

**IDENTIFYING MARKETING PROBLEMS ASSOCIATED WITH  
THE BRANDED TEA MARKET IN KANDY FROM THE  
PERSPECTIVE OF CUSTOMERS**



By:

**GUSTHINNA WADUGE CHANAKA LAKMAL PREMARATHNE**

**Reg. No: EU/IS/2014/MS/69**

**Index No: MS - 1719**



Project Report  
Library - EUSL

**A project report submitted to the Faculty of Commerce and Management,  
Eastern University, Sri Lanka, as a partial fulfillment of the requirement for the  
Degree of Bachelor of Business Administration (BBA)**

**DEPARTMENT OF MANAGEMENT  
FACULTY OF COMMERCE AND MANAGEMENT  
EASTERN UNIVERSITY, SRI LANKA**

**2019**

## ABSTRACT

People are consuming tea as a habit in their day to day life, with changes in the life and trade pattern, tea passes to consumers as blends from different sources with various characteristics. Leading tea companies have established brand names that bring strong customers demand rather than selling tea according to the origin. Presently, tea market have different tea packet with different brands and customers are consuming teas some are concerning several factors and some are not. Therefore, problems of tea market are high. The main objective of this research to identify marketing problems associated with the branded tea market in Kandy from the perspective of customers.

The variety of literature was gathered in order to identify the specific sub components regarding the quantitative study. Then specially developed a framework for the purpose of the study. The primary data was gathered by using a well-structured questionnaire. It consisted of two sections, the first section of the survey questionnaire collected respondents' demographic information such as age, gender, education, income levels, and consumer duration, brand selection. The second section asked respondents to mark the number that best reflects their opinion used by Five Point Likert scale method and They are product related problems, price related problems, place related problems and promotion related problems. The Convenient sample method comprised of 250 respondents from Kandy District in Sri Lanka as covering the majority of the market. The reliability and validity of the instrument was tested using an internal consistency Measure (Cronbach's Alpha ( $\alpha$ )). The recommended value of 0.7 was used as a cut-off of reliabilities. The data analysis was carried out using SPSS 25 with approving the conditions of the analysis there moved to the part of findings regarding the results of them.

Findings of the study concluded that there is significant level of product, price, place and promotion related marketing problems associated with the branded tea market in Kandy. All the marketing actions need to take to avoid the bad consequences of not considering regarding findings of the research and the best output results which can gain by considering the research findings were clearly defined through the research.

**Keywords:** *Product, Price, Place, Promotion, Marketing Problems.*

# TABLE OF CONTENTS

Page No.

<b>ACKNOWLEDGEMENT.....</b>	<b>i</b>
<b>ABSTRACT .....</b>	<b>ii</b>
<b>TABLE OF CONTENTS .....</b>	<b>iii</b>
<b>LIST OF TABLE.....</b>	<b>x</b>
<b>LIST OF FIGURE .....</b>	<b>xii</b>
<b>CHAPTER ONE.....</b>	<b>1</b>
<b>INTRODUCTION .....</b>	<b>1</b>
1.1 Background of the Study .....	1
1.2 Problem Statement .....	4
1.3 Research Questions .....	5
1.4 Objectives of the Study .....	5
1.5 Significance of the Study.....	6
1.6 Research Methodology .....	7
1.7 Data Analysis .....	7
1.8 Chapter organization .....	7
1.9 Chapter Summery.....	8
<b>CHAPTER TWO.....</b>	<b>9</b>
<b>LITERATURE REVIEW.....</b>	<b>9</b>
2.1 Introduction.....	9
2.2 Branded Tea Market.....	9
2.3 Marketing Mix .....	10
2.3.1 Product .....	12
2.3.2 Price .....	12
2.3.3 Place.....	13
2.3.4 Promotion.....	13

2.4 Marketing Problems .....	13
2.4.1 Product Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	14
2.4.2 Price Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	18
2.4.3 Place Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	21
2.4.4 Promotion Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	23
2.5 Chapter Summary.....	27
<b>CHAPTER THREE.....</b>	<b>28</b>
<b>CONCEPTUALIZATION AND OPERATIONALIZATION.....</b>	<b>28</b>
3.1 Introduction.....	28
3.2 Conceptual Framework .....	28
3.3 Definitions of Variables .....	29
3.3.1 Marketing Problems.....	29
3.3.2 Product Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	30
3.3.3 Price Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	31
3.3.4 Place Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	32
3.3.5 Promotion Related Marketing Problems Associated with the Branded Tea Market in Sri Lanka.....	33
3.4 Operationalization.....	36
3.5 Chapter Summary.....	38
<b>CHAPTER FOUR.....</b>	<b>39</b>
<b>RESEARCH METHODOLOGY.....</b>	<b>39</b>
4.1 Introduction with Research Objectives .....	39

4.2 Research Philosophy ..... 40

4.3 Research Approach ..... 40

4.4 Research Strategies ..... 41

4.5 Methodological Choice ..... 41

4.6 Time Horizon..... 41

4.7 Type of Study..... 42

4.8 Population of the Study ..... 42

4.9 Sampling Methods and Sample Size ..... 42

4.10 Method of Data Collection ..... 43

    4.10.1 Primary Data Collection..... 43

    4.10.2 Secondary Data Collection..... 43

4.11 Research Instrument ..... 43

    4.11.1 The Rationale for the Question ..... 44

4.12 Sources of Measurement ..... 45

    4.12.1 Method of Measuring the Personal Information..... 45

    4.12.2 Method of Measuring the Research Information..... 45

4.14 The Pilot Study..... 46

4.15 Validity and Reliability of Instrument..... 46

4.16 Unit of Analysis ..... 46

4.17 Method of Data Analysis..... 47

4.18 Method of Data Evaluation..... 47

    4.18.1 Univariate Analysis..... 47

        4.18.1.1 Mean ..... 47

        4.18.1.2 Standard Deviation ..... 48

    4.18.2 Testing Hypotheses..... 49

4.19 Ethical Consideration ..... 49

4.20 Chapter Summary..... 50

<b>CHAPTER FIVE .....</b>	<b>51</b>
<b>DATA PRESENTATION AND ANALYSIS .....</b>	<b>51</b>
5.1 Introduction.....	51
5.2 Analysis of Reliability .....	51
5.3 Data Presentation .....	52
5.3.1 Data Presentation and Analysis of Personal Information .....	52
5.3.1.1 Gender Composition.....	52
5.3.1.2 Age Composition.....	53
5.3.1.3 Average Monthly Income of the Respondents.....	54
5.3.1.4 Educational Level.....	54
5.3.1.5 Consumer Duration of Brands .....	55
5.4.1 The First Objective of the Study.....	56
5.4.1.1 Mean.....	56
5.4.1.2 Identifying the Level of Product Related Problems .....	58
5.4.1.3 Frequency.....	58
5.4.2 The Second Objective of the Study .....	62
5.4.2.1 Statistical Analysis for Identifying Price Related Marketing Problems.....	62
5.4.2.2 Mean.....	62
5.4.2.3 Identifying the Level of Price Related Problems .....	63
5.4.2.4 Frequency .....	64
5.4.3 The Third Objective of the Study .....	67
5.4.3.1 Statistical Analysis for Identifying Place Related Marketing Problems.....	67
5.4.3.2 Mean.....	67
5.4.3.3 Identifying the Level of Place Related Problems.....	69
5.4.3.4 Frequency.....	69
Table: 5.35 .....	70
5.4.4 The Forth Objective of the Study .....	72

5.4.4.1 Identifying the Level of Promotion Related Problems .....	72
5.4.4.2 Statistical Analysis for Identifying Promotion Related Marketing Problems.....	73
5.4.4.3 Mean.....	73
5.4.4.4 Frequency.....	75
5.5 Chapter Summary.....	78
<b>CHAPTER SIX.....</b>	<b>79</b>
<b>DISCUSSION .....</b>	<b>79</b>
6.1 Introduction.....	79
6.2. Discussion of Personal Information .....	79
6.2.1 Gender.....	79
6.2.2 Age Composition.....	79
6.2.3 Average Monthly Income Composition.....	80
6.2.4 Educational Level of the Respondents.....	80
6.2.5 Consumer Duration of Brands.....	80
6.3 Discussion on Research Variables .....	80
6.4. Discussion on the First Research Objective .....	81
6.4.1 Identifying the level of the product related marketing problems associated with branded tea market in Kandy .....	81
6.4.2 Analysis the Mean for Product Related Problems.....	81
6.4.3 Analysis the Frequency for Product Related Problems .....	81
6.4.3.1 Analysis the Frequency for Product Related Problems 1 .....	81
6.4.3.2 Analysis the Frequency for Product Related Problems 2 .....	81
6.4.3.3 Analysis the Frequency for Product Related Problems 3 .....	81
6.4.3.4 Analysis the Frequency for Product Related Problems 4 .....	82
6.4.3.5 Analysis the Frequency for Product Related Problems 5 .....	82
6.4.3.6 Analysis the Frequency for Product Related Problems 6 .....	82
6.4.3.7 Analysis the Frequency for Product Related Problems 7 .....	82

6.5 Discussion on the Second Research Objective .....	83
6.5.1 Identifying the level of the price related marketing problems associated with branded tea market in Kandy .....	83
6.5.2 Analysis the Mean for price Related Problems .....	83
6.5.3 Analysis the Frequency for Price Related Problems .....	83
6.5.3.1 Analysis the Frequency for Price Related Problems 1 .....	83
6.5.3.2 Analysis the Frequency for Price Related Problems 2 .....	83
6.5.3.3 Analysis the Frequency for Price Related Problems 3 .....	83
6.5.3.4 Analysis the Frequency for Price Related Problems 4 .....	84
6.5.3.5 Analysis the Frequency for Price Related Problems 5 .....	84
6.5.3.6 Analysis the Frequency for Price Related Problems 6 .....	84
6.6 Discussion on the Third Research Objective .....	84
6.6.1 Identifying the level of the place related marketing problems associated with branded tea market in Kandy .....	84
6.6.2 Analysis the Mean for Place Related Problems .....	85
6.6.3 Analysis the Frequency for Place Related Problems .....	85
6.6.3.1 Analysis the Frequency for Place Related Problems 1 .....	85
6.6.3.2 Analysis the Frequency for Place Related Problems 2 .....	85
6.6.3.3 Analysis the Frequency for Place Related Problems 3 .....	85
6.6.3.4 Analysis the Frequency for Place Related Problems 4 .....	85
6.6.3.5 Analysis the Frequency for Place Related Problems 5 .....	86
6.6.3.6 Analysis the Frequency for Place Related Problems 6 .....	86
6.7 Discussion on the Forth Research Objective .....	86
6.7.1 Identifying the level of the Promotion related marketing problems associated with branded tea market in Kandy .....	86
6.7.2 Analysis the Mean for Promotion Related Problems .....	87
6.7.3 Analysis the Frequency for Promotion Related Problems .....	87
6.7.3.1 Analysis the Frequency for Promotion Related Problems 1 .....	87



6.7.3.2 Analysis the Frequency for Promotion Related Problems 2 .....	87
6.7.3.3 Analysis the Frequency for Promotion Related Problems 3 .....	87
6.7.3.4 Analysis the Frequency for Promotion Related Problems 4 .....	87
6.7.3.5 Analysis the Frequency for Promotion Related Problems 5 .....	88
6.7.3.6 Analysis the Frequency for Promotion Related Problems 6 .....	88
6.8 Chapter Summary .....	88
<b>CHAPTER SEVEN .....</b>	<b>89</b>
<b>CONCLUSION .....</b>	<b>89</b>
7.1 Introduction .....	89
7.2 Conclusion .....	89
7.2.1 First Objective .....	89
7.2.2 Second Objective .....	90
7.2.3 Third Objective .....	90
7.2.3 Forth Objective .....	91
7.3 Implications for Industry .....	91
7.4 Limitation of the Study .....	92
7.5 Recommendations of the study .....	92
7.6 Chapter Summary .....	95
<b>LIST OF REFERENCES .....</b>	<b>96</b>
<b>Appendix I .....</b>	<b>100</b>
<b>Appendix II .....</b>	<b>104</b>
<b>Appendix III .....</b>	<b>108</b>