

**A CASE STUDY ON THE PRODUCT DISTRIBUTION AND MARKET
PERFORMANCE OF GUIMARAS BOTTLERS INC. AS
INDICATED BY ITS PATRONAGE IN NEW POBLACION,
BUENAVISTA, GUIMARAS**

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by

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ABSTRACT

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This study was conducted among the 247 consumers of New Poblacion, Buenavista, Guimaras which were randomly selected to answer a researcher-made questionnaire-checklist. Data on marketing strategies were gathered from the company personnel and was limited to the strategies implemented in New Poblacion, Buenavista, Guimaras.

Guimaras Bottlers Incorporated is a local manufacturer of bottled drinking water in the provinces of Iloilo and Guimaras. It was founded and owned by Mr. Leonardo de la Cruz, Jr. who came up with the idea of putting up a bottled water plant to serve the growing and expanding demand for bottled water in his farm located at Brgy. Piña Buenavista, Guimaras where supply of spring water is abundant.

The company delivers and sells its bottled spring water to households, students and other customers who happen to buy in restaurants, drugstores, retail stores, and sari-sari stores. There are a number of bottled water companies in the Poblacion which also sells the same product and have their own water refilling stations which are more accessible to customers as compared to the location of the company which is 8 kilometers far from the barangay. The company uses the set of marketing tools in pursuing its market objectives in their target market, which is the marketing mix. McCarthy popularized this four-factor classification of these tools called the four Ps: product, price, place and promotion.

The company has about 398 distribution outlets in the provinces of Guimaras and Iloilo and even reaching Boracay Island. The company was able to cover 7 percent of its total product distribution to retail store outlets particularly in New Poblacion Buenavista Guimaras. The company provides a vehicle and a salesman to deliver its goods in the market. It uses different types of distribution channels such as direct sales, which sells directly to the customer, or end user of the product. Another one is the indirect sales where the company sells to a retailer whose salespeople then sell to the customer.

Data showed that a little over half (58 percent) of the total respondents patronize bottled water while the rest (41.7 percent) do not patronize bottled water. Out of 144 respondents who are buying bottled water, more than half (56 percent) prefer to buy other bottled water brands and less than one half (44 percent) of the bottled water consumers patronize the product of Guimaras Bottler's Incorporated. This probably means that there is a high possibility of increasing the sales to improve the market performance the company. With the strong demand for bottled water it is the

effectiveness of the company's marketing distribution strategies that will determine success or failure.

Guimaras Bottler's Incorporated is recognized for consistent high quality as it relates to taste, purity, and safety. The bottling company is proud of its self-imposed standards for quality assurance and environmental stewardship in its capacity to produce more bottled spring water with its abundant supply of natural spring waters. It has a wide range of product choices; private labels and alternative bottle and package sizes for customer's convenience.

Based on the study, the company incurs much on transportation and communication expenses during orders and delivery. There is a limited capitalization hindering them from venturing other products and realizing their plans.

Currently there are a number of competitors in the market, both those produced by big companies as well as small local water stations. It includes: Bonell Purified water, Viva Mineral water, Absolute Mineral water and Wilkins Distilled water. With the growing technology and laboratory facilities, Guimaras Bottler's Inc could not compete with bigger bottling companies since the company has no laboratory facilities at present.

The over all evaluation of the company's marketing strategy in marketing bottled waters in the market was rated "fair" with regards to the strategies in applying the 4P's of marketing mix as to product, price, place and promotion. The marketing plans of Guimaras Spring Water in the Guimaras market can also be "fair" because according to the personnel, the management focus more on marketing its product in Iloilo and other parts of Panay. This concludes that the company has not exerted more effort in terms of

its operation strategies in order to compete with other bottling companies and to be a leading bottled water manufacturer and seller in the industry.

The effectiveness of the company's marketing and distribution strategies will make the company to compete with the growing demand in the bottled water industry, which can win customer's loyalty towards its product and thus improve its market performance in the market.