companies that are still operating and have been able to continue in the market. Such soft drinks brands were compared with the multinational soft drinks brands to determine the factors that influence the consumer preference between multinational soft drinks and local soft drinks. Different factors of consumer preference and demand was considered for the study. The study revealed that both the multinational soft drinks and local soft drinks are independently operating in the market of Mangaluru Taluk. To conclude the multinational soft drinks brands do not influence the demand of local soft drinks brands.