

**MARKET ANALYSIS ON YOUNG ADULT'S  
PURCHASING DECISION REGARDING TEA  
PRODUCTS**

A dissertation submitted to the  
Faculty of Animal Science and Export Agriculture  
Uva Wellassa University  
In partial fulfillment of the requirements for the award of  
Bachelor of Science in Tea Technology and Value Addition

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**2015**

## ABSTRACT

Most of the tea exporting companies try to overcome the Colombo local market through variety of products, due to high demand from the consumers. The best target group for tea products were young adults. Because they tend to try new trends. Young adults belong to the age level between 20-40 years. Who represent a majority of the local market. Tea companies attempt to understand on what factors, purchasing decision of young adults may depend and what is the current situation of the local market. 30 individuals were selected from 10 zones of Colombo city, under the convenient sampling procedure. Altogether 300 individuals were selected as the target population. Six factors were considered in the survey mainly as product, place, price, promotion, familiarity and demographic characteristics. Market analysis was conducted using a descriptive analysis and mainly through a conjoint analysis. Four product attributes were selected as brand, package color, price and taste. Five existing products in the local market were selected as Dilmah, Jones, Laoji, George Steuarts and Watawala for analyzed the market share in the local market.

According to the results of this study, there were five factors which considered by young adults on their purchasing decision regarding tea products such as Product, Place, Promotion, Familiarity and Demographic factors (income level and employment status). Most preferred tea brands among various products by the consumers were, for black tea kahata Dilmah, black tea normal Zesta, Green tea Lipton, flavored tea Dilmah and for the ice tea Lipton. Best advertising method to promote tea products was through Social media (e.g- Facebook , Twitter, etc...) and secondly recommended method by young adults was by TV advertisements. Tea products should be modified according to the consumer preferences. According to the market analysis conducted, using conjoint analysis, most preferred attribute levels were Watawala, green color package, bitter tasting pack for Rs.205 price among selected attribute levels. According to the predictions based on young adults' consumer preferences, highest market share was gained by Dilmah at the local market in the Colombo city.

*Key words:* Young Adults, Purchasing Decision, Tea Products