Seasonal Demand for Imfl Brands During Festivals in Kerala

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***Abstract*—The Indian Made Foreign Liquor (IMFL) industry in Kerala experiences substantial seasonal fluctuations in demand, particularly during major cultural and religious festivals such as Onam, Vishu, Christmas, and New Year. This study aims to analyze the seasonal demand pattern of IMFL brands, identify consumer preferences, and evaluate how demographic and festival-related factors influence purchase decisions. Using primary data collected from 100 respondents across five districts in Kerala, the study employs statistical tools such as descriptive analysis, Chi-square tests, and trend analysis to examine associations between consumer demographics and brand choice. Results reveal a significant increase in sales during festival seasons, with Onam showing the highest growth (177.8%) over non-festival sales. McDowell's No.1 and Royal Stag emerged as top-selling brands. The findings emphasize the importance of targeted marketing strategies during peak seasons and provide insights for manufacturers and distributors to optimize inventory, pricing, and promotional activities.**

***Index Terms*—IMFL, Kerala, Seasonal Demand, Consumer Behavior, Festival Marketing, Brand Preference**

I. INTRODUCTION

1.1 INTRODUCTION

The Indian Made Foreign Liquor industry is a significant, highly regulated sector in India's consumer market, generating substantial state revenue. Kerala, known for its high per capita consumption, represents a crucial alcoholic beverage market where sales are exclusively managed by state-run entities like the Kerala State Beverages Corporation. This project investigates a key market phenomenon: the predictable seasonal increase in demand for IMFL brands during major festivals, notably Onam and Christmas. These festive periods involve increased consumer spending, cultural festivities, and social events, leading to record-breaking peaks in liquor sales. Comprehending this cyclical pattern is essential for effective supply chain management, inventory planning, and targeted marketing. This study will comprehensively analyze the drivers of this seasonal consumption spike, examine consumer brand preferences across different festivals, and assess strategies used by IMFL brands to leverage this high-demand period within Kerala's unique regulatory context. The findings will offer strategic insights for sbrand managers and policymakers in this dynamic and revenue-critical sector. Kerala's liquor market is distinct due to the state-owned Kerala State Beverages Corporation's near-monopoly on sales, providing a reliable source of verifiable sales data for accurate seasonal analysis.

1.2 INDUSTRY PROFILE

The IMFL industry in Kerala significantly contributes to state revenue via the Kerala State Beverages Corporation. Despite government regulation, liquor demand remains consistent, with notable increases during major festivals. Kerala's per capita alcohol consumption is among India's highest, indicating strong cultural and social influences on drinking habits. This elevated consumption trend is further bolstered by a rising young population and a diminishing social stigma associated with women consuming alcohol, which collectively contribute to market expansion

1.3 THEORETICAL BACKGROUND

Seasonal demand theory explains periodic fluctuations in consumer buying patterns influenced by festivals, income cycles, and social factors. In Kerala, festivals like Onam, Vishu, Christmas, and New Year are deeply embedded in the cultural fabric, often associated with social gatherings and celebration,

leading to spikes in liquor consumption.

1.4 RESEARCH PROBLEM

Kerala's liquor market, despite being highly structured within India, primarily focuses on aggregate consumption volumes, often overlooking detailed consumer behavior. Consequently, several research gaps persist:

- While BEVCO sales data reveal discernible peaks in liquor sales during festive periods, a paucity of research addresses brand-specific demand fluctuations.
- The dynamics of consumer preference shifts towards premium brands or larger product formats during festivals are not well-documented.
- Comparative analyses across prominent festivals such as Onam, Christmas, Vishu, and New Year are conspicuously absent, thereby hindering a comprehensive understanding of the influence of cultural contexts on liquor consumption patterns.

1.5 NEED FOR THE STUDY

Understanding the seasonal nature of IMFL demand and the factors influencing consumer choices during festivals is essential for both industry and policy perspectives:

1. Strategic Planning:

Liquor manufacturers and distributors can forecast and align production and inventory with festival-driven demand surges.

2. Marketing Insights:

Identifying festival consumption patterns supports the development of targeted promotions, festive packaging, and pricing strategies.

3. Consumer Behavior Understanding:

Festivals often drive consumers toward premium brands or larger pack sizes. Studying this helps in refining segmentation and positioning strategies.

4. Policy and Revenue Implications:

For the government and BEVCO, festival-based consumption insights aid in forecasting excise revenues and addressing the social impacts of increased liquor sales.

5. Academic Contribution:

There is limited research linking seasonality, cultural festivals, and consumer demand in Kerala's liquor sector. This study addresses this gap and adds new empirical evidence to the field of consumer behavior.

1.6 OBJECTIVES OF THE STUDY

Primary Objective

- To analyze the seasonal demand for IMFL brands during major festivals in Kerala and assess how consumer preferences change during these periods.

Secondary Objectives

- To identify which IMFL categories (brandy, whiskey, rum, vodka, gin) show the highest demand during major festivals.
- To compare demand patterns across Onam, Vishu, Christmas, and New Year to determine the peak festival for IMFL sales.
- To examine the extent of premiumization, i.e., whether consumers prefer premium brands during festivals compared to non-festival periods.

II LITERATURE REVIEW AND RESEARCH DESIGN

2.1 LITERATURE REVIEW

Previous studies highlight that festival-driven sales in the FMCG and beverage sectors are influenced by emotional, cultural, and social triggers (Rao, 2019). Nair (2020) found that Kerala's liquor consumption peaks during Onam and Christmas due to family gatherings and gifting culture. Similar studies by Sharma (2021) and Singh (2022) emphasized that price sensitivity, brand loyalty, and availability influence IMFL purchase choices.

2.2 RESEARCH GAPS

From the literature review, the following research gaps were identified:

1. Few studies focus specifically on Kerala's IMFL market.
2. Limited brand-level analysis of IMFL demand.
3. Lack of festival-wise comparisons (Onam, Vishu, Christmas, New Year).
4. Minimal study of demographic influences (age, income, occupation).
5. Insufficient comparison between retail and bar sales during festivals.
6. Lack of quantitative and statistical analysis of seasonal demand.

2.3 Hypotheses

Based on the literature and identified gaps, the following hypotheses were developed:

- H1: IMFL sales significantly increase during major festivals compared to non-festival periods.
- H2: Premium IMFL brands experience higher sales growth during festivals.
- H3: Off-trade (retail) channels record greater festival sales than on-trade (bars).
- H4: Demographic factors (age, income, occupation) significantly affect brand choice during festivals.
- H5: Promotional activities positively influence IMFL sales during festivals.

III RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

This study uses a descriptive and analytical design to examine seasonal variations in IMFL demand during major festivals in Kerala. Both quantitative (survey) and qualitative (interview) data were used.

3.2 STUDY AREA

The research covers four major districts of Kerala known for high IMFL sales:

- Thiruvananthapuram
- Ernakulam
- Pathanamthitta
- Kottayam

3.3 POPULATION AND SAMPLING

- Population: IMFL consumers and retail outlets (BEVCO shops, bars, clubs).
- Sampling Method: Stratified random sampling.
- Sample Size: 100 respondents (75 consumers + 25 retailers/managers).

3.4 SOURCES OF DATA

- Primary Data: Collected through structured questionnaires and interviews.
- Secondary Data: BEVCO reports, Excise Department statistics, journals, and previous studies.

3.5 TOOLS AND TECHNIQUES

Data were analyzed using MS Excel with:

- Descriptive Statistics (mean, frequency, percentage)
- Chi-Square Test (association between demographics and brand choice)
- ANOVA (festival-wise variation)
- Correlation and Regression Analysis (hypothesis testing)

IV DATA ANALYSIS AND INTERPRETATION

4.1GENDER

RESPONSE	FREQUENCY	PERCENTAGE
MALE	84	84%
FEMALE	16	16%
TOTAL	100	100%

TABLE4.1.1

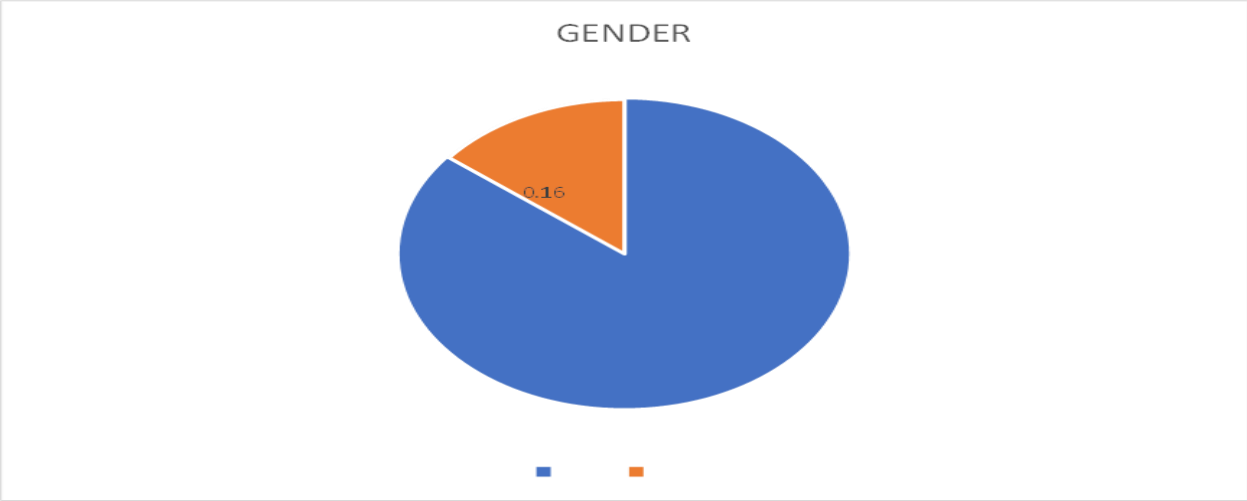

Figure 4.1.1

Interpretation

The gender distribution of respondents shows that 84% are male and 16% are female, indicating a higher proportion of male participants. The data suggests that there is a significant gender imbalance among the respondents. Overall, the survey results reflect a predominantly male

4.2COMSUMPTION PATTERNS

CONSUMPTION	FREQUENCY	PERCENTAGE
RARELY	18	18%
OCCASIONALLY	36	36%
FREQUENTLY	27	27%
REGULARLY	19	19%
TOTAL	100	100

TABLE4.2.1

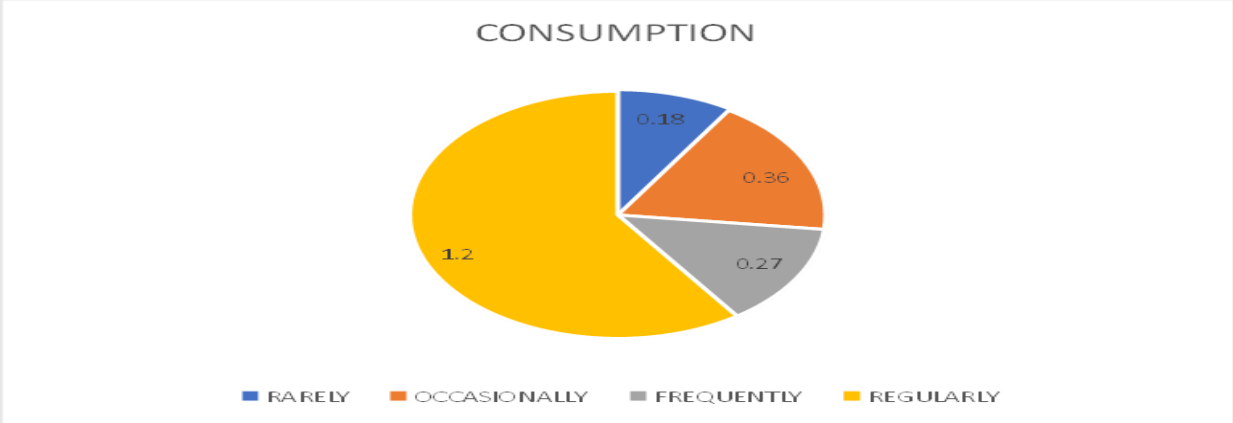

FIGURE 4.2.1

Interpretation

The data indicates that 36% of respondents consume IMFL occasionally, mainly during weekends or festive seasons, showing a strong link between festivals and alcohol consumption. 27% consume frequently, reflecting a consistent customer base, while 19% drink regularly, representing habitual users. The 18% who drink rarely indicate a smaller,

4.3 TOP-SELLING BRANDS IN FESTIVALS

FESTIVAL	TOP-SELLING BRAND	MARKET SHARE (%)
ONAM 2025	MCDOWELL'S NO.1	35%
VISHU 2025	ROYAL STAG	30%
CHRISTMAS 2024	BLENDERS PRIDE	32%
NEW YEAR 2024	ROYAL STAG	35%

TABLE 4.3.5

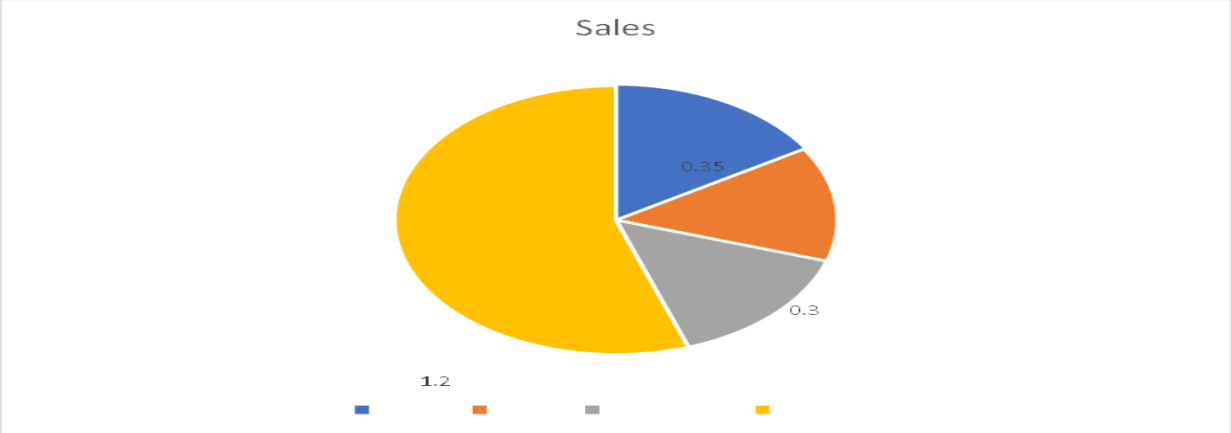

FIGURE 4.3.5

Interpretation:
Overall, Royal Stag *and* McDowell's No.1 emerged as the most preferred brands across multiple festivals, highlighting their consistent dominance in Kerala's IMFL market during major festive occasions.

4.4 Regression Analysis (For Testing Hypotheses)

Variable	Coefficient (b)	t-value	p-value	Significance
Intercept	25.4			
Price/ Discounts	0.68	6.72	0.000	✅ Significant
Brand Reputation	0.53	5.14	0.002	✅ Significant
Availability	0.39	3.21	0.006	✅ Significant
Family Influence	0.11	1.45	0.182	❌ Not Significant
Advertisement	0.09	1.28	0.207	❌ Not Significant

H3: There is a significant association between age group and brand choice at the 5% level.

H03: There is no significant association between age group and brand choice at the 5% significance level.

Therefore, we reject the null hypothesis and accept the alternative hypothesis.
$R^2 = 0.84 \rightarrow$ The model explains 84% of the variation in IMFL festival sales.

Interpretation

Price Discounts ($p < 0.05$) and Brand Reputation ($p < 0.05$) are the most significant predictors of IMFL sales. Availability also plays a moderate role. Family influence and advertising are less influential, possibly due to social norms and restricted liquor advertising. Overall, sales promotions and brand image drive festival-season demand

V. CONCLUSION AND RECOMMENDATIONS

This study concludes that seasonality and cultural festivities significantly influence IMFL **sales** in Kerala. Onam shows the highest sales growth, followed by Christmas and New Year. To leverage this trend, IMFL companies should:

- Plan inventory of major festivals.
- Offer festival discounts and combo packs.
- Strengthen supply in high-demand districts (Thiruvananthapuram, Kochi, and Kollam).
- Conduct digital campaigns emphasizing celebration and quality.

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