

## **Market Analysis on Young Adult's Purchasing Decision Regarding Tea Products**

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Most tea companies are engaged in Colombo local market due to the high consumption level of tea products in the local market apart from tea exporting. The best target group for tea products is young adults, because they tend to try out new trends. Young adults belong to the age level between 20-40 years. Young adults represent a huge part of the local market. Hence we are interested to study the factors affecting young adults purchasing decision of tea products. The target population is young adults that live in Colombo city. 300 individuals were selected from 10 zones of the Colombo city using convenient sampling. Market analysis was conducted using a descriptive analysis and conjoint analysis. Four product attributes were selected as brand, package color, price and taste. Five existing products in the local market were selected as TM1, TM2, TM3, TM4 and TM5 (Trade Mark- TM) for analyzing the market share in the local market. The results showed that, there were five factors which were considered by young adults on their purchasing decision regarding tea products as Product, Place, Promotion, Familiarity and Demographic factors (income level and employment status). Four companies were found to be selling most preferred tea brands. Best advertising method to promote tea products was through Social media. In order to overcome the Colombo local market, tea products should be modified according to the consumer preferences. According to the market analysis conducted, using conjoint analysis, most preferred attribute levels were TM5, green color package, bitter tasting pack for Rs.205/- price among selected attribute levels. According to the predictions based on consumer preferences, highest market share was gained by TM 1 at the local market in the Colombo city, among young adults.

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