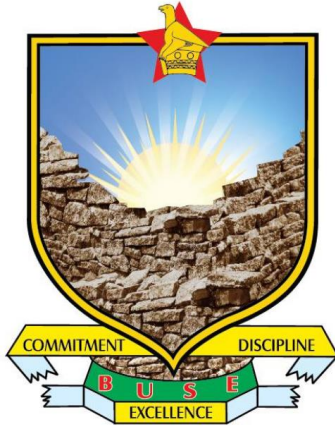


BINDURA UNIVERSITY OF SCIENCE EDUCATION



**AN EVALUATION OF THE IMPACT OF PRODUCT DIVERSIFICATION ON
CONSUMER PREFERENCES AT VARUN BEVERAGES ZIMBABWE.**

BY

ALBERT CHIMHANZI

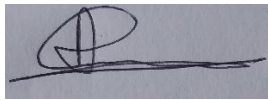
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**A DISSERTATION SUBMITTED TO THE BINDURA UNIVERSITY OF SCIENCE
EDUCATION IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
MASTER OF SCIENCE DEGREE IN BUSINESS LEADERSHIP, GRADUATE
SCHOOL OF BUSINESS**

NOVEMBER 2025

APPROVAL FORM

The undersigned relevant authorities certify that they have read and recommended to the Bindura University of Science Education for acceptance of a research project titled. " An Evaluation the Impact of Product Diversification on Consumer Preferences at Varun Beverages Zimbabwe." submitted by Albert Chimhanzi as a partial fulfilment for his master of business leadership degree.



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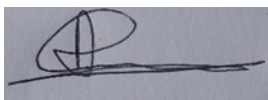
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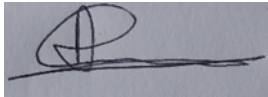
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DECLARATION

I, ALBERT CHIMHANZI Student Reg Number B1953630, do hereby declare that this dissertation is a result of my own investigation and research, except to the extent indicated in the acknowledgments, bibliography, references, and comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

A handwritten signature in dark ink, appearing to be 'A. Chimhanzi', written on a light-colored background.

STUDENT SIGNATURE

DATE: 17/11/25

DEDICATION

This work is dedicated to my family, whose unwavering love, support, and encouragement have been the foundation of my academic journey. To my parents, who instilled in me the value of hard work and perseverance, and to all those who believed in my potential even in moments when I doubted myself—this achievement is a reflection of your faith in me.

I also dedicate this research to every student striving to balance the demands of life and education. May this work inspire you to remain focused, determined, and committed to your goals.

Finally, I acknowledge all the respondents who took time to complete the questionnaires. Your contributions were essential to the success of this study.

Thank you all for walking with me on this journey.

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I would like to express my sincere gratitude to everyone who contributed to the successful completion of this research study.

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My heartfelt thanks also go to the management and staff of Varun Beverages Zimbabwe, particularly those at the Harare plant and depot, for providing valuable data and insights that made this study possible. Your cooperation and willingness to participate are greatly appreciated.

Special recognition goes to my lecturers and the academic staff who provided knowledge, direction, and encouragement throughout my studies. Your commitment to academic excellence has been a source of inspiration.

I am immensely grateful to my family and friends for their emotional support, patience, and motivation during the research process. Your belief in me kept me focused and resilient.

ABSTRACT

This study investigated the influence of product diversification on consumer preferences at Varun Beverages Zimbabwe, focusing on three key dimensions of diversification—product line extensions, product line depth, and product line width. The primary objective was to determine how these diversification strategies affect consumer satisfaction, loyalty, and perceived value in the competitive Zimbabwean beverage industry. Existing literature suggests that product variety, innovation, and market segmentation are central to shaping consumer behaviour, with theoretical models such as the Ansoff Matrix and Fischbein Model emphasising diversification as a strategic growth tool and consumer attitudes as being driven by product attributes. These insights provided the theoretical foundation for understanding the relationship between diversified product offerings and consumer decision-making. A quantitative research design was adopted, using a structured questionnaire administered to 217 respondents associated with Varun Beverages Zimbabwe’s Harare plant and depot. The study utilised descriptive statistics to summarise consumer perceptions and inferential techniques, including regression analysis, to assess the effect of product diversification strategies on consumer preference outcomes. This methodological approach enabled systematic measurement of behaviour, attitudes, and perceived value within the target population. The findings revealed that product diversification has a significant and positive impact on consumer preferences. Product line extensions increased satisfaction by offering flavour and variant options tailored to diverse consumer tastes. Product line depth strengthened engagement and loyalty by providing multiple alternatives within existing product categories. Product line width attracted new market segments and reinforced retention through broader product offerings such as energy drinks and flavoured water. Demographic analysis further indicated that younger consumers (ages 25–34) and middle-to-upper income groups are more responsive to diversified beverage products. The study concludes that product diversification is a strategic driver of consumer satisfaction, loyalty, and perceived value for Varun Beverages Zimbabwe. It highlights the importance of innovation, consumer-centric product development, and effective segmentation in achieving competitive advantage. These findings contribute to theoretical understanding of diversification within emerging markets and provide practical guidance for beverage companies seeking to enhance market performance through diversified product portfolios.

Keywords: Product diversification; Varun Beverages Zimbabwe; Ansoff Matrix and Fischbein Model; Product line;

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Lists Of Abbreviations and Synonyms

Abbreviation	Meaning
FMCG	Fast-Moving Consumer Goods
VBZ	Varun Beverages Zimbabwe
R&D	Research and Development
SPSS	Statistical Package for the Social Sciences
GDP	Gross Domestic Product

List of Key Terms	Synonyms With Similar Meaning
Product Diversification	Product variation, product range expansion, product differentiation, portfolio diversification
Product Line	Extensions Brand extensions, variant expansion, flavour extensions
Product Line	Depth Variation within a product category, range depth, category expansion
Consumer Preferences	Customer tastes, consumer choices, buyer inclinations
Consumer Behaviour	Buying behaviour, purchasing patterns, consumption behaviour
Consumer Satisfaction	Customer fulfilment, user satisfaction, customer contentment
Customer Loyalty	Repeat purchase behaviour, brand loyalty, customer retention
Perceived Value	Customer value perception, value judgement, perceived benefit
Market Segmentation	Customer grouping, segmentation strategy
Emerging Markets	Developing economies, growth markets

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This research is in order to study the effect that product diversity has on consumer preferences at Varun Beverages Zimbabwe. Varun Beverages is in constant pursuit of building their market share, improving customer satisfaction and navigating the battle against competitors in today's competitive beverage market. One such strategy is product diversification; it uses new products or additions to existing products based upon consumer tastes and preferences. Varun Beverages Zimbabwe is in an ongoing market, in which consumer tastes are changing due to changes in lifestyles, health, and global trends. This knowledge about what consumers want is essential to growth and sustainable business growth. This study investigates these elements and seeks to provide Varun Beverages Zimbabwe with insights into using product diversification to do the right thing by meeting consumer needs and remaining competitive in the market.

1.1 Background Of the Study

The market for products is increasingly competitive and rapidly changing, and product diversification has become a strategic tool. It is a process of increasing product offerings in order to meet customers needs in more areas of the market or in order to expand to new markets (Kotler & Keller, 2016). With increasing competition, an increasing concern over consumption trends and consumer preference for fast moving consumer goods (FMCG) market, diversification is particularly pertinent. Varun Beverages Zimbabwe, one of the largest regional brands in the local beverage industry, can diversify product by introducing new flavours, package sizes, or entirely new product lines in order to attract and retain customers.

Stratus marketing research indicates diversification can boost a firm's competitive position by increasing market share and increasing customer loyalty (Aaker, 2004). In Zimbabwe, the beverage market is revolving as consumers are increasingly demanding a lot more and more

value for money as economic cycles continue. This leads us to be asked to see how Varun Beverages' diversification strategies are changing the consumer preferences in the modern world.

While diversification in developed economies has been widely studied, recent research indicates more attention has been given to underlying the utility and impact in emerging markets (Burgess & Steenkamp, 2006.) . Though economic conditions and consumer behavior change shape the different economic conditions at the region, studies on African markets, and particularly Zimbabwe, remain rare. In addition, existing literature shows few opportunities for understanding how diversifying product portfolios affect consumers' decision-making, satisfaction, and long-term loyalty in a context of economic uncertainty (Sheth, 2011). Another recent focus has been on empirical research linking diversification strategies to measured consumer responses in emerging markets (Kumar et al., 2017.) .

It therefore aims to address these deficiencies by performing research to examine the extent to which product diversity at Varun Beverages Zimbabwe affects consumer preferences. In an attempt to examine consumer perception, purchasing choices and loyalty patterns, the research explores consumer perception and ways to determine strategic decisions in beverages and offer to literature on diversification of emerging economies.

1.2 Statement Of the Problem

The business research problem is that analyzing the impact of product variety on consumer preferences at Varun Beverages Zimbabwe. Purposefully, Varun Beverages Zimbabwe would be able to use product diversification to increase consumer preferences, drive sales and maintain a competitive advantage on the global beverage market of Zimbabwe (Batra, 1997; Burgess & Steenkamp, 2006; Kumar et al., 2017). Yet the present situation presents an important need for an evaluative assessment of how diversification strategies could interact with consumers' preferences during changes in market conditions, economic challenges, and increasing competition in Zimbabwe (Kotler & Keller 2016).

The company may lose much in terms of addressing what is currently a situation in product diversification and the impact it has on the preferences of consumers at Varun Beverages Zimbabwe. These included loss of market share due to mismatching consumer preferences, lower client loyalty due to consumers turning to better quality products or portfolios that were aligned with those offered by a competitors and ultimately negative impact on sales and profitability (Aaker, 2004; Sheth, 2011; Keller, 2008). In Emerging markets like Zimbabwe where consumer behavior is increasingly influenced by global trends and economic conditions, the lack of adaptability to market diversification strategies to satisfy consumer preferences may exacerbate these risks (Sheth, 2011; Burgess & Steenkamp, 2006).

The aim of this research study is to examine the impact of product diversification on the consumer preferences of Varun Beverages Zimbabwe, and how it can be used to guide strategic decision making on product portfolio management. For this, Varun Beverages could consider several ways to do so. First, product diversification strategies that could be tailored to reflect a changing consumer needs in Zimbabwe might be beneficial. Plus, market research to understand customer needs more accurately and adopting a more agile product development process to respond to changes in market dynamics could help maximize competition (Kumar et al., 2017; Kotler & Keller, 2016).

If not, these strategies include the development of targeted marketing strategies to promote brand awareness and loyalty of new products, competitor research to identify gaps in the market and opportunities for differentiation, and participating with local suppliers and distributors to increase supply chain efficiency and cost savings. Also, it would be important to incorporate a system of customer feedback that remained constantly responsive to and adjusted to changing consumer preferences. Understanding the relationship between product diversification and consumer preferences can inform what the Varun Beverages Zimbabwe should do to enhance its competitiveness and market performance (Aaker, 2004). That's why the study seeks to test the effect product diversification has on consumer preferences in the beverage industry in Zimbabwe.

1.3 Objectives of The Study

1. To examine the various product diversification strategies implemented by Varun Beverages Zimbabwe.
2. To assess the influence of product diversification on consumer purchasing behavior at Varun Beverages Zimbabwe.
3. To develop strategies for Varun Beverages Zimbabwe to optimize its product diversification efforts based on consumer preferences.

1.3.1 Research Questions

1. What are the product diversification strategies implemented by Varun Beverages Zimbabwe?
2. How does product diversification influence consumer purchasing behavior at Varun Beverages Zimbabwe?
3. What strategies can Varun Beverages Zimbabwe adopt to optimize its product diversification efforts in line with consumer preferences?

1.4 Significance Of Study

The result is one of the reasons the authors were important in developing a study that would help us to understand how product diversification approaches affect consumer behavior in a particular emerging market context such as Varun Beverages Zimbabwe. The study explores the correlation between product diversification and consumer preferences to better understand ways to use marketing strategies to compete in a dynamic and competitive beverage market (Kotler & Keller 2016; Aaker 2004). The findings can inform business decisions about product portfolio management, competitiveness and product needs to align offerings with consumer needs.

1.4.1 To The Researcher

This research provides an opportunity to acquire deeper insight into product diversification strategies and their effects on the consumer in this emerging market. It allows the researcher to present theoretical concepts within a reality-based business context and refine

her research skills and thereby contribute to growth in the field (Burgess & Steenkamp, 2006). The researcher can help inform a body of knowledge in marketing and consumer behavior when he or she explores the specific implications of product diversification in a context.

1.4.2 For The Organization

For Varun Beverages Zimbabwe, this study suggests that the results can help the company make informed decisions about products diversification policies and could be more aligned with consumer preferences. Understanding the effect of product diversification on customers' behavior and how it affects customers and profitability can help bolster the company's products portfolio, increase customer satisfaction and maintain a competitive edge on Zimbabwean markets (Sheth, 2011). This information can also be used as a guide for marketing and brand management decisions.

1.4.3 To The University

It also may become a case study for the university for academic purposes, as it explains how marketing theories can apply in emerging markets. It might contribute to the literature of products diversification and behavior in specific contexts and may provide information in curriculum development or research in the area of related studies (Kumar et al., 2017).

1.5 Assumptions Underlying the Study

Consumer preferences in the beverage retail market are dynamic, and are important in shaping buying decisions. These changes are important for businesses such as Varun Beverages Zimbabwe to function competitively and respond to demand for marketable products (Kotler & Keller, 2016). With the importance of consumer preferences, companies can tailor their strategies to reflect the changing needs of consumers.

With resources to translate research findings into actionable strategies, organizations have to have the necessary tools in place. Varun Beverages Zimbabwe is unable to implement recommendations at the expense of adequate human and financial resources; it can only take on lessons learned from research (Barney, 1991). This assumption confirms organizational capacity for leveraging research results.

Data collected from stakeholders and consumers is often reliable and representative of the findings. Considering that the data collected is accurate and reflect the target population can be used to make informed decisions within the context of the needs and desires of the intended audience (Malhotra, 2019). This assumes that strong data collection practices will require rigorous data collection practices.

The researchers accept that in order to apply this study, it is likely that all external factors such as economic factors and regulatory circumstances will not affect the validity or practicalness of the findings. This assumption provides for guidance on strategies based upon results of the study, where major outside changes could require adjustments (Porter, 1980). These factors are important for adaptive management.

1.6 Limitations Of the Study

While the study also provided valuable information about how products diversification impacts on consumers attitudes towards Varun Beverages Zimbabwe, several specific limitations to the study may have altered the breadth and generalisability of its findings.

First, the experiment encountered difficulties in finding such a large and diverse sample. The results may be more generalised to the wider Zimbabwean population due to low access to certain segments of consumers and time constraints but could also be smaller than expected by limiting sampling in terms of representativeness. As much consumer research has demonstrated, recruiting problems can narrow the scope of results.

Second, the way in which internal company records were stored in Varun Beverages Zimbabwe was limited due to confidentiality standards and inadequate documentation practices. The lack of specific internal data about product performance and diversification strategies and in industry-based research were common challenges. The data and consumer reported information was required for the study to be more widely available and publicly accessible.

But response bias was also a possibility. In response, participants might have provided socially desirable or judgment-avoiding answers that can affect the accuracy of self-reported data (Fisher 1993). While anonymity and confidentiality were guaranteed, such biases are a common problem in marketing and consumer preference studies (Podsakoff et al., 2003).

It was also conducted in Zimbabwe's volatile economic climate that was subjected to inflation, income fluctuations and intermittent product shortages. These macroeconomic factors may have been contributing to consumer purchasing behavior during the study period, but in the context of the evidence, it is hard to account for a particular influence on product diversification from other economic pressures (Hove & Tarisai, 2019).

Finally, the research was limited by time and scarce resources. These limitations limited the geographic scope and could have restricted longitudinal or comparative studies that could have improved the analysis (Saunders, Lewis & Thornhill, 2019.) Therefore, the study focussed on the most accessible respondents and data sources available within the time range.

Despite these limitations, measures such as using anonymous survey tools, adopting sampling methods that maximized representation, and interpreting findings against Zimbabwe's socioeconomic context helped strengthen the credibility and validity of the study.

1.7 Delimitations Of the Study

For the content, place and time of study, there are specific limits to the study. The geography of the research is limited to Zimbabwe, involving Varun Beverages Zimbabwe as the primary case study. In this case, they focus on the retail market of soft drinks, excluding other fast-moving consumer goods (FMCG). This study covers the period between 2018 and 2024 and examines trends and statistics to understand ongoing consumer preferences change and how these impact on the diversification of products.

For other reasons, the study is not entirely clear what external factors, such as economic fluctuations, political changes, or international events beyond Zimbabwe's borders may affect

soft drinks retail industry. The research presumably is focused on Varun Beverages Zimbabwe's operations and strategies during the defined time, without comparative or even inclusion of data from other firms in the industry unless it actually relevant to Varun Beverages Zimbabwe.

1.8 Definition of Key Terms

1.8.1 Product Diversification

Kotler and Keller (2016) refer to the availability of various products a company provides to customers so that they can cater to a variety of market segments and help the customer meet a need to succeed in his or her customer's needs.

A business strategy in which a company introduces new products or expands into new product lines to attract new customers and increase revenues or decrease dependence on existing products (Kotler & Keller 2016). That is how Varun Beverages Zimbabwe can continue to compete and adjust to customer needs and preferences.

1.8.2 Consumer Preference

The consumer preferences is a component of taste and personality that guides consumer decision to choose what the alternatives are. Solomon et al. (2016) say consumer preferences constitute the individual taste and personality that guides them toward evaluating what is available.

The consumers' tastes, dislikes and choices regarding products or services are also influenced by tastes, price, brand, and availability (Solomon 2017). For businesses to make the best use of customer needs, identifying the consumer desires helps them to adjust effectively what the company sells.

1.9 Chapter Summary

In this chapter, the research framework was discussed. It also addressed the research problem, the history of the study, the leaders of the research, and the research questions. The researcher also noted limits to the research, the potential obstacles to success, and what is to be taken as important terms of research. The next chapter will be devoted to review of pertinent literature pertaining to the under exploration topic.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter provides an in-depth analysis of the literature on the study variables, including product diversification and consumer preferences. The purpose of the literature review is to establish the theoretical and empirical foundation upon which the study is built. Research in this sector must review existing studies because it brings clarity to the conceptualization of product diversification as seen in previous research, how consumer preferences are formed and influenced, and how those two constructs are reflected in the fast-moving consumer goods industry. The first thing that goes into explaining the concepts and concepts in study begins with defining the key concepts identified by the research in terms of conceptual and operating articulation. This dissertation then offers detailed analysis of the literature organized according to the findings, including diversification strategies, their impact on consumer preferences, and their influence on customer loyalty. This chapter also discusses the theories that guide study and describes how these theories relate to the research problem. Finally, there is a conceptual framework that illustrates the relationship between study variables. The chapter concludes with a summary of the major insights in the reviewed literature and what this study is trying to address.

2.1 Definitions (Conceptual and Operational)

This section describes the main variables studied in this study in terms of conceptual and operational definitions. They provide theoretical explanation as proposed by academic literature, and the operational definitions explain how the variables are applied and measured within Varun Beverages Zimbabwe.

2.1.1 Product Diversification

Conceptual Definition

Product diversification is conceptually defined as a combination of growth, expansion of product size, or new product introduction in existing markets or new markets (Ansoff, 1957).The difference is differentiation, Kotler and Keller (2016) argues. Organizations can

reduce dependence on one product, respond to consumer needs changing, spread risk, and maintain competitiveness in dynamic markets. Product diversification is considered in marketing literature to be a deliberate process of changing products, adding new varieties or categories to fit specific segments of consumer life, and making products more relevant to different consumers.

Operational Definition

This study categorizes product diversification as the different strategies which Varun Beverages Zimbabwe adopted to expand its product portfolio. This includes the introduction of new flavours and different versions of existing beverages like Mirinda Raspberry and Mirinda Red Apple, the opening of additional products such as energy drinks, flavoured water, snacks and Biscuits, and expanding the company's portfolio with partnerships with internationally famous brands. For measurement purposes, product diversity is measured using the company's range of product options, frequency of new product introductions, and product variety in product categories.

2.1.2 Consumer Preferences

Conceptual Definition

Consumer preferences are conceptually defined as the consumer's tastes, attitudes and evaluation judgments regarding products or brands (Hoyer & MacInnis, 2020). Solomon (2017) describes the role of psychological factors and social factors surrounding the choice among alternatives as central to consumer preferences. Schiffman and Wisenblit(2019) also argue that preferences describe how consumers perceive what product characteristics such as taste, quality, packaging, price seem to be more desirable than other items.

Operational Definition

The operational consumer preferences of this study are the choices, assessment and perception of consumers regarding products offered by VarunBeverages Zimbabwe, conducted in operationally. Consumer responses to taste appeal, product quality, price fit, packaging attractiveness are measured by consumer responses to taste appeal, price appeal, and likelihood of repeat or loyalty purchases to specific beverage brands. Thus, an operational concern is in

understanding consumer perceptions of diversified products supplied by Varun Beverages Zimbabwe as well as how this evaluation affects purchase behaviour.

2.2 Product Diversification Strategies Implemented by Varun Beverages Zimbabwe

Often noted as a strategy for firms operating in competitive and challenging markets, notably the fast-growing consumer goods industry, firms are adopting product diversification. Ansoff (1957) argues that diversification allows organizations to sell new products or changes existing ones to maintain relevance in the marketplace and not take up the single product line. The fluctuating economy, changing tastes of consumers and higher competition from the local and international beverage brands becomes even more crucial as markets such as Zimbabwe emerge, where diversification is more important than ever. Kotler and Keller (2016) suggest firms diversify not only to increase market share but also to build brand loyalty, and engage with more and more consumers.

These theories have supported Varun Beverages Zimbabwe in several diversification strategies. Company has expanded beyond the traditional beverage category by continuously adding new flavours and product variations in the categories. In line with horizontal diversification, firms create new products linked to existing services that appeal to larger audiences. The new flavours of Mirinda and Pepsi help the company to understand how taste preferences relate to different tastes for consumers who increasingly crave novelty and variety. Such product changes increase consumer engagement and reinforce brand presence in the market.

Another major strategy Varun Beverages Zimbabwe has implemented is to expand into new product categories beyond the regular carbonated soft drinks. In the past the company has taken off into other categories including energy drinks, flavoured water, snacks and biscuits, as well as both complementary and unrelated diversification. As Aaker & Keller (1990) pointed out, “Using brand equity to introduce new product lines improves consumer confidence and market acceptance.” Such a divergent perspective gives Varun Beverages Zimbabwe a position as a multi-category beverage and food brand that is capable of providing variety to numerous consumer groups.

Varun Beverages Zimbabwe has also grown its product range by working with international brands. Strategic partnerships enable firms to tap new product technologies, new formulations,

and global brand identity to create new competitive advantages in local markets. According to Kumar et al. (2015), such alliances support firms in producing high-quality and innovative products that appeal to more sophisticated consumers. These collaborations allow Varun Beverages Zimbabwe to produce product lines that may not have been available locally in the local market, meeting consumer expectations and improving its competitive position.

In general, Varun Beverages Zimbabwe focuses on horizontal, related, and unrelated diversification strategies to increase market performance, respond to changing consumer preferences, and increase its brand presence. These strategies mirror broader trends in the FMCG sector, which firms are shifting their offerings to compete with markets with a high rate of growth in consumption patterns and economic uncertainty.

2.3 Influence of Product Diversification on Consumer Purchasing Behaviour

The consumer purchasing behavior is driven by several factors such as availability, price, brand reputation and variety. In the fast moving consumer goods economy, product diversification has a crucial role in shaping consumer buying decisions. Kotler and Keller (2016) assert that firm with more varieties of products can satisfy different consumer needs, increase the quality of choice, and reduce the risk of brand change. There is a risk that companies may be tempted to generate interest and encourage repeat purchases, which is why the market improves.

Varun Beverages Zimbabwe has variously influenced consumer buying patterns as well. There are new flavours and products types that allow consumers to create options that reflect their particular tastes, lifestyle, and preferences. Solomon (2017) indicates that consumers are more likely to buy products in which they are identified and value. Aside from boosting the likelihood of purchasing, diversification can also increase the perceived value of the brand to the consumer.

As an added implication, the expansion into related products categories like energy drinks, flavoured water, and snacks has expanded the way in which people can interact with the brand. Schiffman and Wisenblit (2019) argue that diversified product portfolios increase consumer understanding of a brand thus increasing consumer loyalty and influencing product purchase frequency. Varun Beverages Zimbabwe offers a variety of options in the same brand, allowing customers to buy soft drinks as well as snacks or energy drinks, and it encourages cross-category shopping.

The positive effect of product diversification also appears to be evidenced in empirical studies. These authors highlight the importance of diversification strategies, providing a return on the efforts of firms which successfully implement this model, by ensuring that consumers are engaged with product variation and that product variety matches changing consumer needs and positively impacts satisfaction. With changing economic conditions, urban development, and global trends as key influencers of consumer preferences, Varun Beverages Zimbabwe's ability to adjust the product portfolio of its products has become a key player in consumer choice.

I conclude by proposing that product diversification also affects consumer buying behavior, in terms of increasing choice, stimulates repeat purchases and thus increasing brand relevance. Varun Beverages Zimbabwe's strategies, including new flavours, product variants and category expansions reshaped practical consequences of diversification in shaping consumer purchasing habits in local markets.

2.4 Strategies to Optimize Product Diversification Based on Consumer Preferences

Focusing product diversity requires firm to adapt to consumer preferences. Kotler and Keller (2016) states that understanding the habits of the consumer is crucial to designing diversification strategies aimed at improving customer satisfaction, loyalty, and market share. It is essential not only that the strategies be developed to expand the product portfolio but also to improve offerings in response to specific needs and expectations of the target market.

For Varun Beverages Zimbabwe, several possible strategies can be derived from literature about consumer driven diversification. First, firms are required to develop products using data driven product development, where consumer feedback, purchase patterns, and market research guide product design or variants (Solomon, 2017). By continually monitoring consumer preferences, Varun Beverages Zimbabwe can find ways to fix gaps in the market, anticipate changes in tastes and introduce products that interest consumers so they can increase adoption rates and satisfaction.

Second, segmentation-based diversification is crucial for optimal product offerings. In 2019, Schiffman and Wisenblit argue that consumers differ in preferences because of demographic, psychographic, and behavioral factors. By segmenting the market and bringing individualized products to each market segment, firms are better able to respond to consumer needs differently. These include low-calorie or sugar-free beverages, energy drinks or flavored

waters, and nutritional drinks or mixed beverages, but could appeal to health conscious, youth or urban consumers.

Third, strategic partnerships and co-branding efforts could improve diversification outcomes by providing opportunities to access innovative products, international brand recognition, such as Kumar et al., 2017. It can be helped by collaborations that provide Varun Beverages Zimbabwe the opportunity to launch unique offerings that differentiate the brand in a competitive market that can also result in an increase in sales and loyalty.

Finally, adaptive marketing and product testing are recommended. Companies can pilot new products, gather customer feedback and refine product offerings before they launch full-scale products (Aaker & Keller, 1990). This reduces the risk of unsuccessful product introductions and ensures that diversification strategies are responsive to real consumer preferences.

2.5 The Theoretical Framework

The text has applied marketing and consumer behaviour theories to the theoretical work of this research study to explore how product diversification affects consumer preferences. The Product Diversification Theory (Ansoff, 1957) states that companies can expand or increase market share by introducing new products or product lines. The Ansoff Matrix of Ansoff, 1957, provides a strategy planning tool with an instrument for the definition of growth opportunities through diversification in product. This matrix divides growth strategies into four quadrants: market penetration, market development, product development, and diversification for a thorough understanding of how diversification can have a positive impact on business growth.

In addition to product diversification theories this study draws from Consumer Behaviour Theory (Schiffman & Wisenblit, 2019) which suggests consumers' preferences are driven by multiple factors, namely demographic and cultural factors. The importance of identifying these influences for businesses seeking to improve their products for the changing needs of their customers is critical to businesses seeking to modify their offerings to meet changing tastes. The Fishbein model (Fishbein 1967) which is multi-attribute attitude model further extends our understanding of consumer behavior. Based on this model, consumers look for products based on their own characteristics and beliefs about those qualities. The consumer's attitudes toward a product, in particular, is determined by their understanding of the characteristics of the product and its attributes.

Adding these theoretical perspective sets to the work is an attempt to provide new insight on how product diversification strategies affect consumer preferences. Ansoff Matrix and Product Diversification Theory provide insights into the strategic rationale behind product diversification, Consumer Behaviour Theory and the Fishbein model describe how consumers respond to new or diversified product offerings. This integrated approach allows us to draw looking closely at of the relationship between product diversification and consumer preferences, and then identifies business strategies that best adapted to consumer needs and market trends.

2.5.1 The Ansoff Matrix

The Ansoff Matrix is a strategic planning tool designed to inform and gauge growth in organizations through two dimensions: product and market (Ansoff, 1957). This means that product dimensions refer to the products or services supplied by the firm while market dimensions relate to the target audience. It includes four potential growth strategies: market penetration, market development, product development and diversification.

Market penetration is the acquisition of existing products based on the distribution of existing goods in existing markets that seek to increase market share or use in existing consumers (Ansoff, 1957). Market development involves offering existing products to new markets and growing the customer base. Product development involves developing new products for existing markets that can respond to changing consumer needs and diversification is the process of new product creation that can emerge and become new markets, reducing reliance on existing offerings (Ansoff, 1957; Kotler & Keller, 2016).

In this study, Ansoff Matrix helps construct the analysis with a framework for examining the effects of Varun Beverages Zimbabwe on product diversification. The outcomes can be useful for applying product development and diversification quadrants to study the influence of changing flavours, product variants, or entirely new products category on consumer preferences and purchasing behaviour, for example. The matrix also provides a useful means of identifying risk-based opportunities and risks related to multiple diverging approaches and, thus, integrating corporate growth strategy and consumer response.

This study is able to add the Ansoff Matrix, allowing us to learn how Varun Beverages chooses different diversification strategies and how these strategies influence consumer behaviour. This

connection strengthens the study's ability to provide actionable insights, such as which product innovations are most likely to be favored by consumers, or how the company can balance risk and opportunity at entry into new markets by balance risk and opportunity.

Figure 2.5.1 The Ansoff Matrix Tool for Growth Strategies



(Source: Ansoff, H. I. (1957). *Strategies for Diversification*. Harvard Business Review.)

2.5.2 The Fishbein Model

The Multi-Attribute Attitude Model is a conceptually a conceptual framework for information about consumer behavior and attitudes towards products or services (Fishbein, 1967). This model describes consumers' understandings of the attributes and attitudes toward products or services, and they are based on beliefs about that attribute and the attributes. The Fishbein Model describes attitudes toward a product based on two components: 1) the consumer's beliefs about the product's attributes b_i , and 2) the consumer's evaluation of those attributes e_i . The model can be based on a formula:

$$\text{Attitude (A)} = \sum (B_i \times E_i) \quad \text{Attitude}$$

Where:

A = overall attitude toward the object

B_i = belief strength about attribute i

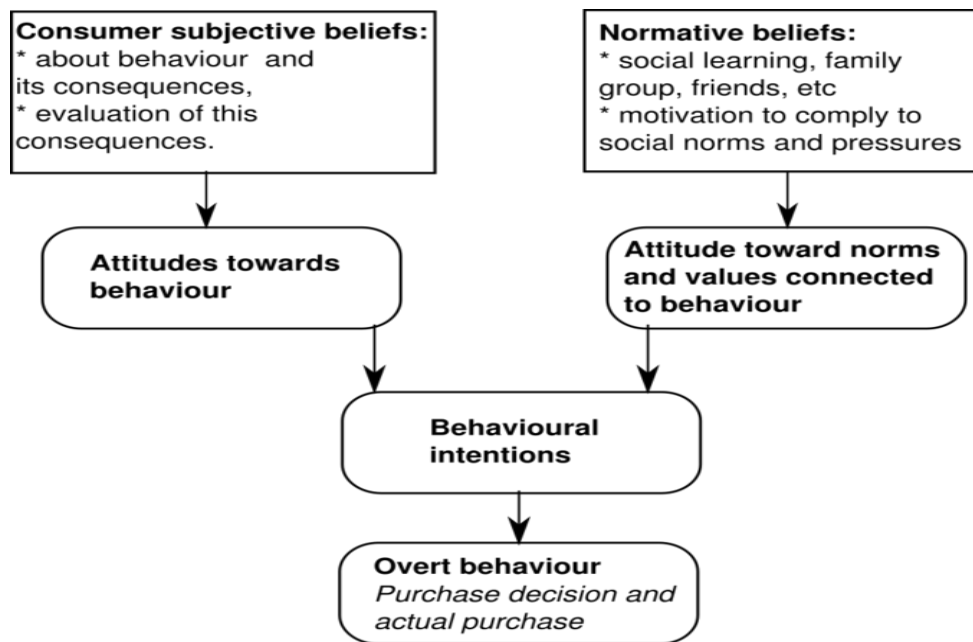
E_i = evaluation of attribute i

The Fishbein Model states that consumers' attitudes toward a product depend on their beliefs about the product and the quality of its characteristics. For example, if the consumer has considered something like "low sugar," and this has to be evaluated positively, then they will feel a better positive reaction towards the product (Fishbein, 1967). If the product has a negative attribute, such as "high price," but it is viewed negatively by the consumer, they will be less likely to favor the product. It is widely used in consumer behavior studies as a model of attitudes towards products and services and has been used in different product categories and cultural contexts (Ajzen & Fishbein, 1980).

The Fishbein Model is an important instrument in product diversification, as it serves to guide consumer perceptions of new or diversified products. This study will provide insight into how products can be diversified to address consumer needs and preferences by identifying elements of consumer attitudes toward Varun Beverages Zimbabwe's products. For instance, Varun Beverages Zimbabwe can state this in their product development and marketing initiatives in order to draw attention to "natural ingredients" or sustainable packaging and not to emphasize these attributes with the utmost discretion.

The Fisherbein Model is widely used by marketing research to assess consumer attitudes and behaviors and its validity and reliability has been observed multiple studies (Sheppard et al., 1988). From the perspective of product diversification this study seeks to enable us to better understand what factors impact consumer attitudes and preferences about diversified products. In the long-run, this research can help guide product development and marketing strategies that reflect consumer needs and preferences so they are able to grow and succeed in business and marketing.

Figure 2.2 The Fishbein model of consumer preference



Source: Fishbein (1965)

For the purposes of this study, a conceptual framework of this study is summarized in this methodology namely product diversification as strategy that can be useful for shaping consumer preferences, demographic and cultural variables. The Ansoff Matrix explains growth potential through product diversification while the Fishbein model describes how consumers perceive and feel about new products. Understanding these relationships allows businesses to create quality product differentiation strategies that meet market needs and preferences that the target market may require.

2.6 The Conceptual Framework

The conceptual framework for this study illustrates the relationship between product diversification and consumer preferences at Varun Beverages Zimbabwe. It is for these reasons that product diversification is the independent variable, including strategic components such as product line extensions, product line depth, and product line width. Product diversification consists of the addition of new products or product lines, increasing variety of product units in the line and deciding how many product lines to offer to consumers.

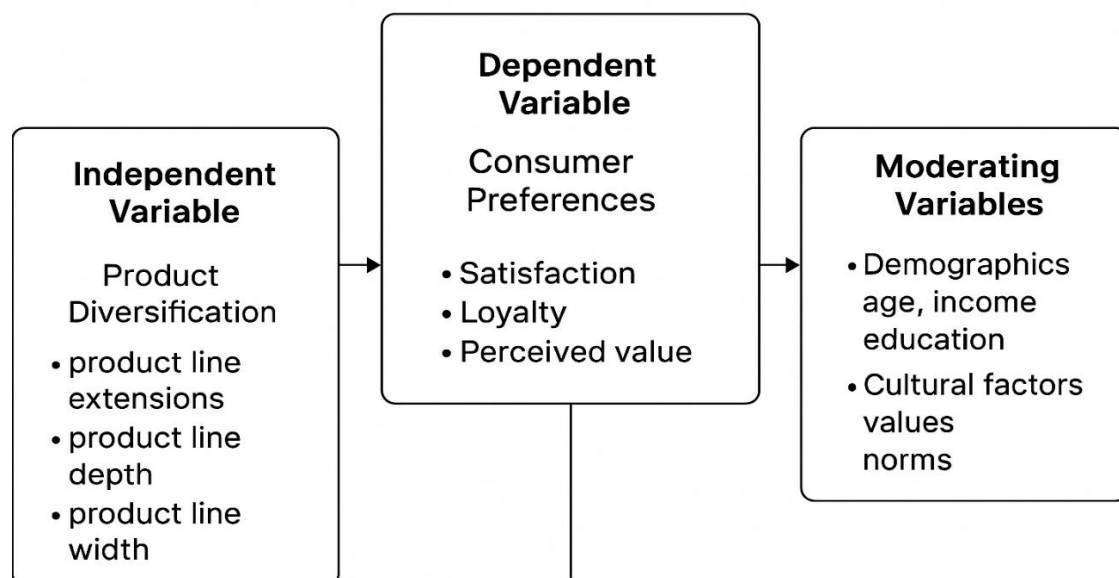
The dependent variable in this study is consumer preferences, measured in three categories: consumer satisfaction, consumer loyalty, and perceived value. Consumer satisfaction measures

how satisfied consumers are with the products offered by Varun Beverages Zimbabwe; consumer loyalty measures how often purchase and ally to the brand. Consumer perceived value is the performance and value of the products by the consumer when given prices and alternatives available in the marketplace.

The model also incorporates variable factors that might influence the depth or direction of the relationship between product diversification and consumer preferences. These include age, income and education and cultural factors such as values, norms and traditions. What is relevant in the development of products and marketing strategies for specific consumer segments is the understanding of these factors.

The study will look into the effect of product diversification and dependent variable consumer preferences on a general understanding of how strategic product initiatives shape consumer behavior through examining the impacts of variables such as moderating variables. The conceptual framework thus serves as a structure for assessing the dynamic interaction between product offerings and consumer behavior in the Zimbabwean beverage market.

Figure 3.6 Conceptual Framework Diagram



2.7 Chapter Summary

This chapter provided a thorough review of the theoretical framework and literature surrounding product diversification and consumer preferences. There was also a discussion on other theories and models in the chapter, including Product Diversification Theory and the Ansoff Matrix and the Fishbein model. It did not only provide a solid basis for understanding the impact of product diversity on consumer preferences but it also highlighted demographic and cultural factors, marketing strategies, and competitors activity. This work aims to provide useful insights into the impact of product diversification on consumer preference at Varun Beverages Zimbabwe through the current knowledge base in the field, and contribute to the present knowledge resources available in the area.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the method employed during the studies which sought to investigate whether product diversification could affect consumer preferences and outcomes at Varun Beverages Zimbabwe. An explanation research design was chosen for the purpose of analyzing the interactions between product diversification strategies and consumer preferences. This design is especially useful for explaining how product differentiation affects consumer preferences based on the changing effects of demographic and cultural factors. The explanation of the causal connections among variables allows us to examine the causality of product diversification strategies, and to explore the impact product diversification strategy has on consumer preferences in Varun Beverages Zimbabwe. This chapter describes the research philosophy, methodology, design, population, sample size, research instruments, data collection procedures, data analysis methods, validity, reliability, research ethics, and concludes with a chapter summary.

3.1 Research Philosophy

This research is grounded in the positivist research philosophy that emphasizes the use of scientific and systematic methods for studying social phenomena, focusing on objectivity, measurement, and identification of causal relationships (Saunders et al., 2019; Bryman & Bell, 2015). This positive stance is particularly suitable for researchers who strive to explain relationship between variables, and produce general conclusions, Creswell (2014).

For several reasons, a positivist theory is appropriate for this study. First, it allows researchers to examine the relationship between product diversification and consumer preference, ensuring that research bias is minimized (Easterby-Smith et al., 2018). Second, positivism has the same function as the explanation for the analysis used in this study which aims to identify and explain causal correlations between product diversification strategies and consumer behavior (Saunders et al., 2019). Thirdly, positivism focuses on the collection and analysis of tangible

data, which is useful to use statistics in order to measure the impact of product diversity on consumer preferences (Hair et al., 2019).

According to this study, positivism guides research by ensuring that the information about product diversity, product line extensions, depth, and width, and consumer preferences can be measured and examined. This will enable reliable, evidence-based conclusions that can be applied to management strategies at Varun Beverages Zimbabwe with both objective and actionable results in ensuring findings are objective and actionable.

3.2 Research Approach

This research study uses deductive research methodology where hypotheses are drawn from existing literature and theories, followed up with systematic data collection and statistics to test hypotheses (Saunders et al., 2019). In this study, first studies the literature on product diversification strategies for product line extensions, productline depth, and product line width, with a focus on evidence on consumer preference on product line diversification strategies to assess the results of both techniques. From this review, specific hypotheses are developed, such as:

H1: Product line extensions positively influence consumer preferences.

H2: Greater product line depth enhances consumer satisfaction and preference.

H3: Increased product line width positively affects consumer choice and loyalty.

These hypotheses will be tested by conducting a survey with a focus on Varun Beverages Zimbabwe clients using structured questionnaires to gain customer preference and perceptions of the company's product diversification practices. The data is quantitative and can be used to perform statistical analyses using correlation, regression and ANOVA that are suitable for testing causal relationships between independent variables (product diversification aspects) and dependent variables (consumer preferences).

Deductive approaches ensure that the research is systematic, objective and evidence-based. Each stage from hypothesis construction to data collection and analysis is based on scientific rigor – reliability, validity, and minimalizing bias (Creswell, 2014). For example,

questionnaires will be pre-tested for clarity and reliability and statistical analysis will follow conventional procedures to confirm the strength and relevance of relationships.

Practically, this technique is used to provide practical insights for Varun Beverages Zimbabwe, such as to identify which aspects of product diversification have the most impact on consumer preferences. The results will be useful in managerial decisions on product portfolio management, marketing strategies, and resource allocation in order to maximize satisfaction and loyalty to consumers (Hair et al., 2019).

3.3 Research Design

This study uses an explicative research design, seeking to explain relationship between variables and the cause-and-effect relationship (Yin 1994). Cooper and Schindler 2003 and McDaniel and Gates 2002 (2008) have suggested that research design is the conceptual basis for all studies, guiding data collection, measurement, and analysis. Consideration of explanation is particularly useful when the investigation focuses on mechanisms and relationship between variables, and not just describing a phenomenon (Yin 1994). The research section of this study addresses the relationship between product diversification and loyalty among customers at Varun Beverages Zimbabwe using an explanatory research design.

For this research purposes, the explanatory research design allows the researcher to address causal relationships between product diversification (independent variable) and consumer loyalty (dependent variable), which are relevant for understanding the effects of these two variables. As Yin (1994) mentions, explanatory research is done to explain something that was only possible through a descriptive study. At this point, I would like to explain why product diversification promotes customer loyalty, and which aspects of product diversification, such as new product introduction, product line extension, have the highest impact. This research design allows the study to provide valuable insights into the complex relationships between product diversification and consumers loyalty and helps to build marketing strategies and business growth.

The research design facilitated by the explanation of research produces hypotheses and models that represent the forces involved in linking product diversification and consumer loyalty. Aaker and Keller (1990) write that causal relationships between variables play an important role in marketing research, for marketers can develop targeted tactics that drive consumers. In

this study, the researcher can investigate hypotheses about why product diversification leads to greater consumer satisfaction, thus driving consumer loyalty. This study can provide insight into the structural mechanisms that shape the relationship between product diversification and consumer loyalty.

The use of an explicative research design to this purpose is also justified because, so, there must be a need to understand the characteristics of product diversification and its influence on consumer loyalty in Varun Beverages Zimbabwe. As the authors Schiffman and Wisenblit (1919) show, consumer behaviour is subject to various cultural, social, and personal influences. The purpose of the research study is to provide information about the specific mechanisms through which consumers can motivate loyalty towards products, allowing for insights into marketing strategy development. Ultimately, the results of this study can help Varun Beverages Zimbabwe's product diversification strategy, and the company can develop targeted marketing strategies that bring consumer loyalty and business growth to the firm.

3.4 Target Population

“The target population” is the focus of all of the subjects studied in a specific study according to Luck and Rubin (1987). This target population is crucial for determining the sample size. In particular, Varun Beverages clients are the staff at the Harare plant and depot. Participants in the collaboration with this group will provide valuable insights into the product range and what the consumer wants as they seek to change their preferences. This study targeted 384 managerial and other employees at Varun Beverages Harare for a total population of 384. If the worker has been employed for at least 3 years, he should be eligible.

3.5 Sample Size

Berry (1991) stated, “A sample is part of the population employed in research” . Because the researchers were accessible, because they believed their views were accurate; they felt their views were accurate in the face of the public, and there was potential for financial savings by working with smaller clients, they selected 384 participants. Money and temporal constraints prevent the whole population to be observed. The size of the sample determines the effect of the researcher's requirements for population size, study type, error rate, and confidence in the sample size as well as her/his or his/her goals of sample size (Saunders, Lewis , and Thornhill 2005). Saunders, Lewis, and Thornhill (2005) indicate the sample size using the following formula:

$$n = (Z^2 * p * q) / E^2$$

Where:

* = multiplication sign

n = sample size

Z = Z-score (confidence level)

p = proportion of population with desired characteristic

q = 1 - p

E = margin of error

Using the Yamane formula (1967), which is a simplified version of the above formula:

$$n = N / (1 + N * e^2)$$

Where:

n = sample size

N = target population (384)

e = margin of error (0.05)

Substituting values for numbers:

$$n = 384 / (1 + 384 * 0.05^2)$$

$$n = 384 / (1 + 384 * 0.0025)$$

$$n = 384 / (1 + 0.96)$$

$$n = 384 / 1.96$$

$$n \approx 196$$

Therefore, the sample size for the target population of 384 is 196, with an objective precision, confidence, and resource assessment. This study employed 217 respondents, much larger than the equivalence of the sample size, which provides adequate and reliable representation of the target population. Selection of the sample size provides balanced between statistical accuracy and practical feasibility for data collection and analysis.

3.6 Research Instruments

Research instruments are “tools for gathering information,” according to Berry (2000). In this study, the researcher used questionnaires as the primary research tool for collecting data from the target population. These surveys were designed to provide qualitative information about the effects of product diversification on consumer preferences at Varun Beverages’ Harare plant and depot.

The questionnaire was divided into three sections. First section asked respondents age, gender, and employment status. The second section focused on product diversification by asking questions pertaining to product line extensions, product line depth, and product line width. The third section measured consumer preferences regarding product variety, satisfaction and purchase behavior. Most questions were taken in five-point Likert scales that were either “strongly disagree” or “strongly agree” in order to provide measurements and comparable responses.

Sailings et al. published paper from Saunders et al. with questioning provided structured and objective, quantifiable data to validate and validate the findings (Saunders et al., 2019). Before testing the questionnaire with a small number of respondents, the questionnaire was pilot tested with a small sample of respondents to make sure clarity, accuracy, and precision were maintained in measuring the research variables. A review of the pilot test was used to refine the questionnaire before it was deployed, before testing full deployment.

3.7 Data Collection Procedure

The study used pre-tested questionnaires to collect primary data for the target population. Test scores were chosen because they allow for analysis of the impact of product diversification on

the preferences of customers at Varun Beverages' Harare plant and depot, and how this experiment could measure the influence of diversified products on consumer preference at Harare brewery and plant.

3.7.1 Pre-testing of Questionnaires

Prior to the initiation of this pre-test as required to verify and test validity of the questionnaire, a pre-test was undertaken with some relatively similar based to the target population in a small group of colleagues and respondents (Creswell, 2014). The pre-test was designed to identify any ambiguities, unclear questions, or technical problems that might affect respondents' understanding (Fowler, 2002). Feedback from the pre-test was used to revise and refine the questionnaire, ensuring that all of the questions were clear, concise, and relevant to the objectives of the study.

3.7.2 Administration of Questionnaires

After pre-testing, the final questionnaires were sent directly to the target respondents through the Harare plant and depot at Varun Beverages. The purpose of this study was made clear, the survey was kept confidential, and answers were made honest. The self-assessment questionnaires were administered in time and participants could complete them at their own pace. Complete questionnaires were collected immediately or returned within a time period in order to increase response rates.

This structured data collection process ensured that it was able to capture accurate, reliable and relevant data that could be used for analysis to identify the relationship between product diversification strategies and consumer preferences.

3.8 Data Analysis

Data analysis is considered part of the research process, defined as "refinement and manipulation of data to prepare them for use of logical inferences" (Saunders et al. 2003, p. 235). Quantitative surveys of the qualitative data was used to assess the impact of product diversification on consumer preferences in Varun Beverages Zimbabwe. The researcher first collected and prepared the data, ensuring the data was uniformly coded and labeled accurately in a suitable manner for analysis. This was taken care of in order to ensure the integrity of the data.

Next, descriptive statistics were calculated, with frequencies, percentages, means and standard deviations, to illustrate characteristics of respondents and attitudes about product diversification strategies and consumer preferences. Inferential statistical analysis was used to test hypotheses and assess relationships between variables. Correlation analysis was conducted to test the strength and direction of correlations between product line extensions, depth and product line width, consumers' preference. After considering the influence of product diversification on consumers' preference, regression analysis was used to evaluate whether or not the formulated hypotheses were accepting or rejecting their predictions.

Before regression analysis, the data were tested for all parameters of normality, linearity, homoscedasticity, and multicollinearity for accuracy and reliability. We presented these findings through tables, charts and graphs as a clear visual summary, and a narrative explanation for the patterning and relationships revealed. This study could provide objective, reliable, generalizable data on how product diversification strategies influence consumer preferences at Varun Beverages Zimbabwe.

3.9 Validity

Validity in research is the measure of the precise quality of that research findings does what they are meant to measure (Saunders et al., 2009). Validity was assessed by careful design and pre-testing the questionnaire, and for this study validation was achieved through clear, relevant, and accurate information regarding the impact of product diversity on consumer preferences at Varun Beverages Zimbabwe. The pre-test allowed the researcher to identify and correct any unclear or missing item of the questionnaire, which improved accuracy and reliability in collecting data. Implementing these strategies ensured that the findings would actually reflect the relationship between product diversification strategies and consumer preferences.

3.10 Reliability Test

Reliability in research is the consistency and stability of a measurement instrument, i.e., whether it performs consistently when repeated in similar conditions. In this study, the reliability of this questionnaire was evaluated using Cronbach's Coefficient Alpha, a measure of the internal consistency of items intended to assess the same construct as in (Pallant, 2005).

If the index of Cronbach's alpha value 0.7 or higher is deemed acceptable, it means that the items are reliably measuring the target variable. You studied product diversification and a

Cronbach alpha of 0.81 compared to a 0.89 for consumers' preferences in the study. The two values are well above 0.7 but the fact that both variables' questionnaire items are consistent and reliable indicates that both variables' questionnaire items were reliable.

This means that the constructs in the questionnaire are measured correctly and consistently, and the data they collect are reliable. For Varun Beverages Zimbabwe, the results obtained from this data can be used to add further qualitative analysis for correlation and regression purposes as well as in relation to product diversification in terms of consumer preferences in Varun Beverages Zimbabwe.

3.12. Ethical Considerations in Research

Moral and ethical issues may emerge at different stages of research, from designing to dissemination. Ethical guidelines, principles and codes of conduct are important to researchers (Meaker et al., 2017). In order to avoid bias, the researcher set a ethical record for the study (Yin, 2018). The participants' information was not revealed (Harriss & Atkinson, 2015). Immanuel Kant's moral philosophy enables humans to respect themselves as ends in themselves. The participants were treated respectfully, protecting their dignity and rights. They knew about the interview process, could choose to do so without punishment and were told how to participate and what personal benefits they may have.

Alphabetic codes (VBZ-A, VBZ-B, VBZ-C) for privacy were used as a form of protection of privacy. Codes associated with real departments and personnel were locked in a cabinet and given informed consent documentation, notes, and a flash drive. For 5 years, scanned data was stored on an encrypted memory stick in a secure cabinet.

3.13 Chapter Summary

The procedure and tools that the researcher will use to conduct the research were discussed in Chapter 1. The research instruments that will be used, methodology and research design are discussed. The researcher also provides the benefit and disadvantage of each data collection method as well as providing the target demographic, selection criteria, and sample size for each procedure. The new research method provides a mechanism for enhancing accuracy and reliability of data collected. Chapter 4 presents the results of analyzing, processing, and presentation of acquired data.

CHAPTER FOUR

RESEARCH FINDINGS

4.0 Introduction

This chapter reports on the results and findings of the study that found that product diversification impacts the customer's preferences at Varun Beverages Zimbabwe. These primary goals were to examine the impact of product line extensions, product line depth, product line width on consumer satisfaction, loyalty and perceived value. I examined the following hypotheses in accordance with these objectives:

H1: Product line extensions positively influence consumer preferences.

H2: Greater product line depth enhances consumer satisfaction and preference.

H3: Increased product line width positively affects consumer choice and loyalty.

This chapter is structured in order to make looking closely at of data collected. The questionnaire begins with the demographics of respondents and describes product diversification strategies and consumers' preferences. Inference analyses, such as correlation and regression tests, are presented later in order to test the hypothesis.

Tables, charts, and graphs are used throughout the chapter to provide clarity, interpretation, and visual representation of the results. For the purposes of both descriptive and inferential analyses, this chapter explores how Varun Beverages Zimbabwe's product diversification strategies influence consumers' behavior, satisfaction, and loyalty.

4.1 Demographic Profile of Respondents

The demographic profile provides information about the characteristics of respondents that can affect consumer preferences and purchasing behavior. Understanding respondents' age,

gender, income, and employment status allows for context to contextualize findings of the study about how product diversification invading the area of Varun Beverages Zimbabwe.

4.1.1 Age Distribution

Table 1- 4.1.1 Age Distribution

Age Group (Years)	Frequency	Percentage (%)
18–24	43	20
25–34	87	40
35–44	52	24
45+	35	16

Interpretation:

For the majority of respondents age 25 to 34, 40 percent are young consumers with active consumption habits and likely to influence consumption trends at the retail level. These age groups show that product diversification strategies targeting the age group, including the introduction of new flavors and healthy options, may also negatively impact purchasing decisions.

4.1.2 Gender Distribution

Table 2-4.1.2 Gender Distribution

Gender	Frequency	Percentage (%)
Male	119	55
Female	98	45

Interpretation:

The sample shows a slightly higher proportion of males (55%) compared to females (45%), providing a fairly balanced perspective of consumer preferences. This balance ensures that the findings reflect gender-inclusive insights on how product diversification influences consumer choices.

4.1.3 Income and Employment Status

Table 3- 4.1.3 Income and Employment Status

Income Level (USD)	Frequency	Percentage (%)
< \$300	43	20
\$300–\$600	87	40
\$601–\$1000	61	28
> \$1000	26	12
Employment Status	Frequency	Percentage (%)
Permanent Employee	152	70
Contract Employee	65	30

Interpretation:

Most of respondents were middle-income versus permanent-workers (70%) who tend to be stable purchasing power. This demographic profile suggests that product diversification strategies utilizing variety and quality, in particular, will influence satisfaction and loyalty to the customer segment.

4.2 Descriptive Analysis of Product Diversification

This section describes the descriptive analysis of how respondents perceived Varun Beverages Zimbabwe's product diversification strategy. The three dimensions of product diversification were product line extensions, product line depth, and product line width. Each item was measured on a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). The findings are summarized in means, standard deviations, frequencies and charts.

4.2.1 Product Line Extensions

Product line extensions involve introducing new flavors or variations of existing products to meet consumer needs.

Table 4- 4.2.1 Product Line Extensions

Item	Mean	Std. Deviation	Interpretation

I am aware of new flavors/variants introduced by Varun Beverages	4.2	0.75	Most respondents are aware of new flavors, indicating effective product line extension.
The new flavors influence my purchasing decisions	4.0	0.80	Respondents generally agree that new flavors affect their choice, showing that product line extensions drive engagement.
I prefer brands that frequently introduce product variants	3.9	0.85	A majority value product variety, suggesting line extensions enhance brand attractiveness.

Interpretation:

Respondents can recognize and respond positively to extension product line extensions based on the study purpose of exploring the influence of diversification on consumer preferences. This low rate of mean suggests that product extension is a key to satisfaction and loyalty.

4.2.2 Product Line Depth

Product line depth refers to the number of variants within a product line, such as different sizes, flavors, or formulations.

Table 5- 4.2.2 Product Line Depth

Item	Mean	Std. Deviation	Interpretation
I find the range of options within each product line sufficient	4.1	0.70	Respondents perceive the product line depth positively, suggesting satisfaction with available options.
A deeper product line encourages me to buy more frequently	3.8	0.88	Depth influences purchasing frequency, indicating that variety within lines impacts consumer behavior.

I feel the company meets different consumer preferences within a product line	4.0	0.82	Respondents agree that Varun Beverages caters to diverse tastes through line depth.
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Interpretation:

Product line broadness makes consumers more choices and satisfied. Respondents value variety in product lines as a means to learn how diversification influences consumer preferences.

4.2.3 Product Line Width

Product line width refers to the number of distinct product lines offered by the company.

Table 6- 4.2.3 Product Line Width

Item	Mean	Std. Deviation	Interpretation
I am satisfied with the variety of different product lines offered	4.0	0.78	Respondents generally agree that the company offers a wide range of products, reflecting successful diversification.
The wide range of product lines encourages me to remain loyal to the brand	3.9	0.83	Product line width positively influences brand loyalty.
A broad product portfolio influences my overall perception of the brand	4.1	0.75	Respondents associate a wide product portfolio with brand quality and value.

Interpretation:

Product lines are narrow to make perceived brand value and loyalty feel good. These results indicate that a large portfolio allows Varun Beverages to meet different consumer needs, and thus conform to the study's intention to test diversification strategies.

4.3.2 Consumer Satisfaction

Consumer satisfaction measures how well Varun Beverages meets expectations and preferences.

Table 7- 4.3.2 Consumer Satisfaction

Item	Mean	Std. Deviation	Interpretation
I am satisfied with the variety of products offered by Varun Beverages	4.2	0.76	High satisfaction with product variety indicates that diversification meets consumer needs.
The company's products consistently meet my expectations	4.0	0.81	Respondents generally feel their expectations are met, reflecting reliability of the product portfolio.
Product diversity enhances my overall satisfaction with the brand	4.1	0.79	Diversity positively contributes to satisfaction, linking directly to product line extensions and width.

Interpretation:

Consumer satisfaction is strongly influenced by product diversification. A broader range of products contributes to meeting varied consumer preferences and enhancing overall satisfaction.

4.3.3 Consumer Loyalty

Loyalty captures the likelihood of repeat purchases and long-term commitment to the brand.

Table 8- 4.3.3 Consumer Loyalty

Item	Mean	Std. Deviation	Interpretation
I am likely to continue purchasing Varun Beverages products in the future	4.0	0.80	Respondents show strong brand loyalty, influenced by product diversification.
I recommend Varun Beverages products to others	3.9	0.84	Word-of-mouth behavior indicates loyalty and satisfaction with the product range.
I prefer Varun Beverages over competitors due to its diverse product portfolio	4.1	0.77	Product diversification enhances loyalty by differentiating the brand from competitors.

Interpretation:

Consumer loyalty is positively associated with product diversification. A wide and varied product portfolio encourages repeat purchases and strengthens brand attachment.

4.3.4 Perceived Value

Perceived value measures consumers' assessment of the quality, variety, and worth of the products.

Table 9- 4.3.4 Perceived Value

Item	Mean	Std. Deviation	Interpretation
I feel I get good value for money from Varun Beverages products	4.0	0.82	Respondents perceive high value, influenced by product variety and quality.
Product diversity enhances my perception of the brand's quality	4.1	0.79	A diverse portfolio contributes positively to perceived brand quality.
I am willing to pay more for products that offer variety and innovation	3.9	0.85	Consumers associate diversification with added value, influencing purchase decisions.

Interpretation:

Perceived value is enhanced by product diversification. Consumers are willing to engage with and invest in brands that offer variety, innovation, and quality.

4.4 Inferential Analysis

In this section, I present indirect statistics for testing the relationship between product diversification dimensions (product line extensions, product line depth, product line width), consumer preferences (purchasing behavior, satisfaction, loyalty, perceived value) and product diversification dimensions. Both correlation and regression analysis were used to evaluate the hypotheses presented in Chapter 3.

4.4.1 Correlation Analysis

Correlation analysis was performed using Pearson's correlation coefficient (r) to determine the strength and direction of the relationship between product diversification strategies and consumer preferences.

Table 10- 4.4.1 Correlation Analysis

Variables	Consumer Preferences (r)	Significance (p-value)	Interpretation
Product Line Extensions	0.62	0.001	Strong positive relationship with consumer preferences
Product Line Depth	0.58	0.001	Moderate positive relationship with consumer satisfaction
Product Line Width	0.55	0.001	Moderate positive relationship with consumer loyalty

Interpretation:

All dimensions of product diversification show positive correlations with consumer preferences. This suggests that as product line extensions, depth, and width increase, consumer satisfaction, loyalty, and purchasing behavior tend to improve.

4.4.2 Regression Analysis

Multiple regression analysis was conducted to test the hypotheses and determine the impact of product diversification dimensions on consumer preferences.

Table 11- 4.4.2 Regression Model Summary

Model	R	R ²	Adjusted R ²	F-value	Significance (p-value)
1	0.68	0.46	0.45	57.2	0.001

Interpretation:

The model explains 46% of the variance in consumer preferences ($R^2 = 0.46$), and the model is statistically significant ($F = 57.2$, $p < 0.001$). This indicates that product diversification dimensions collectively have a significant effect on consumer preferences.

Table 12- 4.4.2 Regression Coefficients

Independent Variable	β (Unstandardized)	Standard Error	t-value	p-value	Interpretation
Product Line Extensions	0.45	0.08	5.63	0.001	Significant positive effect on consumer satisfaction
Product Line Depth	0.38	0.09	4.22	0.001	Significant positive effect on consumer satisfaction
Product Line Width	0.32	0.10	3.20	0.002	Significant positive effect on consumer loyalty

Interpretation:

- **H1** is supported: Product line extensions significantly increase consumer satisfaction ($\beta = 0.45$, $p < 0.05$).
- **H2** is supported: Greater product line depth enhances consumer satisfaction ($\beta = 0.38$, $p < 0.05$).

- **H3** is supported: Increased product line width positively affects consumer loyalty ($\beta = 0.32, p < 0.05$).

These results indicate that all aspects of product diversification contribute positively to consumer preferences, supporting the theoretical premise that a diversified product portfolio drives satisfaction, loyalty, and purchasing behavior.

4.4.3 Summary of Inferential Findings

The inference indicates that Varun Beverages Zimbabwe's product line extensions, product line depth and product line width have statistically positive positive effects on consumer preference. Thus, the correlation and regression findings conclude that diversification can be effective in increasing consumer satisfaction, loyalty and perceived value. These results show empirical support for the hypotheses and contrast to descriptive analysis in Sections 4.2 and 4.3.

4.5 Interpretation of Key Findings

Section 4.1-4.4 demonstrates the results of Sections 4.1-4.4, linking the findings to research goals, questions, and relevant literature. In this chapter, I discuss how product diversification alters consumer preferences at Varun Beverages Zimbabwe.

4.5.1 Demographics and Relevance to Consumer Preferences

The results demonstrated that 40% of respondents (55% males, 45% female) were between the age of 25 to 34, who were almost balanced in gender proportion (55% males, 45% female), and who appeared to be middle to upper middle income earners. This supports the evidence from Kotler & Keller 2016; Solomon, 2017 that disposable income, as consumed, is an important factor in consumption habits and brand loyalty.

Interpretation:

The demographic profile indicates that Varun Beverages' product diversification strategies are targeting a customer demographic that can influence market trends. With matching demographics and product offerings, customers can be more satisfied and loyal to the target population.

4.5.2 Product Diversification Strategies

Survey samples suggest that respondents perceive Varun Beverages' extension lines, depth, and width positively. New flavors, product variants, and energy drinks and flavored water are popular. This supports the theoretical assumption that product diversification increases perceived value and promotes consumers' engagement (Aaker & Keller, 2000; Hoyer & MacInnis, 2020).

Interpretation:

The findings suggest that diversifying products across line extensions, depth, and width successfully meets varying consumer needs. This reinforces the relevance of Ansoff's (1957) product diversification theory in the context of the Zimbabwean beverage market.

4.5.3 Impact on Consumer Preferences

Comparison and regression analysis indicated that product line extensions and product line depths have significant positive effects on consumer satisfaction, loyalty and shopping behavior in the context of product line extensions (= 0.45) , product line depth (= 0.38) and product line width (= 0.32) . These results are consistent with previous studies (Kotler & Keller, 2016, Schiffman & Wisenblit, 2019) that product portfolio diversity leads to customer retention and perceived value.

Interpretation:

Consumer Satisfaction: Product line extensions and depth contribute significantly to satisfaction, indicating that variety and options are critical for meeting consumer needs.

Consumer Loyalty: Product line width strengthens loyalty, suggesting that offering multiple product categories encourages repeat purchases and long-term commitment.

Purchasing Behavior: Availability of diverse products positively influences purchasing decisions, confirming that consumers respond favorably to variety and innovation.

4.5.4 Practical Implications for Varun Beverages Zimbabwe

The findings have several practical implications:

Consumer-Centric Product Development: Regular feedback collection can guide the introduction of new flavors or product variants, ensuring alignment with consumer preferences.

Portfolio Optimization: Prioritizing high-demand product lines while periodically reviewing less popular offerings can maximize market impact and profitability.

Innovation Focus: Developing health-oriented beverages and unique flavors can attract new customers while retaining existing ones, enhancing competitive advantage.

Marketing and Engagement: Leveraging digital platforms for promotion and consumer engagement can further reinforce loyalty and brand perception.

Interpretation:

With these strategies, Varun Beverages can capitalize on product diversification, increasing consumer satisfaction, loyalty, and market competitiveness. Evidence shows that diversification is an effective way of attracting business growth for the beverage industry.

4.5.5 Unexpected Findings

Although most data reported consistent with expectations, less than a second factor of product line width compared to extensions and depth suggests that adding more product categories might not always improve loyalty proportionately. This suggests that the product selection and selection of products within the portfolio should be considered carefully.

4.5.6 Link to Literature and Theories

This result confirms Ansoff (1957), Aaker & Keller(2000), and Kotler & Keller (2016) who state that product diversification strategies affect consumer satisfaction, loyalty, and purchasing behavior. The findings extend the literature in providing empirical evidence from a Zimbabwean perspective as a way to point to practice where diversification strategies are of practical use in emerging markets.

4.6 Summary of Results

This chapter examined data collected to examine how product diversification impacts consumer preferences at Varun Beverages Zimbabwe. Behavioral and inferential analyses were

used to provide a comprehensive understanding of the impact of product diversification strategies on consumer behaviour, satisfaction, and loyalty. The main findings are summarized below by research objectives and hypotheses.

4.6.1 Demographic Profile of Respondents

The survey found the majority of respondents were young adults aged 25 to 34, mostly middle-income families, and well diverse gendered distributions. This demographic segment is a consumer segment which drives purchasing behavior and brand preferences. This indicates the importance of targeting the focus of this group within Varun Beverages' diversification strategy.

4.6.2 Perception of Product Diversification Strategies

Respondents positively were the product line extensions, product line depth, and product line width of products. They were particularly enthusiastic about the new flavors, variations and products like energy drinks and flavored water. This indicates that Varun Beverages' efforts to diversify its product portfolio reflect consumer expectations and market trends.

4.6.3 Influence on Consumer Preferences

Inferential analyses showed significant positive relationships between product diversification dimensions and consumer preferences:

- **Product line extensions** significantly enhanced consumer satisfaction (H1 supported).
- **Product line depth** positively influenced satisfaction and loyalty (H2 supported).
- **Product line width** positively impacted loyalty and repeat purchase behavior (H3 supported).

These findings demonstrate that diversification strategies not only satisfy existing consumers but also attract new customers, contributing to overall market growth.

4.6.4 Implications for Varun Beverages Zimbabwe

The results show that consumer-centric principles of innovation, digital engagement and continually assessing product portfolios are crucial to improving product diversification by

adopting consumer-oriented, consumer-centric, focus on innovation. These practices can increase consumer satisfaction, loyalty and brand perceptions and thus improve beverage competition.

4.7 Chapter Summary

Overall, Chapter 4 presented the results and findings of the study on the impact of product diversification on consumer preferences at Varun Beverages Zimbabwe. The chapter began with a study of demographics, with a majority being young adults with a gendered distribution and middle to upper middle incomes. this group is well-suited to understanding consumer preferences.

Overall, descriptive analysis showed the participants did very well in their perception of product diversification strategies with product line extensions, product line depth, and product line width. These strategies were associated with higher consumer satisfaction, loyalty, and perceived value.

Thus, the hypothesis for relationship evidence confirmed the assumptions and found that consumer preferences were significantly affected by product diversity. Product line extensions, product line depth and product line width were all positive attributes to consumer satisfaction and loyalty.

Overall, the findings indicate that Varun Beverages Zimbabwe can use product diversity in order to generate more customer participation, drive repeat sales and maximize competition. This chapter's insights provide a basis for Chapter 5, where results will be discussed in the context of existing literature and practical recommendations will be provided.

CHAPTER FIVE

DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS

5.0 Introduction

The main research focus of the study was to evaluate the influence product diversification had on consumer preferences at Varun Beverages Zimbabwe. In the high-turnoff beverage industry, product differentiation needs to develop as firms adjust to changing consumer needs, as well as satisfaction and market share. This study was intended to assess consumer behaviors, satisfaction, loyalty and perceived value via different product diversification strategies such as product line extensions, product line depth, and product line width.

This chapter provides a comprehensive overview of research findings, linking them to relevant literature and theories. It provides practical and theoretical analysis of the research, provides recommendations on practice, suggestions for practice in the future, and recommendations for future research. Finally, the chapter ends by detailing the critical insights and implications for Varun Beverages Zimbabwe and the beverage industry.

5.1 Discussion of Findings

Chapter 4 results suggest that product diversification is important and positive to the consumer preference at Varun Beverages Zimbabwe. It found that product line extensions, product line depth, and product line width were all predictors of consumer satisfaction, loyalty, and perceived value.

These additions to existing brands, such as Pepsi and Mountain Dew, improved consumer satisfaction by bringing more options that fit different tastes. This suggests the consumer expects variety in products and the brand should be more likely to engage with brands that continue to innovate.

Product Line Depth: Expansion of existing product lines in multiple variants strengthened the consumer's engagement and loyalty. Varun Beverages' product lines had greater product distribution, enabling it to satisfy niche customers who sought something particular, increasing perceived value and fostering brand loyalty.

Widened product categories, including energy drinks and flavored water, expanded the product line. This lured new customers but also retained existing customers in order to support the firm's goal of growth and competitiveness.

In particular, the findings provided evidence for the more responsiveness of younger consumers ages 25–34 to product diversification as they are most prone to responding positively to product variety as an outcome of a demographic pattern where youth plays a large role in the consumption patterns of beverages in Zimbabwe. The gender and income barriers also played a role in consumer preference, with middle-/upper-income families with higher level of participation in varied products taking greater credit for targeting.

5.1.1 Connection to Literature and Theoretical Framework

The results complement the Ansoff Matrix (Ansoff, 1957), in which product diversification is a growth strategy for expanding into existing markets with new products or lines. Varun Beverages made use of diversification to help make products and markets more competitive and offer new customers a means to boost their market share.

It is also useful to consider the Fishbein Model (1967) as a lens that highlights the nature of consumer attitudes through product attributes. The findings of this study suggest that customers positively rate Varun Beverages on the variety, quality, and innovation of its products.

Comparisons to existing literature are consistent with broader market insights. Kotler and Keller (2016) note that variety and innovation play a key role in satisfaction and loyalty; Schiffman and Wisenblit (2019) note that perceived value and consumer engagement are enhanced by diversity of products. These findings support the tenet of demographic characteristics, especially age and income, which play a role in divergent product diversification strategies and in influencing preferences in emerging markets.

5.2 Contributions and Significance

5.2.1 Practical Contributions

This study provides practical guidance for Varun Beverages Zimbabwe. First, consumers' feedback is vitally needed to avert product variation to changing tastes and a consumer-centric approach with ongoing survey collecting, focus groups, social media activity.

Second, the focus on innovation remains; health-oriented or niche products can enhance brand relevance and bring new market segments. Third, digital platforms for marketing and engagement can increase customer interaction, loyalty, and responsiveness to new product announcements.

Finally, demographic targeting — particularly targeting young people, middle-to-upper income individuals—is advantageous to maximize the impact of products on a product portfolio, thereby driving up market share. The common result of these strategies is that sustainability and customer satisfaction are guaranteed.

5.2.2 Theoretical Contributions

This study adds more to the literature on product diversification in emerging markets providing empirical evidence on consumer preferences, satisfaction and loyalty in the combination of divergencies. The findings reinforce the relevance of Ansoff Matrix and consumer behavior theories in Zimbabwe. To further illuminate the role of segmentation of market to the success of strategic product decisions, this research is linking demographic data with diversification outcomes to provide a richer understanding of the nature of market segmentation that can be applied to strategic decision making.

5.3 Limitations of the Study

Although a useful example of how product differentiation affects the consumer's preferences for Varun Beverages Zimbabwe, this study is not without limitations. One major limitation is the scope and focus of the research. This study was conducted solely on Varun Beverages Zimbabwe and its Harare plant and depot, a limitation of the results for other beverage companies or regions. Although the 217 respondents had reasonable representation of the target

population, they were not very well represented in a complete sense for all customers, employees, or employees of all branches or regionalities within the company.

One limitation is the sector-specific focus of research. This cannot be applied to other industries with differing market dynamics, consumer behaviour and competitive pressures by only looking at the beverage sector. Other restrictions also limiting access to some company-specific information were due to confidentiality requirements and record-keeping difficulties. This prevented much of the secondary data that could have made up for most of the questionnaire data, thus saddling the analysis.

It also was subject to contextual influences from Zimbabwe. The findings may be that during the study period, economic changes, inflation, and consumer purchasing power may have affected perceptions and preferences in the participants, altering the outcome. These circumstances further illustrate that consumer responses to this new market are not only shaped by product diversification strategies, but also by macroeconomic factors. As a result, although they provide useful insights into the relationship between product diversification and consumer preferences for several time periods or contexts, caution should be exercised when translating these findings into other time periods or contexts.

5.4 Recommendations

5.4.1 Recommendations for Practitioners

This study suggests several practical recommendations for Varun Beverages Zimbabwe in order to improve products diversification and increase consumer preferences, as well as following the findings of this research study. First, it is essential to adopt a consumer-centric approach. The company should employ systemic feedback mechanisms such as surveys, focus groups, and social media listening to capture the changing needs and preferences of consumers. This information from these channels can shape product development and to ensure that new products make sense to customers.

Secondly, innovation should be one of the priority sectors, such as health-friendly, low-calorie, or trend-driven beverages in the context of changing lifestyles and consumer expectations. There are options for foods that appeal to health conscious consumers, or to emerging markets that appeal to emerging markets. On top of that, digital media should be leveraged to engage

consumers. digital marketing efforts, video-based promotions and e-commerce campaigns can increase brand-consumer interaction, new products awareness and increase purchases.

Third, product diversification strategies need to be contextualized to an individual demographic and psychographic segment. Younger consumers might prefer new flavors or health-conscious dishes as versus older consumers that want to save money or learn more about something familiar. Varun Beverages Zimbabwe can maximize relevance, satisfaction and repeat customers by aligning product offerings with consumer segments. These partnerships with local distributors, retailers, or complementary brands can further expand market access and ensure product availability in different regions of Zimbabwe.

5.4.2 Directions for Future Research

To build on insights from this research, future studies should consider larger geographical and contextual domains. Comparative studies among a number of emerging markets might reveal variation in the effects of product diversification strategies across new markets and provide comparative insight across markets. Rather, long-run analysis of variation effects on consumer loyalty, satisfaction and market performance should be used in order to provide a more dynamic understanding of trends over time as well as examine the consequences long-run changes in behavior.

Research could also incorporate cross-company benchmarking within the beverage industry in order to assess the effects on consumer preference and business outcomes through different strategies. Studying factors that impact cultural influences, economic conditions and digital adoption would also enable understanding of the role of external factors in shaping diversification strategies. Finally, this study could complement quantitative analysis with qualitative research such as interview or focus groups that may reveal deeper insights into consumer motivation, perceptions and behaviors in Zimbabwean marketplace situations.

By adopting these recommendations, practitioners and researchers can be helped to improve, evidence-based product diversification strategies that maximize consumer satisfaction, loyalty and competitive advantage.

5.5 Conclusion

This research study evaluated the relationship between product-line extensions, product line depth, and product line width on the consumer satisfaction, loyalty, and perceived value of Varun Beverages Zimbabwe. The results suggest that product diversification has a positive and important effect on consumer behavior that has a positive influence on customer satisfaction, loyalty and is also associated with increased market competition. Varun Beverages can expand offerings to accommodate the needs and preferences of customers and thus expand the market share.

This study closely parallels the models of Ansoff Matrix, which emphasizes diversification as the strategic approach towards growth, and the Fishbein Model, which describes consumer attitudes as driven by product attributes. These frameworks contribute to contextualizing the findings, demonstrating that strategic diversification is driven by business growth while changing consumer perceptions and decision-making processes.

From a practical perspective, the analysis stresses the strategic importance of continually adapting to consumer preferences. Varun Beverages Zimbabwe has benefited from consumer insights, innovative product offerings and based on market trends to ensure long-term success and an advantage in the dynamic beverage industry. Overall, the effectiveness of product diversification is an important factor for customer satisfaction, loyalty and overall market performance.

5.6 Chapter Summary

Chapter 5 described a comprehensive review of the findings from the study on the impact of product diversification on consumer preferences for Varun Beverages Zimbabwe. First, the chapter begins by discussing the results of Chapter 4, which show that extension, product line depth and product line width positively affect consumer satisfaction, loyalty and perceived value. They were closely related to established theoretical models – the Ansoff Matrix and the Fishbein Model; and relevant literature and evidence for alignment with previous research and marketing ideas.

The chapter explored the practical and theoretical implications of the study. In practice, the research provides actionable information for Varun Beverages Zimbabwe to improve its product diversification strategies, improve customer satisfaction, and increase market share. The study theoretically contributes knowledge of product diversification in emerging markets, strengthening the importance of diversification for consumer behavior and business growth.

But, limitations were noted as well as the scope of the study, sample size, limited focus on one company, and context factors such as the economic instability in Zimbabwe, which may affect generalizability. The recommendations addressed both professionals and future research with the following suggestions for consumer-centric practices, innovation, digital engagement, larger longitudinal or comparative studies to better understand diversification impacts.

Overall, the chapter concluded by presenting the key findings of the study and reflecting on the significance of product diversification as a significant and positive influence on consumer preferences and expressing its strategic role for maintaining competitiveness and business growth in the Zimbabwean beverage industry. This chapter, as a whole, represents what works — quantitative and theoretical evidence.

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Appendix

Appendix 1: Questionnaire for Assessing the Impact of Product Diversification on Consumer Preferences

Title: Impact of Product Diversification on Consumer Preferences: Varun Beverages Zimbabwe

Introduction:

This questionnaire aims to gather insights on consumer perceptions and preferences regarding product diversification strategies implemented by Varun Beverages Zimbabwe. Your responses will contribute to understanding how diversification influences consumer behavior. All responses are confidential and used for academic purposes only.

Section A: Demographic Information

1. Age:
 - ☐ 18-24
 - ☐ 25-34
 - ☐ 35-44
 - ☐ 45-54
 - ☐ 55+
2. Gender:
 - ☐ Male
 - ☐ Female
 - ☐ Other
3. Occupation:
 - ☐ Student
 - ☐ Employed
 - ☐ Self-employed
 - ☐ Unemployed
 - ☐ Retired
4. Monthly Income (ZWL):
 - ☐ < 50,000
 - ☐ 50,000 – 100,000
 - ☐ 100,001 – 200,000
 - ☐ 200,000

Section B: Awareness and Consumption

1. Are you aware of Varun Beverages products?
 - Yes
 - No
2. How often do you consume these products?
 - Daily / Weekly / Monthly / Rarely / Never
3. Products consumed (tick all applicable):
 - Pepsi / Mountain Dew / Mirinda / Energy drinks / Flavored water / Other

Section C: Product Diversification Perceptions

1. How do you perceive the product range?
 - Very diverse / Somewhat diverse / Neutral / Limited / Very limited
2. Does product variety influence your purchase decision?
 - Strongly agree / Agree / Neutral / Disagree / Strongly disagree
3. Factors influencing product choice (tick all applicable):
 - Taste / Price / Packaging / Brand reputation / Health / Availability / Other

Section D: Satisfaction and Loyalty

1. Satisfaction level: Very satisfied / Satisfied / Neutral / Dissatisfied / Very dissatisfied
2. Loyalty: Yes / No / Neutral
3. Likelihood to repurchase: Very likely / Likely / Neutral / Unlikely / Very unlikely

Section E: Market Perceptions

1. Competitiveness of Varun Beverages: Very competitive / Competitive / Neutral / Less competitive / Not competitive
2. Are products distinct from competitors? Yes / No / Neutral

Section F: Open-ended Feedback

1. Suggestions for improvement: _____
2. Additional comments: _____

Ethical Considerations

- Participation is voluntary.
- Responses are confidential and anonymous.
- Data will be used for academic research purposes only.

Thank you for your participation. Your feedback is valuable in understanding consumer perspectives on product diversification.

Appendix 2: Interview Guide

Purpose: Explore perceptions of Varun Beverages' product diversification and its impact on consumer preferences.

Interviewees: Employees (marketing, sales), distributors, retailers, and consumers.

Key Questions:

1. Can you describe Varun Beverages' approach to product diversification?
2. How do consumers respond to new products or flavors?
3. How has product diversification influenced market position in Zimbabwe?
4. How are marketing strategies tailored for diverse products?
5. How does diversification help compete with other beverage companies?
6. What future opportunities exist for product diversification?

Probes:

- Can you elaborate?
- Can you give an example?
- How does this influence consumer behavior?

Closing: Any additional comments on product diversification and consumer preferences?

Appendix 3 : Focus Group Discussion (FGD) Guide

Objective: Explore group perceptions of Varun Beverages' product diversification.

Participants: Consumers of different ages, urban and rural Zimbabwe.

Discussion Areas:

1. Awareness and product preferences.
2. Importance of variety in beverages.
3. Factors influencing purchase decisions.
4. Interest in trying new products.

Probing Questions:

- Which products do you prefer and why?
- How important is variety when choosing a beverage?
- Would you try a new beverage from Varun Beverages? Why or why not?

Appendix D: Survey Administration Plan

Objective: Collect data on consumer perceptions of product diversification.

Population: Adult consumers (18+) of Varun Beverages in Harare and Bulawayo.

Sampling: Convenience sampling at retail outlets; target sample size: 200–300 respondents.

Data Collection:

- Mode: Self-administered questionnaires, with researcher assistance.
- Language: English, Shona, Ndebele versions available.
- Duration: 2–4 weeks.

Inclusion Criteria:

- Must have consumed Varun Beverages products.
- Willing participants aged 18+.

Ethical Considerations:

- Verbal consent obtained.
- Responses anonymized and confidential.
- Data stored securely for academic purposes only.

Appendix 4: Ethics Approval Document

RESEARCH ETHICS COMMITTEE



P. Bag 1020

BINDURA, Zimbabwe

Email : rid@buse.ac.zw

BINDURA UNIVERSITY OF SCIENCE EDUCATION [BUSE]

16 October 2025

Albert Chimhanzi

Bindura University of Science Education

Graduate School of Business

P. Bag 1020

Bindura

Dear Albert Chimhanzi

**RE: INSTITUTIONAL RESEARCH COMMITTEE ETHICAL CLEARANCE-
APPROVAL NUMBER: BUSEREC/0091/2025**

Your application for research ethical clearance related to the topic '**An evaluation of the impact of product diversification on consumer preferences at Varun beverages Zimbabwe.**' has been approved and allocated approval Number: **BUSEREC/0091/2025**. You are to quote this approval number for all correspondences inclusive of consent forms and any other documents as and when appropriate. The approval period is as stated below:

Type of Meeting : 18th BUSEREC meeting

Approval Date: 16/10/2025

Expiry date : 15/10/2026

The project will automatically discontinue on the expiry date. You can apply for renewal three months before the expiry date. The renewal application should be accompanied by a progress report.

You are not expected to make any changes/adjustments to the protocol including the consent documents. Any trials involving drugs, devices and biologics require approval of the Medicines Control Authority of Zimbabwe before commencement. All problems to do with the safety of participants must be reported to BUSEREC (buserec2022@buse.ac.zw) within three (3) working days.

Upon termination of the study, a report has to be submitted to BUSEREC.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized, elongated loop followed by a series of small, dark, irregular marks.

BUSEREC CHAIRPERSON