

# CONSUMER BEHAVIOR TOWARDS COFFEE MIX IN YANGON

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## Abstract

This study focuses on Consumer Behavior towards Coffee Mix in Yangon. The analysis is based on two levels: (a) analyzing the current situation of coffee mix and compute the incidence rate for country level, and (b) examining the consumer behavior. For the sake of computational advantage and detailed analysis, Yangon was selected from two metropolitan cities, namely, Yangon and Mandalay. There are 33 townships in Yangon and only 6 townships were chosen by using two stages Simple Random Sampling. Five wards are collected from each township and fifty respondents are chosen from each ward. This consumer survey is conducted with 300 respondents to analyze the consumer's behaviors. From the analysis, the steady growth in the sales of instant coffee mix products reflects the increased acceptance and preference for coffee drinking in Myanmar. About 39 brands are available in the market, the Myanmar coffee mix market has long been dominated by the Super brand, followed distantly by Mikko, Gold Roast, etc. In Yangon Coffee mix market, most of the consumer prefers Premier. The second one is Nest café and the third one is Super. It is found that consumer's preference brands are different between Yangon and the whole country. According to the consumer survey, the most of the coffee drinkers' age group is (31-40) years. The largest number of consumer's taste is bitter. Most of respondents drink coffee mix daily with "3 in 1" instant coffee mix and they know the coffee mix brand from TV. Also, many of coffee mix buyers think that the price of them is fair and they usually buy the coffee mix in package. TV commercial is very attractive program among advertising media and the respondents prefer to buy the coffee mix due to discount. Moreover, the respondents would change from current brand to new brand of coffee mix because of better taste and smell. In 2010 survey, coffee mix drinking incidences are higher than in 2008 at metropolitan area, plain area and delta area. From 2010 survey, coffee mix drinking incidence had rose 5% than in 2008 survey. The number of population and percentage of drinking incidence increase in all areas except hilly and dry area. Consumers are seeking out coffee mix brands as the products are of a high quality as well as being reasonably priced.

Keywords: consumer behavior, preference, 4 Ps

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## 1. Introduction

All over the world, marketers are responsible for developing and marketing strategies that facilitate satisfying exchanges between buyers and sellers. Marketing Strategy entails selecting and analyzing a target market and developing a marketing mix for this target market. In marketing mix, promotion has been recognized as major elements and it includes five activities such as advertising, sale promotion, personal selling, publicity and direct marketing. Today in modern world, promotional activities have evolved into a vital communication activities for both consumers and business.

A coffee mix is one of the consumer goods and there are variety of brands in global market. As coffee consumption is growing, many locals are familiar with the coffee culture. Coffee mix is stands as one of the essential products in the household's commodities because the consumers are consuming it in daily. Many new brands of coffee mix also entered into the market and tried the best for getting the higher market share among each others. In order to gain the more market share, the coffee mix enterprise made attempt by applying the variety of promotional activities, pricing strategy and market penetration techniques. The improvement of the industry and intense market competition push forward the coffee mix enterprise to improve the quality of the products and smooth, distribution networks. Moreover, the promotional activities are also competitively launched. These improvements extend the considerable impacts to the customers' attitude and behavior. Many of new coffee mix products are assaulted in the coffee mix industry nowadays due to the effect of the market demand. In today's market, it is found that coffee mix product is the best selling product. The coffee mix market will keep growing year by year and coffee mix is a commodity that can be supposed as one of the big markets among the consumers' goods in Myanmar. Many of local and imported brands are available in the market.

Since a coffee mix has the huge market in Myanmar, it is interesting to study the consumer's behavior on consumption of coffee mix products in Myanmar. Because Myanmar is a nation of tea/coffee drinkers, drinking coffee mix has become a traditional habit of each family and coffee mix is served at every social or religious ceremony or function in many places in Myanmar. Most of Myanmar people, especially young people, usually sit at teashop in different places. Teashops become one of the busiest forms of food and beverage outlets in Myanmar, and demand for coffee mix is also big in there.

Consumer behavior is the study of when, why, how, and where people do or do not buy product. The consumption behavior is changing in accordance with the changes of living standard of the consumers. One of the reason for drinking coffee mix is "Changing lifestyles in Myanmar" that is encouraging new eating habits and coffee mix products are growing in popularity under the change.

### **1.1 Objectives of the Study**

The study mainly focuses on the following

1. To identify the current situation of coffee mix market in Myanmar.
2. To analyze the consumer's buying behavior on coffee mix.

### **1.2 Scope, Method, and Limitation of the Study**

Data collecting methods include two levels: (a) one survey for analyzing the current situation of coffee mix and computing the incidence rate for country level, (b) one survey for examining the consumer attitude. For the sake of computational advantage and detailed analysis, Yangon was selected from two metropolitan cities, namely, Yangon and Mandalay. There are 33 townships in Yangon and 6 townships were chosen by using two stages Simple Random Sampling. The selected townships are Dagon Township, Sanchaung Township, Tamwe Township, Hlaing Township, Yankin Township and Bahan Township which are used as the primary sampling units. Five wards are collected from each township and fifty respondents are chosen from each ward. This consumer survey is conducted with 300 respondents to analyze the consumer's behaviors. Due to the time constraint, consumers are collected from Yangon only. Although Yangon has 33 townships, there is some limitation in this research and it encloses only six townships in Yangon for time constraint.

Secondary data gets from, previous academic research work done, marketing reference books, Newspaper and magazine articles, previous studies/surveys conducted by other market research agencies.

## **2. Coffee Mix Market in Myanmar**

Myanmar is focusing on the open market economy and the Government also enforces and supports the private sector to promote the industrial development. So many industries including coffee mix industries are developing in the country. Many of new coffee mix products are assaulted in the industry nowadays due to the effect of the market demand. In today's market, it is found that coffee mix product is the best selling product. The coffee mix market will keep growing year after year and coffee mix is a commodity that can be supposed as one of the big markets among the consumer's goods in Myanmar. Many of the local and imported brands are available in the market and about (39) brands are available in the market, with consumption estimated at about million single-serve sachets a day. These (39) brands are Super , Mikko, Gold Roast, Java, Ben , Premier Pure Coffee, Coffee King, Super One, Birdy, Preserve Espresso, Rich Coffee, Mistercup, Morning Cup, Nescafe, Golden Lion, Bravo, Dream , Sinoda , Owl and Gold Roast. Among them, Nescafe, Birdy and Mistercup are foreign brand. Nescafe Coffee mix was imported from neighboring countries and there was no factory for local production. Because of a very good image and quality and without local production, Nescafe coffee mix is the most expensive of other

brands. Super coffee mix is originated from Singapore and there is a factory here to produce coffee mix. Super is the second most expensive and leading brand here because of good quality with its price lower than Nescafe coffee mix. Other brands are local brands sold with lower prices than Nescafe coffee and Super coffee. The coffee mix market has been dominated by private manufacturers and one government brand. The ingredients for the coffee mix include instant coffee powder, non-diary creamer and sugar.

Golden-Lion uses instant coffee powders from its own factory. Private manufacturers import coffee and creamer. Most local coffee mix suppliers order coffee powder from Brazil, creamer from Holland through dealers in Singapore and sugar from local suppliers. The packaging comes from Singapore. Premier, however, uses pure local coffee instead of imported.

Since 1995, however, Myanmar has a number of coffee shops which try to introduce western-style coffee culture here with varying degrees of success. The pioneers in the market, such as Fuji Coffee House on University Avenue in Kamaryut Township, faced several initial hurdles, including customers' attitude and sourcing the ingredients and machines.

Nowadays, the consumer has a chance to choose the café and order their favourite coffee. In Yangon, about 80 to 90 % of the customers at approximately 6000 teashops drink tea, while about 10 to 20 % order coffee, either freshly made or from instant coffee mix packets.

The market for instant coffee mixes has been growing since the past five years, during which time the growing competition has given consumers a wider range of choices and has helped keep prices down. Also known as "3 in 1" because of their three main elements – instant coffee powder, creamer and sugar most mixes come in 20-gram sachets designed to make one cup of coffee after hot water is added.

Popular brands in the Myanmar coffee mix market include Super, Mikko, Gold Roast, Super One, Ben, Java and Premier; All of them are products of different private companies which use imported ingredients, but the products are packed here. Another company, Golden Lion, is government-owned and it produces instant coffee mix at the factory in Pin Oo Lwin near Mandalay.

The competitiveness creates the constant battle among instant beverage producers including coffee mix and tea mix. The consumption of coffee mix and tea mix which also stand place in the market has regularly increased by 4.5% annually and coffee mix is the booming. Instant beverage market is dominated by six players which are Super, Premier, Gold Roast, Mikko, Nescafe and Super One even though the market share might be different from one brand to another. However, exported coffee mix brands such as Birdy and Mistercup from Thailand are also taking up some market share in the local after Nargis Cyclone and it is surprisingly to see that Birdy has penetrated so well to the local market within a short period. And Rich coffee mix

brand from Thailand also speedily penetrated into Myanmar market after 2009 Thingyan Water Festival.

Changing consumer behavior in Myanmar encourage new habits of having instant foods and people's brand choices differ from time to time. Therefore, some influenced major brands are facing downturn in their market share because today consumers shifted their taste to a bit creamy from previously popular flavor, bitter.

The result of the competition hot in coffee mix market; the keener the competitions, the higher the quality. It also noted that the lower the prices and the better the service. The fight among the instant beverage-especially coffee mixes- is one such competitive market. As a result, tremendous amounts of money are being ploughed into TV for advertisement using popular film stars in an attempt to win a large slice of the market. New entrants usually occur in coffee mix market and they try to get the market share with strong competition.

Therefore, it is interesting to conduct a research on consumer behavior regarding coffee mix. When many coffee mix brands are available in the market, the firms need to know how the consumer search information to purchase it and which advertising and sales promotion programs are attractive for them.

## **2.1 Coffee Consumption of Myanmar**

The coffee is not a new thing to Myanmar. It is in fact playing a prominent role in daily life of the majority of Myanmar society, in line with tea. Myanmar people have the habit of drinking tea and coffee at home, at work and at café or tea shop. It could be easily seen that numerous small café and tea-shops are sprung up at every town and city in Myanmar as a whole, which shows the strong drinking habit of tea and coffee for this favorable situation. Consequently, coffee mix becomes a highly potential consumer product for Myanmar market.

For getting the situation of coffee mix industry at country level, the survey was conducted in February to May 2010 by Myanmar Marketing Research and Development (MMRD) service centre and the estimated figures are computed according to the survey methodology that are based on 42.1 million people of age ten years old and above. The estimated figures of 2010 survey are presented in this section compared with 2008 survey.

Myanmar is a nation of tea drinkers: Although coffee consumption is growing, many locals are baffled by the minutiae of the coffee culture that is slowly taking hold in up-scale café throughout Yangon. Coffee mix drinking incidence by region is described in Table (1). According to the Table (1), about 55% of total population (Age 10 years and above) has the drinking habit of coffee mix. In 2010, coffee mix drinking incidences are higher than in 2008 at metropolitan area, plain area and delta area. In 2010, coffee mix drinking incidence of hilly area and dry area are less than in 2008.

**Table (1) Drinking Incidence of Coffee Mix by Region**

(Population in Million)

SN	Region	2008			2010		
		Total Pop <sup>n</sup>	Drinking Pop <sup>n</sup>	%	Total Pop <sup>n</sup>	Drinking Pop <sup>n</sup>	%
1	Metropolitan	4.5	3.3	72%	4.6	3.5	75%
2	Hilly	7.0	3.4	48%	7.1	3.1	43%
3	Dry	11.2	6.0	54%	11.3	5.9	52%
4	Plain	7.3	2.9	40%	7.4	4.0	54%
5	Delta & Coastal	11.5	5.1	44%	11.6	6.7	58%
	Total	41.5	20.7	50%	42.1	23.1	55%

Source: Myanmar Marketing Research and Development (MMRD)

From 2010 survey, coffee mix drinking incidence rose 5% than that in 2008 survey. The number of population and percentage of drinking incidence increase in all areas except hilly and dry area. For delta and costal, the region where the highest percentage and population of drinking incidence existed in 2010 is noticeably increased than that in 2008. Coffee Mix drinking incidence increase year after year. Coffee mix drinking incidence by gender is shown in Table (2).

**Table (2) Coffee Mix Drinking Incidence by Gender**

(Population in Million)

SN	Gender	2008			2010		
		Total Pop <sup>n</sup>	Drinking Pop <sup>n</sup>	%	Total Pop <sup>n</sup>	Drinking Pop <sup>n</sup>	%
1	Male	17.1	8.9	52%	19.4	10.8	56%
2	Female	24.4	11.8	49%	22.7	12.2	54%
	Total	41.5	20.7	50%	42.1	23.1	55%

Remark: The figures are estimated based on 42.1 Million People (Age 10 years and above)

Source: Myanmar Marketing Research and Development (MMRD)

According to the 2008 and 2010 survey, coffee mix drinking incidence increase in all gender. Male rising incidence is 4% and female rising incidence is 5%.

## 2.2 Market Share of Selected Coffee Mix Brands in Myanmar

Market share of seven selected brands for coffee mix in Myanmar are analyzed in Table (3). In this survey, data concerned with market share is collected from thirteen towns in Myanmar.

According to Table (3), super brand gets more market share than other brands, representing the 60% of market in Myanmar. Gold Roast market share is 16% of market. Mikko brand gets 11% of market. Premier brand's market share is 11% of market. While Nescafé and Birdy brands get 3% of market. In addition other brands' market share is 3% of market.

**Table (3) Market Share of Coffee Mix Brands**

SN	Brand	Share %
1	Super	60
2	Gold Roast	16
3	Mikko	11
4	Premier	4
5	Nescafe	3
6	Birdy	3
7	Other	3
	<b>Total</b>	100

Source: Myanmar Marketing Research and Development (MMRD)

## 2.3 Brand Awareness of Coffee Mix

For the product competition world, coffee mix companies need to know the level of awareness for each brand to work out the market strategy. For nation wide survey, the brand which are influenced in Myanmar people, shown in Table (4).

**Table (4) Percent of Brand Awareness for Coffee Mix**

SN	Brand	Top of Mind Brand	Spontaneous	Prompted
1	Super	52%	79%	97%
2	Gold Roast	12%	42%	84%
3	Birdy	9%	24%	61%
4	Mikko	8%	20%	83%
5	Premier	7%	21%	70%
6	King	4%	16%	70%
7	Nescafe	2%	10%	57%
8	Rich	2%	9%	44%
9	Java	2%	10%	79%
10	Super One	1%	5%	61%
11	Mistercup	1%	2%	22%
12	Gold Roast Gold	0%	2%	24%

Source: Myanmar Marketing Research and Development (MMRD)

From Table (4), Although 39 brands are available in Myanmar coffee mix market, this survey is conducted from nine brands that are dominated for the Myanmar coffee mix market. Table (4) shows the three categories of the level of awareness, namely, “top of mind”, “spontaneous” and “prompted”. According to the Table (4), top of mind brand awareness of Super is highest in percentage follow by Gold Roast. Super leads the top of mind brand awareness of coffee mix drinkers. Even though, it is analyzed by the “Spontaneous” and “Prompted” in the mind of Myanmar consumer, it is the same symptom of the top of mind awareness. Hence, “Super” achieved the highest brand awareness and Gold Roast is the second level of awareness. So it can be concluded that Super brand is the most favorite brand in Myanmar market. The second favorite brand of Myanmar consumer is Gold Roast. As “top of mind” is important factor to analyze the situation of the coffee brand, in this study the “top of mind” awareness is analyzed in detailed by region, area, gender and age group etc.

**Table (5) Percent of Top of Mind Awareness by Region**

SN	Brand	Hilly	Dry	Plain	Delta & Coastal
1	Super	36%	55%	56%	59%
2	Gold Roast	5%	16%	15%	11%
3	Birdy	6%	6%	10%	12%
4	Mikko	43%	4%	2%	2%
5	Premier	1%	8%	6%	3%
6	King	1%	2%	4%	5%
7	Nescafe	1%	4%	2%	1%
8	Rich	1%	1%	3%	2%
9	Java	4%	2%	1%	1%
10	Other	2%	1%	2%	3%

Source: Myanmar Marketing Research and Development (MMRD)

According to the Table (5), Super has the highest percentage of top of mind for all the regions. That is, top of mind brand awareness of super is similar in all regions except the hilly region, where Mikko has the highest with 43%. Beside from Super coffee mix, top mind brand awareness of Gold Roast is the highest in percentage in Dry zone as well as Plain area, and Birdy is the highest in percentage in Delta and Costal area.

### **3. Analysis on Consumer Attitude towards Promotion Strategy of Coffee Mix**

#### **Industry**

In this section, it is described the consumer behavior of instant coffee mix, consumer perception on coffee mix, promotional strategy of coffee mix industry and attitude towards the new brand of coffee mix by promotional strategy. This study focuses on consumer’s attitude towards promotional strategy of instant coffee mix

product in Yangon. Although there are 33 townships in Yangon, 6 townships were chosen by using the two stages Simple Random Sampling.

### 3.1 Consumer Behavior of Instant Coffee Mix

In this section, the Demographic characteristic of respondents, consumption manner of consumer, buying behavior of consumer, 300 respondents of selected from different area of Yangon are analyzed.

#### 3.1.1 Consumption Pattern of Consumer

The drinking pattern of consumers in Yangon, the brand choice of consumer reason for first time of drinking, the drinking habit of consumer, place of drinking, and the reason of consumption are analyzed.

**Table (6) Number of Respondents by Drinking Patterns**

Drinking Pattern	Frequency	%
Coffee-only	90	30
Tea only	135	45
Both	75	25
Total	300	100

Source: Surveyed data, 2010

The drinking pattern of consumer is shown in Table (6). Drinking pattern is classified into three groups such as “Coffee-only”, “Tea only”, and “Both”. According to the table, coffee-only drinkers are 30 % of total sample size and tea only drinkers are 135 with 45 %. The rest of respondents are both tea and coffee drinkers and it has 25 % of total sample size.

The brand choice of consumer is shown in Table (7). Although thirty nine coffee mix brands are available in Myanmar’s coffee mix market, the data are collected from ten brands in this research. According to the survey, Premier is the most popular brand in Yangon. It has 37.7 % of the total respondents, followed by the Nescafe which has 14.3 %. Then super is ranked as the third position in Yangon, about 13.3 %. Birdy has 12 % of total respondents and Mistercup is responded by 0.6 % only. So it can be concluded that most of the consumers prefer brand is Premier, second most of the consumers’ prefer brand is Nescafe, the third most of the consumer’s prefer brand is Super in Yangon area.

**Table (7) The Brand Choice of Consumers**

Brand Choice	Frequency	%
Super	40	13.3
Premier	113	37.7
Java	6	2.0
Gold Roast	20	6.7
Super One	4	1.3
Mikko	5	1.7
Ben	12	4.0
Rich	12	4.0
Birdy	38	12.7
Nestcafé	43	14.3
Mister cup	2	0.7
Coffee king	5	1.7
Total	300	100

Source: Surveyed data, 2010

The first time of drinking of consumer is shown in Table (8). According to the Table (8), 30 % of respondents try to test for drinking of coffee mix as the first time. 22.4 % of respondents drink the coffee mix at their home because their family member bought certain brand of coffee mix. 17.3% of respondents drink the coffee mix since they come to know the brand on TV commercial.

**Table (8) Reason for First Time of Drinking of Coffee mix**

Reason	Frequency	%
TV Ad.	52	17.3
Other people urge	23	7.7
Many people drink	26	8.7
Want to test	90	30.0
Can get gift	4	1.3
Family member buys	67	22.4
Tea-shop serves only this brand	4	1.3
Other	34	11.3
Total	300	100

Source: Surveyed data, 2010

According to the Table (9), drinking habit is classified into five groups and the number of respondents is counted into these groups. It was found that most of the people in Yangon usually drinks the coffee mix daily. It has 75% of total respondents. Some of the respondents do not drink the coffee mix daily.

**Table (9) Drinking Habit of Coffee Mix in a Week**

Drinking habit	Frequency	%
Daily	225	75
Five days in a week	21	7
Four days in a week	21	7
Three days in a week	12	4
Two days in a week	21	7
Total	300	100

Source: Surveyed data, 2010

It can be said that Myanmar people usually drink the coffee mix more than one time in a day. Hence, it needs to analyze and it is shown in Table (10)

**Table (10) Drinking Times of Coffee Mix in a Day**

Times in a day	Frequency	%
One time	150	50
Two times	104	35
Three times	35	12
Above three times	11	3
Total	300	100

Source: Surveyed data, 2010

In Table (10), the drinking times of coffee mix is classified into four groups such as “One time”, “Two times”, “Three times” and “Above three times”. The large number of respondents usually drink the coffee mix one time in a day with 50 % of total sample size. The least number of respondents who drinks the coffee mix is more than three times.

Many coffee mix brands are available in Myanmar market. Consumer can choose the brand from market. Consideration factors for choosing of the brands are analyzed in Table (11). The classification of consideration factors is shown in this table. The considered factors are taste, price, Easy to buy, family’s choice and brand. Most of the respondents favor the taste as the consideration factor that has 65% of total respondents. While the least number of respondent’s consideration factor is family’s choice representing 3% of total sample size.

**Table (11) Consideration Factors for Choosing of Brands**

Factors	Frequency	%
Taste	194	65
Price	18	6
Easy to buy	44	15
Family’s choice	9	3
Brand	35	11
Total	300	100

Source: Surveyed data, 2010

Myanmar people have the habit of drinking tea and coffee at home, at work and at café or tea shop. It could be easily seen that numerous small café and tea-shops are sprung up at every town and city in Myanmar as a whole, which shows the strong drinking habit of tea and coffee for this favorable situation. Place of Drinking coffee mix is analyzed in Table (12).

**Table (12) Place of Drinking Coffee Mix**

Place	Frequency	%
At home	178	60
At office	49	16
At teashop	73	24
Total	300	100

Source: Surveyed data, 2010

According to the Table (12), 60 % of respondents answer that they mostly drink coffee mix at home, while 16% respondents drink the coffee mostly at office and 24 % of respondents drink the coffee at tea shop. So it can be concluded that most of the coffee drinkers drink the coffee at home.

### 3.2 Consumer Perception on Coffee Mix

Consumer perception is important for every business. This section is described the consumer perception on habit of drinking coffee mix, perception on drinking coffee mix and perception on kinds of coffee mix. There are 39 brands which are now available in Myanmar market. But there are different tastes that are produced and distributed to the market. Hence, the favorite taste of coffee mix is shown in Table (13). Taste is classified into four groups.

**Table (13) Consumer's Perception of Taste of Coffee Mix**

Perception Taste	Over		Normal		Without	
	Frequency	%	Frequency	%	Frequency	%
Bitter	189	63	75	25	0	0
Sweet	31	10	89	30	46	15
Astringent	75	25	61	20	162	54
Creamy	5	2	75	25	92	31
Total	300	100	300	100	300	100

Source: Surveyed data, 2010

These are different Consumer's Perception on Taste such as bitter, sweet, astinent and creamy. "Creamy" and Consumer's perception level is classified into three levels. The levels are "Over", "Normal" and "Without". The largest number of consumer's taste is bitter and it has 63 % of total sample size. Then 162 respondents like without astringent taste.

Many kinds coffee mix are available in market. Consumer prefers different kinds of coffee mix. So it can be concluded that cofeemix manufacturers must be aware of the kinds of coffee mix which is preferred by consumers. It is shown in Table (14).

**Table (14) Consumer's Preference Kinds of Coffee mix**

Kinds of Coffee mix	Frequency	%
Cappuccino	10	3
Espresso	48	17
3 in 1 instant	184	61
2 plus 1 instant	58	19
Total	300	100

Source: Surveyed data, 2010

According to the Table (14), 61 % of respondents likes “3 in 1 instant” coffee mix. Some of respondents give the response that they like “2 plus 1” instant coffee mix.

### 3.3 Buying Behavior of Coffee Mix

For distribution of coffee mix, the buying behavior is important for raising the sale volume. In this section, the place of purchasing, size criteria and price attitude of consumers for coffee mix are analyzed.

In Myanmar coffee mix market, many brands of coffee mix are available in different place. Purchasing place can be classified into four places. The number of respondents who purchase the coffee mix is shown in Table (15).

**Table (15) Place of Purchasing**

Place	Frequency	%
Market	62	21
Store	53	18
Supermarket	79	26
Grocery	106	35
Total	300	100

Source: Surveyed data, 2010

According to the Table (15), 35% of respondents buy coffee mix from grocery shop. 26 % of respondents buy from supermarket and 18 % of respondents buy from store that is located in convenient place etc. So it can be concluded that convenient location is the one of the consumers' consideration factors to buy the coffee mix. According to the survey, most of the grocery shops should be opened near target consumers.

**Table (16) Consumers' Criteria Regarding Coffee Mix**

Criteria	Frequency	%
Taste and aroma	213	70
Price	13	4
Easy to buy	50	17
Brands	13	4
Other	11	4
Total	300	100

Source: Surveyed data, 2010

Regarding the question of what criteria to take into account at buying coffee mix, 70 % of the respondent chose the coffee mix based on its taste and aroma, 17 % of respondents answered that they mainly considered on the factor of easy to buy and 4 % of respondents prefer price and brands and no one is considered packing, family choice, lucky draw, gift and get from only one shop. Other category, representing 4 % of respondents, consists of medical benefit (e.g. sliming and diet) and freshness from drinking coffee mix and other.

The table (16) reveals that the most important criteria for choosing coffee mix are its taste and aroma. If the product does not have unique taste and aroma among the other brands, it is difficult to get the market share. It is also important to make the effective distribution channels to reach everywhere because the consumer are prefer to buy the product easily and they do not want to waste the time by asking and finding coffee mix.

### **3.4 Consumer Perception on Promotional Activities of Instant Coffee Mix**

In general, the successful business uses the promotional tools to promote the brand awareness. This section is analyzed the sources of information for purchasing of coffee mix Brands, consumer' respond on promotion activities of coffee mix industry.

#### **Sources of Information for Purchasing of Coffee Mix**

Consumer wants to know the brand. Source of information for the coffee mix brands are shown in Table (17). According to the table and figure, 171 respondents (57 %) come to know the certain coffee mix brand on TV advertising media. 28% of respondents observe the brand of coffee from newspaper and journal. Hence, television advertisement is a good way to make the awareness for Myanmar people.

**Table (17) Sources of Information for Purchasing of the Coffee Mix Brands**

Sources of Information	Frequency	%
From newspaper/journal	84	28
From words of mouth	3	1
From Billboard / wall poster	3	1
From TV / Radio advertising	171	57
From Sponsorship programs	11	4
From Pamphlets	22	7
Others	6	2
Total	300	100

Source: Surveyed data, 2010

Consumer's respond on promotion activities of coffee mix industry are analyzed in Table (18). Promotion activities are classified into five groups.

**Table (18) Buying of Coffee Mix with Promotional Activities**

Promotion activities	No. of respondents	Percent
Advertising	160	54
Personal selling	25	8
Sales promotion	90	30
Public relation	15	5
Direct marketing	10	3
Total	300	100

Source: Surveyed data, 2010

From Table (18), the largest number of respondents buys the coffee mix according to advertising of coffee mix, representing 54 % of total sample size. 30% of respondents answers that the coffee mix is bought by sales promotion activities. According to the survey, among the promotion methods, most of the consumers interesting method are advertising. Due to the survey results, the advertising should be used to do the promotion activities for coffeemix industries.

Moreover, the attractive advertising program is important for advertisement of consumer products. It is shown in Table (19).

**Table (19) Consumer Purchases Based on Attractive Advertising Program**

Advertising program	Frequency	%
TV/Radio advertising	165	55
Print advertising	60	20
Place advertising	75	25
Total	300	100

Source: Surveyed data, 2010

According to the Table (19), 55% of respondents gave the response. They prefer TV/Radio advertising that is an attractive programme to let the brand answer 25% of respondents replied that they are prefer place advertising which is an attractive programme to know the brand. The rest of 20 % answer that they prefer the print advertising.

### 3.5 Analysis on Consumer Buying Behavior between Demographics Characteristics and the Main Factors the Consumers Considered to Purchase Coffee Mix

Demographic trends are highly reliable for the short and intermediate run for marketer. Marketers are keenly interested in the size and growth rate of population in cities; age, education level, household patterns, occupation and income level of the consumers because consumers make up market. The result showed the relationship between demographics characteristics of the respondents and the main factors the consumers considered to choose coffee mix.

**Table(20) Relationship between Gender and Brand, Advertising, Sale Promotion and Price**

Gender	Brand		Advertising		Sale Promotion		Price		Total	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Male	31	10	40	14	30	10	16	5	117	39
Female	21	7	85	29	60	20	17	6	183	61
Total									300	100%

Source: Surveyed data, 2010

According to the Table (20), 10% of male respondents chose coffee mix by brand, 5 % of male respondents chose by price, 14% of male respondents chose due to advertising, 10% of male respondents chose by sale promotion and 7% of female respondents chose coffee mix by brand, 6% of female respondents chose due to price, 29% of female respondents chose advertising and 20% of respondents chose sale promotion.

This result showed that most of the male and female respondents' priority is an advertisement when they choose coffee mix. Price is a less important factor for them to choose coffee mix.

**Table (21) Relationship between Education Level and Brand, Advertising, Sale Promotion, and Price**

Education Level	Brand		Advertising		Sale Promotion		Price		Total	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Students	4	1	13	4	8	3	5	2	30	10
Under-Graduate	10	3	45	15	40	14	7	2	102	34
Graduate	17	6	58	19	44	15	10	3	129	43
Other	5	2	15	5	11	3	8	3	39	13
<b>Total</b>									<b>300</b>	<b>100%</b>

Source: Surveyed data, 2010

Education level also is reflected respondents' choice on coffee mix. Result in table (21) shows that 1% of the students chose coffee mix due to brand, 4% is advertising, 3 % is sale promotion and 2 % is price.

In the group of under- Graduate, 3 % of respondents' choice is brand, 15 % is advertising, 14% is sale promotion and 2 % is price. In the group of graduate, 6 % of the respondents' choice is brand, 19 % is advertising, 15% is sale promotion and 3 % is price.

It can be concluded that most of the respondents from any education levels which are high school, undergraduate, and graduate want to purchase coffee mix due to the attractiveness of the advertisements. Sales promotion techniques are also second important influence factors on the consumers' buying process. In coffee mix market, advertising plays a vital role to induce the consumers and it influences on the consumers buying behavior.

### 5.1 Findings and Suggestions

At the view of the consumer behavior and habit, the study found that coffee drinking becomes increasing more than just a daily ritual at everywhere. The steady growth in the sales of instant coffee mix products reflects the increased acceptance and preference for coffee drinking in Myanmar.

The amount and percentage of drinking incidence increased in all areas by 2008 and 2010 survey. In 2010 while other coffee mix drinking incidence of hilly area and dry area are less than in 2008. From 2010 survey, coffee mix drinking incidence had rose 5% than in 2008 survey. The number of population and percentage of drinking incidence increase in all areas except hilly and dry area. Consumers are seeking out coffee mix brands as the products are of a high quality as

well as being reasonably priced. About 39 brands are available in the market, with consumption estimated about five million single-serve sachets a day. The Myanmar coffee mix market has long been dominated by the Super brand, followed distantly by Mikko, Gold Roast, Super one, Sinoda, Ben Café and Coffee King for last five years. In recent year, Although 39 brands are available in Myanmar Coffee mix market, six brands get more market share than other brands. These brands are Super, Gold Roast, Mikko, Premier, Nescafe, Birdy.

In Yangon Coffee mix market, most of the consumer prefers Premier. The second brand is Nest café. The third brand is Super. But Super is the most prefer brand as the national wide. So it is found that consumer's preference brands are different between Yangon and the whole country.

According to the consumer survey, the most of the coffee drinkers' age group is (31-40) years. The largest number of consumer's taste is bitter. 75 % of respondents drink coffee mix daily with "3 in 1" instant coffee mix. Most of the respondents knows the coffee mix brand from TV and who purchase the coffee mix in package. Also, many of coffee mix buyer that the price of them is fair.

Among the advertising media, TV commercial is very attractive program. The respondents who buy the coffee mix due to discount. Moreover, the respondents would change from current brand to new brand of coffee mix because of better taste and smell.

Drinking coffee mix becomes daily habit for the people in Yangon and the competition is also more extensive in the recent years. The consumers have the chance to choose their favorite brands among of many brands which will be local product or foreign ones. Therefore, it is important for the firms to know the consumer's searching information regarding coffee mix; how the consumer respond to the advertising and sales promotion programs; and the consumer's brand loyalty and brand switching on coffee mix.

There are many types of coffee mix in the market to penetrate the different target market. 3 in 1 instant coffee mix is the consumers like most and 2 plus one pure coffee is the following one. The other types of coffee mix for niche markets (e.g. slimming coffee mix, diet coffee mix, no cream coffee mix and etc) are occurred in the recent years. Although the type of coffee mix is the same, its ingredients are differing from that of other brands and it can be successful or fail tastes and aroma to induce the consumers. Another advantage of coffee mix is easy to drink. The daily life of the people in Yangon is busy and it is difficult to waste the time in tea shops very often. As a result, the consumers want to choose the coffee mix because it can be made in very short time and drink easily.

As the consumer's main criteria to choose the coffee mix are its taste and aroma, it can be concluded that one brand of coffee mix can be popular due to the intensive advertising but it is also need to fulfill the consumers' preferred tastes and

aroma. Otherwise, this brand will lose the market share and its brand image. The price of coffee mix is slightly different among of them, and so the consumer will notice the coffee mix brand if its price is very higher than others. The other important criterion to purchase the coffee mix is easy to buy and it describes that the effective marketing channels and value network are important and need to be created to reach the end users.

Most of the consumer know the coffee mix brands from the media advertising such as TV, and Radio. Therefore, firms usually use this media advertising as one of the effective marketing communication although advertising on TV cost a lot of money. Other marketing communications such as billboard, wall posters, sponsorship programs, and pamphlets are less effective than media advertising. In other words, most of the consumers get the information regarding coffee mix from print media and TV/Radio advertising. Consumers' attitude on advertising programs also revealed that TV/ Radio advertising is the most attractive marketing communication for the consumers rather than the other advertising programs.

## 5.2 Needs for Further Research

Based on the findings of the study, the consumer attitude is vary by region. Due to the time constraint, this paper has only emphasized in Yangon area for analyzing consumer attitude. In addition, Myanmar is a nation of tea drinkers, and although coffee consumption is growing many locals are baffled by the minutiae of the coffee culture. Myanmar people have the habit of drinking tea and coffee at home, at work and at café or tea shop. Now, coffee mix becomes a highly potential consumer product for Myanmar Market. To be more precise and sharp recommendations, the better consumer attitude survey for other region and consumer behavior of coffee shop. Should be done due to the time constraint, this paper is presented as a descriptive study only. It should be analyzed more statistically to make the decision of the hypotheses more firmly. Future investigation will be needed for more precise data with the help of statistical analysis and make forecast the coffee consumption for future aspect.

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