

**MARKET SITUATION OF TOOTHPASTE  
IN LALITPUR DISTRICT**

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# RECOMMENDATION

This is to certify that the thesis

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Has been prepared and approved by this department in the prescribed format of Faculty of Management. This thesis is forwarded for examination.

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## VIVA – VOCE SHEET

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And found the thesis to be original work of the student and written in accordance to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirements for

**Master Degree of Business Studies (M.B.S)**

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## **DECLARATION**

I hereby declare that the work reported in this thesis entitled “**Market Situation of Toothpaste in Lalitpur District**” submitted to Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for Master’s in Business Studies (M.B.S), prepared under the supervision of Asst. Campus Chief Babu Ram Singh Thapa, Patan Multiple Campus.

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# CHAPTER ONE

## **Introduction**

### **1.1 Background of the Study**

Nepal is a land locked country located in South Asia, bordered to the north by the People's Republic of China and to the south, east, and west by the India. It has the area of 147181 sq km. Nepal has a rich geography. The mountainous north has eight of the world's ten tallest mountains, including the highest peak on Earth and fertile and humid south.

History of Nepal is not that long when the development aspects are considered. Nepal has always been on the poorer side financially. From the inception of the National Development Plans in 1956, the plans have been directed towards social reforms and poverty alleviation. Nepal is still following a traditional mode of business, not being able to create professionalism in most of the productive sectors. Currently, Nepal is facing transitional phase in both political and industrial sector. But, this phase is looking to elongate than what it should ideally be. When speaking about a country, a couple of paragraphs or pages is never enough, but since, the area of concentration in this area is rather different than just about the country, therefore, this topic is cut short. In the process of catching up the pace of the 21<sup>st</sup> Century, Nepal has been awarded with the membership of WTO by the Cancun Ministerial Conference (Mexico) on September 2003 as the 147<sup>th</sup> member of WTO out of 148 member countries. Nepal holds its place among 29 least developed member countries of WTO. More than 85% people are still in rural areas and most of them are not getting minimum physical facilities that are necessary for human being because of underdevelopment and their poverty. Being the economy still dependent on traditional, agriculture, industrialism is way back comparatively.

There is a growing concern for the business persons in Nepal, for Nepal being the member country of WTO and now, their organizations and products should face the challenges presented by the products from all over the world. But, there is a hope of

optimism so that the organization can grow and spread throughout the world and operate. But, the challenges imposed by the competitors are hard enough to be tackled by a single mind and just the quality of the product. The product now needs serious implementation of marketing tools. Marketing of the products have stepped into a separate world of its own. In this modern marketing era, every marketer should understand the consumer's satisfaction. Companies are adopting many marketing policies and strategies to increase the sales. As the modern business world is highly competitive and complex, the successful marketers always think about how to win the market and make the buyers respond to its product. Through incorporation of such features that attracts customers, marketers add value and satisfaction through the product.

Promotion, publicity, advertisement, personal selling etc. have all become so usual that, the consumer hardly gets excited by these techniques. In the meantime, sales activities come as a catalyst for the manufacturer as the number of brand have increased in the market. Sales activities have received greater attention and efforts are being made by the sales force to encourage sales of the product. The sales have direct impact on the market share. So, the sales activities are bound to play vital role in market share. The use and practice of sales activity method in Nepal had started out relatively late.

Now a days every brand has been engulfed by business activities. Competition in each business sector is increasing rapidly. In this situation, companies, especially manufacturing companies find the situation very tough to sell their products in the market smoothly. So, companies are using various tools and techniques to sell their products effectively. Market share is directly affected by the sales and sales depend upon sales promotion directly or indirectly so sales promotion refers the use of different promotional tools to stimulate or to create sales.

Increasing market share of the product constitutes among the goals of the manufacturers. The concept of consumer promotion / sales is not new. This technique is being used by manufacturers as early as 19<sup>th</sup> century. John H. Patterson of United State, founder of the National Cash Register Company, used this technique for the first time. He thought that the sales of the product could be

increased if monetary advantages are given to the customer. Since then companies are using this promotion technique.

Each and every company's goal is to increase their market share. When they try to do so, they have to consider things like Advertising, sales promotion, consumer behavior etc. Advertising is also an integral part of business. The advertising agencies in Nepal have categorized these media into two groups, which are Above the line activities and Below the line activity.

Above the line activities include – Television channels, cable operators, radio stations, news papers and various other publications etc.

Below the line activities includes – Hoarding boards, banners, pamphlets, posters, billboards, neon signs etc.

A review of sales promotion as implied here suggests that it is an important part of marketing activities. The amount of money allocated to sale promotion is hidden in advertising budgets. Whenever a company spends in advertising and sales promotion, it raises its market share because when a company spends on media it helps in increasing the sales of product, which directly affect market share.

In context of toothpaste, there are several brands abundantly available in Nepalese market manufactured by Nepalese companies as well as in foreign companies. Some of them are Colgate Palmolive, Unilever Nepal Limited, Flura Herbal, Anchor, Brighter Industry, Everest Toothpaste, Dabur Nepal Limited and so on.

Unilever Nepal Limited was formed as a subsidiary company of former Hindustan Lever Limited India (Now, Unilever India). The factory is situated at Basamadi VDC, Makwanpur district, which is located about six kilometers west from Hetauda Municipality and its corporate office, is situated at Heritage Plaza, Kamaladi, Kathmandu.

Nepal Lever Limited was established in 1994 as a joint venture company between Hindustan Lever Limited India and Nepali promoters under the company Act 2021. It

is established under the “Subsidiary company of foreign investment and technology transformation” heading of the Act. The main objective of the company is to manufacture toothpaste, soaps, detergent, cosmetics, toiletries, oleaginous, and other chemical products and market them in and outside the country under the brand name of the products of Unilever Nepal Limited.

Nepal Lever Limited was first subsidiary company of Hindustan Lever Limited outside India with holding 80% ownership. The authorized capital of the company is NPR 300,000,000.00(NPR Three Hundred Million) divided into 300,000(Three Hundred Thousand) ordinary shares of NPR 100 each and paid up capital is NPR 120,000,000.00(NPR One Hundred Twenty Million) paid as 1,200,000(One Million Two Hundred Thousand) shares of NPR 100 each.

Unilever India holds the 80% share of Unilever Nepal Limited which was formed as a subsidiary company of U.K Group Company of England with 51% share. It was started nearly in 1940 A.D. in India. Its Head Office is in Mumbai, India.

According to the published 13<sup>th</sup> annual report of Unilever Nepal Limited, we found the production of personal product (toothpaste, shampoo and skin cream) is increasing in quantity than the previous year. The sales of the personal Product (toothpaste, shampoo and skin cream) is also increasing than the previous year. The sales volume in the previous year was 1195 tons worth NPR 454,190,486.00 (NPR Four Hundred Fifty Four Million One Hundred Ninety Thousand Four Hundred Eighty Six Only) but in the current year, it is 1317 tons worth NPR 486,389,440.00 (NPR Four Hundred Eighty Six Million Three Hundred Eighty Nine Thousand Four Hundred Forty Only). Thus, we can be clear that the sales volume has increased compared to previous year. Close-up and Pepsodent have been re-launched with enhanced consumer relevant proportion and improved formulations.

## **1.2 Marketing Management**

Marketing management as the art and science of choosing target market and getting keeping and growing customers through creating, delivering and communicating superior customers value. Marketing management is the conscious effort to achieve desire exchange of outcome with target market (Kotler, 2003).

Coping with exchange process, it calls for a considerable amount of work and skill. Marketing management takes places when at least one party to a potential exchange thinks about the means of achieving desired responses from other parties. We see marketing management as the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering and communicating superior customer's value.

Marketing management is getting the marketing jobs done by working with and through people to achieve marketing objectives. It involves analyzing, planning, implementing and controlling the marketing efforts. It coordinates physical human, financial and information resources available to marketing (Agrawal, 1999)

### **1.3 Marketing Environment**

A company's marketing environment consists of the factors and force outside marketing that affect marketing management's ability to develop and maintain successful relationship with its target customers. The marketing environment offers both opportunities and threats. Successful companies know its vitality and are at constant watch, adapting to the changing environment and coping with the threats offered to them. While, others fail either because they cannot sense the threat or they ignore or resist critical change until it is almost too late. Their strategies, structures, systems and culture rapidly grow out of date. The marketing environment is made up of micro environment and macro environment.

1. The Micro environment is the set of forces that affects the presence of the company under consideration in the market. These elements are may not affect other companies of the same industry. The main elements of micro environment are the company itself, the suppliers, marketing intermediaries, customer markets competitor, public and other major stakeholders.

2. The macro environment also affects the presence of the companies in the present market but its effects are broad and these affect almost all the companies in an industry simultaneously. The macro environment is beyond the control of the

company and has many stands like demographic economic, technological, political as well as cultural environments. (Agrawal, 1999)

**Market:**

The concept of exchange leads to the concept of a market. A market consists of all the potential customers sharing a particular need or want that might be willing and able to engage in exchange to satisfy that need or want. Thus the size of the market depends upon the number of persons who exhibit the need, have resources that interest others, and are willing to offer these resources in exchange what they want.

Originally the term market stood for “The place where buyers and sellers gathered to exchange their goods, such as village square”. Economists use the term market to refer to a collection of buyers and sellers who transact over a particular product or product class, hence the housing market, the steel market and so on. The sellers and the buyers are connected by four flows.

The seller offers goods or services in the market through communications of various modes to the market and in return they receive value for the product. Similarly, a competitor is one who sells a product or service that in the view of the buyer is substitutable for some other brands, competitions operate at two level (i) industry level and (ii) Market level.

i) The industry level competition: At the industry level, competition is generic where several firms offer different product options that can satisfy diverse needs. Here the products are not substitutable but the competition is with the priority of the consumer. Competition takes place between different industries of variety of products rather than some homogeneous products of the same industry.

ii) The Market level Competition: At the market level, competition is between product class and between brands. This is closer concept of competition where each firm has to closely watch the plan, programs, activities and action of competitors.

## **1.4 Statement of the Problem**

In regard to the marketing situation of toothpaste marketing, previously, market was not so competitive. There were only limited brands available in the market. In context of toothpaste also market was not this competitive few years ago. But today competition was grown high because many companies are involved in manufacturing toothpaste in Nepal. Monopolies of Nepalese brands are no more present in the market. So, without advertising, standardization, quality and other services, there are only few possibilities to sell toothpaste.

Nepalese toothpaste market till the mid 80's was not competitive because there was only a solo supplier. During that time period, Everest toothpaste was the only Nepalese brand toothpaste available in the market. The Nepalese people had no choice of toothpaste. When the second toothpaste, Brighter brand emerged in the Nepalese market the competition was seen. But with the establishment of Colgate, Close-up, and Pepsodent along with other brands market has become severely competitive.

Now a days, toothpaste companies are increasing rapidly in the world market, and in developing country like Nepal. Demand is increasing day by day. Many new industries are engaged to fulfill this demand. There is high competition among toothpaste trying to make tastier and qualitative. They even claim of being vegetarian to attract the veggie consumers. To reach in the market, they have to adopt product policy. To achieve the goals, they should increase the market share.

Distribution is another important factor in marketing where, it is to make sure that the product reaches to all areas and places. Where there are no proper facilities or services, it is difficult to serve in markets, because the costs are very high and there is a general trend of strong dominance of traders in Nepal. Traders have their own rules and regulation and buyers have to follow them. That is very major problem of toothpaste Companies.

Today, advertisement plays a vital role in promotion of sales through the attributes of being informative and influencing. The toothpaste industries spend a lot in

advertising their product, but the return is not that encouraging. It is also major problem of the company. Now a day, in the market, different kinds of toothpaste such as Close-up, Pepsodent, Dabur, Flura Herbal, Sensofoam, Anchor, and Colgate etc. available which have different quality and price. It creates big problems for the potential consumers to select the product.

Thus, there exist many problems in toothpaste market, which are to be solved by the related company. So, we will try to find out some solution for this existing problem.

1. What is the existing demographic situation of consumer's behavior in Lalitpur District?
2. What are the promotional schemes on sales of toothpaste?
3. Is there any brand awareness of consumers in toothpaste market?

### **1.5 Objectives of the Study**

The Nepalese market is very small with respect to the international market. However, in this small periphery, there seems to regular inflow and outflow of the products in the dynamic environment. So competition is rising. Similarly, marketers are regularly interacting with the so-called targeted groups and trying to maintain their position.

Due to the size of the market, being not too big or the area coverage not too high, the case of brand loyalty is also vivid. This research proceeds with following objectives:-

1. To point out the consumer's behavior demographically on toothpaste in Lalitpur District.
2. To assess the advertisement and promotion – schemes on sales toothpaste.
3. To observe the brand awareness of consumers in Toothpaste market.

### **1.6 Significance of the Study**

Industrialization plays vital role in development of every country. Industrialization creates market for the products. Therefore industrialized countries have fierce competition occurring among industries for their products. Nepal is dependent on agriculture and the process of industrialization is ongoing rather slowly. Whether it is agricultural or industrial sector, marketing plays very important role in drawing attention in consumer toward the products.

Today's marketing has been developed as an indispensable tool as the current business can be synonymous to marketing era. The business is being operated in 21<sup>st</sup> century even if the companies are lacking in innovative marketing policies, management and strategies. Unilever Nepal Limited is one of leading company in Nepal. Primary objective of the study is to know marketing policies and structure of Unilever Nepal Limited and is expected to find out the positive and negative aspects in the context of Pepsodent and Close-up toothpaste in Lalitpur district. This may be useful, for the organizations of same as well as other industries to give an insight to their own policy and reformulate if necessary, to draw the attention of consumers. Besides, the new firms looking for a proper marketing policy and structure may be benefited by the study.

This study may be helpful to the marketing related people who are involved in toothpaste marketing. It would be helpful to retailers, distributors, consumers and marketer who buy deal in toothpaste. And it may also be helpful to the future researchers and students to know about market situation of toothpaste marketing in Nepal. The study will focus on survey of market situation, consumer's needs and wants, potential consumer, feeling about taste, quality and price of toothpaste. It can be important for all the people who are related with toothpaste. So it will be helpful to make plan effective for marketing strategy/policy.

### **1.7 Limitation of the Study**

There are always many problems that will occur on the way of any work, so this study may also have limitations.

- a. This study is limited in Lalitpur District only.
- b. The target consumers are taken from Lalitpur District only.
- c. Most of the data used in this study are primary data and supported by secondary data.
- d. Most of the primary data are based on sample survey method.
- e. Some of the respondents were reluctant to share the information which created some difficulties to come with exact conclusions and interpretations.

## **1.8 Organization of the Study**

This study is divided into five chapters. First chapter deals with the background of the study, statement of problem, objective of the study, significance of the study, limitation of the study and organization of the study. Second chapter include conceptual framework, theoretical review, review of related studies, market share, sales promotion, buying behavior product attributes and prices. Third chapter cover research design, population and sample sources and nature and sources of data, data collection procedure, data processing, methods of analysis of data, analytical tools etc. Fourth chapter is about presentation, tabulation, interpretation and analysis of the data that has been gathered. It'll help draw conclusion using various methods mentioned in research methodology. The fifth chapter concludes with summary of the study, key findings, suggestions and recommendations.

# CHAPTER TWO

## Review of Literature

### 2.1 Conceptual Framework

This chapter reviews the concepts concerning the subject matter that are written on textbooks on one hand. On the other hand this chapter reviews the previous studies which are related to the subject matter of this study. So a brief review of some project works and some thesis is done. In addition to that review of articles that are published in magazine, newsletters etc. are done.

The purpose of literature review is to find out what research studies have been conducted in one's chosen field of study, and what remains to be done. It provides the foundation for developing a comprehensive theoretical framework from which hypothesis can be developed for testing. The literature survey also minimized the risk of pursuing the dead - ends in research (Wolf & Pant, 1999)

### 2.2 Market/Marketing: Meaning and Concept

A market is the place where buyer and seller meet and function, goods & services offered, for sale and transfer for ownership of little occur.

A market consists of all the potential customer sharing a particular need or want that can be satisfied through the exchange and distribution. The market depends on the number of persons who exhibit the need have resources that interest others and are willing to offer these resources in exchange for what they want (Kotler & Gary, 1999).

A market will be defined as people with needs to satisfy, the money to spend and the willingness to spend it. Thus, in the market demand for any given product or service the market three factors to consider-market=people with need or wants + money to spend plus willingness to spend it (Stanton, 1978).

Marketing is the management function, which organizes and directs all those business activities involved in an assessing and converting customer purchasing power in to effective demand for a specific customer. So product or service and in making the product or service to the final, as to achieve the particular or other objective set by the company.

Marketing is a social process by which individuals and groups obtain what they need and what though through creting offering and freely exchanging products and services of value with others (Kotler, 1997).

Marketing is typically seen as the task of creating, promotion delivery goods and services to consumer and business. In fact, marketing people are involved in marketing types of entities: - goods, services, experiences, events, person, places, properties, organizations, information and ideas (Kolter, 1999).

Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas; good services to create exchange that satisfy individual and organizational goods (Koirala, 1999).

Thus, through these definitions we can deduct that marketing is a social process performed by individuals and groups marketing are also concerned with creating offering and exchanging products and services. Marketing has been developing together with development in human civilization. We trace three – four hundred years back to the history of human civilization; we find marketing of that time by modern standard was relatively uncultured. They did not need mechanism or tools or techniques of marketing as used today. But now all the situations have change the needs and wants have changed. Human aspiration for excellent and better status have given birth to thousands of discoveries, inventions and innovations and established thousands of units of different types of industry to fulfill that aspiration. These changes in turn not only indented different sophisticated tools and techniques and effective strategies for successful marketing but also made the marketing a most competitive field. (Parajuli, 2001)

In recent years some have questioned whether the marketing concept is an appropriate philosophy in a faced with a major demographic and environmental challenge. The societal marketing concept holds that the organization's task is to the determine the needs, wants and interest of target markets and deliver the desired satisfaction more effectively and efficiently than competition in a way that preserve or enhances the consumer's and the society's well beings. The concept calls upon marketers to balance three considerations. Namely company profits, Consumer satisfaction and Public interest (Kotler, 1999).

## 2.3 Marketing Mix

Marketing mix is one of the key concepts in modern marketing. It refers to set of variables that the business uses to satisfy consumer needs, namely product, price, promotion and place. Each company should deeply study the marketing mix to run the business. A successful company will have effective knowledge over the marketing.

Marketing mix is the set of marketing tools that organizations use to pursue their marketing objective in the target market. (Agrawal, 1999).

### 2.3.1 Product: Concept



**Figure No. 1: The Components of Marketing Mix**

The elements which can influence business activities of the firm as marketing strategy is known as marketing mix. They are product, price, place and promotion. The combinations of these elements are called 4ps.

Product, price, place and promotion (4 ps) contribute the components of the marketing mix. Each component has its own mix. Product mix, price mix, place mix and promotion mix.

### **2.3.1.1 Products Quality: Concept**

A product is anything that can be offered to the consumer satisfaction. Products can differ in size, quality, feature, brand, packing etc. this is the most important variable of marketing mix. A company should deeply think over the quality of the product before market penetration (William J/Michael J. and Bruce J, 1994).

In marketing we need a broader definition of product to indicate that consumers are not really buying a set of attributes, but rather benefits that satisfy their needs. A product is a set of tangible and intangible attributes, including packaging, color, price, quality, and brand, plus the seller's services and reputation. A product may be a good, service, place, person, or idea. In essence, then consumers are buying much more than a set of physical attributes when they a product. They are buying want satisfaction in the form of the benefits they expect to receive from the product.

Quality is the improved form of product, to satisfy the needs of the consumers, improving product quality has become a top priority for marketing. There is an intimate connection among product quality, customer satisfaction and objective achievement. The dimensions of quality can be performance of the product, durability of the product, serviceability of the product and feature of the product etc.

Quality is the Totality of features and characteristics of a product that bear on its ability to satisfy stated or implied needs (Agrawal, 1999). While considering the physical product apart from the additional attributes, real or fancied, bestowed on it by an effective marketing program, the manufacturer's attention is usually centered on product quality. In this context product quality is often measured in terms of the purity or grade of materials used, the technical perfection of design and exacting standards of production. The level of quality is usually set in terms of either meeting of beating competition. Once a level of product quality, in this sense, has been determined, most firms carry out rigorous programs of quality control and product testing to ensure that technical standards of product quality are upheld.

### **2.3.1.2 Brand and Branding: Meaning and Concept**

Brand is the name of the product. Branding differentiates the products from marketers, sellers and consumers. They convey attributes, image, values and benefits.

A Brand is a name terms, signs, symbol or design or a combination of the intended to identify the goods or service of one seller or group of seller and to differentiate from those competitors (Kotler, 1999) is clear from above definition that brand identifies the goods to market. It can be a name trade mark, logo or other symbol. It differs from other assets such as patents and copy rights; which have expire date. It trade mark is a legally protected brands which implies ownership of the users and exclusive right to use.

Branding constitutes an important part of product mix. The world brand is comprehensive encompassing others narrower terms. A brand name consists of words, letters or number that can be vocalized. A brand mark is the part of the brand that appears in the form of a symbol, design or distinctive color or letter. A brand mark is recognized by sign and differentiates its product from competing products.

Building brands require a great deal of time, money, promotion and packaging. Brands suggest product difference to costumers. They convey attributes, image value and benefits most of the products are branded (Agrawal, 1999).

Now a days, market is being much more competitive is a subject of consideration. Every company should carry out a research before lunching a new brand. But all Nepalese companies do not set budget aside for research and development. It is always important to study the need, interest, taste, and purchasing power of the targeted customers.

As the customer is the king of the market in today's liberal economy, companies cannot afford to be product oriented only. There is no specific formula for success. Market is different from place to place, consumers need taste and interest may vary from one place to another. In many cases affordability geographical, location culture

and religion also determine people's need. Therefore, success of brand largely depends on the different factor such as innovation, quality, attractive, packing reasonable price, availability, good publicity brand positioning, unique selling proposition, value addition relationship etc.

### **2.3.1.3 Brand Loyalty in the cases of Toothpaste Industry**

This first to recognize when we talk about brands is that they are not just names, terms, symbols, designs or combinations of these, although it is true to say that such things can and to differentiate certain products and companies from others. This additional ingredient that makes a successful brand is personality.

Today leading brands are personalities in their own right and are well known in all societies and cultures as film heroes, cartoon characters, sports stars, or great leaders. Many of the people relate to brand personalities in the same ways as they do to human personalities. There is of course, a psychological basis to this, and the psychology behind brands really stems from Carl Jung's work where he described the four functions so mind-thinking, sensation, feeling and institution. The secret to successful branding is the influence the ways in which people perceive the company or product. And brands can affect the minds of customers by appealing to these four mind functions or combinations of them.

Some brands appeal to the rational part of a person, to the elements of logic and good sense (the thinking dimension) such as toothpaste, which prevents decay. Others appeal to the smell, tested, sight and sound such as fashion and cosmetic products. Some brands attract the emotional part of people appealing to the feeling dimension to which consumer react with feeling of warmth, affection, and belonging. Products such as Harley-Davidson motorcycles and companies like Benetton with its global village branding exemplify these. Brands influence consumer decisions to buy in any of the above ways, or though combination of them, sometimes with tremendous persuasive appeal.

The Marlboro brand personality is a good example of how companies understand and combine the physical and emotional elements that appeal to certain customers who live or would love to live a certain lifestyle. Product such as reputed credit cards watches or prestige items help people to express themselves to others by

demonstrating that they are different and have the sense of achievement. They act as extensions of the personality, so it really is all in the mind. The key to brand management and development is a clear understanding of what benefits the customer is looking for time and again show that the real driving force behind market leadership is perceived value-not price or inherent product attributes.

Brands are also successful because people prefer them to unbranded product. Today's world is characterized by more complex technology, and this can be extremely confusing to people who are not technology minded. Brands can play an important role here by providing simplicity and reassurance to the uninitiated offer a quick clear guide to a verity of competitive products and consumers reach better, quicker decisions (Temporal, 2005).

### **2.3.2 Price and Pricing: Meaning and Concept**

Price is an important component of marketing mix. Price is the value of goods and services in terms of money. It depends upon the willingness and ability to pay of the customers, which in turn depends upon the value in use and value in exchange. Pricing is the process of determining the price of the product. The price determined by the company or the marketers should be responded by the consumers in the target market. It is another variable of marketing mix that creates revenue. Consumers pay price to buy products for their need satisfaction. It may be fixed on the basis of cost demand and competition. It may involve discount, allowances, credit facility etc. Price has become the important variable of marketing mix because a marketing manager always looks forward for the price of the product so that he can penetrate the market as their capacity to pay. Traditionally, price had operated as the major determinant of buyer choice. This is still the case in poorer nations, among poorer groups, and with commodity type products. Although non price factors have become more important in buyer behavior in recent decades, price still remains one of the most important elements determining company market share and profitability. Consumers and purchasing agents have more access to price information and price discounters. Consumer shop therefore, carefully force retailers to lower their prices. Retailer put pressure on manufacturers to lower their price. The result is a market place characterized by heavy discounting and sales promotion.

Price is the marketing mix element that produces revenue, while the others produce costs. Price is also one of the most flexible elements. It can be changed quickly, unlike product features and channel commitments. At the same time, price competition is the number one problem facing companies. Yet many companies do not handle pricing well. The most common inflexibilities in handling them are:

1. Pricing is cost-oriented.
2. Price is not revised often enough to capitalize on market changes.
3. Price is set independent of the rest of the marketing mix rather than as an intrinsic element of market positioning strategy.
4. Price is not varied enough for different product items market segments, and purchase occasion (Kotler, 1999).

In setting its pricing policy, a company usually follows the following six step procedure-

- a) It selects its pricing objective survival, maximum current profit, maximum market share, maximum market skimming, or product quality leadership.
- b) Its estimates the demand curve, the probable quantities will select each possible price.
- c) It estimates how its cost varies at different levels of output, at different levels of accumulated production experience, and for differentiated marketing offers.
- d) It examines competitor's cost, price and offers.
- e) It selects a pricing method.
- f) Finally, it selects the final price, taking into account psychological pricing, and the influence of other marketing mix elements on price, company pricing policies, and the impact price on the other parties.

Company do not usually set a single price, but rather a pricing structure that reflects variations in geographical demand and cost, market segment requirements purchase timing, other levels, and other factors.

Several price adaptation strategies are available:

- I. Geographical pricing
- II. Price discount allowance
- III. Promotional pricing

#### IV. Discriminatory pricing

Product-mix, pricing, which are included setting prices for product lines, optimal features, captive products, two part items, by-products, and product bundles (Kotler, 1999).

### **2.3.3 Promotion: Meaning and Concept**

Promotion is the element of an organization's marketing mix that serves to inform, persuade, and remind the market of a product and for the organization selling it, in hopes of influencing and recipient feelings, beliefs, or behavior (William/Michael and Bruce, 1994).

Promotion is another variable of marketing mix which communicates to the ultimate consumer about goods and services. It involves those activities which inform, educate and stimulate the demand for the product. It consists of advertising, publicity, personal selling and sales promotion. Company should follow effective promotional Medias to inform the consumer about the product. A good marketing manager always looks toward effective promotional media to compete with other bands. This variable is very important to stimulate sales (Agrawal, 2001).

The marketing mix activities of product planning, pricing, and distribution are performed mainly within a business or between a business and members of its distribution channels, however, although its promotional activities, a firm communicates directly with potential customers.

### **2.3.4 Place: Meaning and Concept**

Place is another variable of marketing mix which takes product to consumer. It is concerned with distribution, channels of distribution and physical distributions. It is also concerned with selecting channels of distribution and place for the physical movement of the product.

A good marketing manager always thinks of an effective channel and physical distribution system for the smooth flow of the goods at the right time at the right place and to the right person or market (Agrawal, 2001).

Kotler defines marketing mix as the set of marketing tools that the firm uses to pursue its marketing objectives in the target marketing. The popularized a four-factor classification of these tools called the four Ps (product, price, promotion, and place).

## **2.4 Advertising and Other Promotional Activities**

The word advertising is derived from the Latin word Adverto. 'Ad' means towards and 'verto' means 'turn' So the meaning of advertising is to turn people to wards specific thing. In other works, advertising is to draw people's attention to certain goods. Advertising is one of the main tools in marketing used to influence the consumer's awareness, interest and response to the product in order to increase the firm's sales and profit. It is an important element in modern marketing process but it can produce consistently profitable result only when the entire structure is sound and coordinated.

Advertising is the most visible marketing tool, which seeks to transmit an effective message from the marketer to a group of individuals. The marketer pays for sponsoring the advertisement. Activity advertising unlike salesmanship, which interacts with the buyer face, is non-personal. It is directed towards a mass audience, and cot at an individual, as in personnel selling (Aryal, 2002).

Advertising is defined as a firm of mass communication where message is through different sources and is acquired by the consumers. It is referred as non-personal, presentation because non-personal media are used to convey the message. Basically, media of mass communication are only two viz, publications and electronic media such as radio and television. The advertiser needs to have comprehension of psychology. The effective advertising needs to be familiar with certain effects that lead to certain response. Advertising is a method of communication, which is one of the most important aspects of human behavior.

Today business organization, social organization, political organization and governmental and non-governmental organizations are also using advertising as tools of promoting and services as well as political candidates for votes.

Advertising can be understood as form of communication, which aims .at bringing about some change in the behaviors of the target audience, particularly the potential buyers of non-buyers towards the product or service advertised. A generally theoretical model seeks to identify a step-wise behavioral progression of non-buyers towards buying action.

Simply advertising stimulates the potential buyers to go to store to buy actual advertised products. In general, advertising is done in expectation of tangible gains such as favorable attitudes, better image of the firms, and increased sales. The techniques of advertising depending upon the situation however, it is the matter of decision of the marketing manager to blend all promotional tools has got unique characteristics and is complementary (Shrestha, 1997).

It should be made clear that advertising and promotion though seems same are not exactly the same thing. Promotion is a broad from whereas advertising is just a part of promotion. When we talk of promotion it generally includes publicity, personal selling, public relation and advertising, but advertising comprises the most of the portions that comprises promotion. Advertising is considered to be one arm of the promotion. Advertising promotion consists of other four element personal selling, sales promotion, public relation and publicity.

#### **2.4.1 Personal Selling**

Personal selling consists of face to face communication between the sales persons to their prospects. Unlike advertising, it involves personal interactions between source and the destination. The most effective method of promotion probably is to have sales persons call upon every target consumer. For many institutions, especially those that appeal to the mass market, this would be terribly inefficient. As a result, they employ mass marketing techniques, such as advertising. Personal selling is very important in industry.

#### **2.4.2 Sales Promotion**

According to the American Marketing Association, sales promotion consists of those marketing activities, other than personal selling, advertising, and publicity, that stimulate consumer purchasing and dealer effectiveness, such as display, shows,

and expositions, demonstrations, and various non-recurrent selling efforts not is the ordinary routine. Sales promotion is one of the major promotional tools. It is used to coordinate and supplement the advertising and personal selling programmers. Sales promotion has increased considerably in importance in recent years as management has sought measurable, short-term sales result. Sales promotion should receive the same strategic attention that a company gives to advertising and personal selling.

### **2.4.3 Public Relation**

Marketers engage in public relation in order to develop a favorable image of their organizations and product in the eyes of the public. They are: public at large, labor union, the press, and environmental groups. Public relation activities include sponsoring, lobbying, and using promotional messages to persuade members of the public to take up a desired position. The term public relation refers to a firm's communications and relationships with the various section of the public. These sections include the organization customers, suppliers, shareholders, employee, the government, the general public and the society in which the organization operates.

### **2.4.4 Publicity**

Publicity is a means of promoting the mass market, and is similar to advertising except that it is free found in the additional portion of the news media, and pertains to newsworthy events. The most common type of publicity is news releases, photographs and feature stories. Promotion can be directed toward final consumers, middleman, or a company's own employees.

Public relations and publicity are the last two promotional methods. Public relations are the broad, overall promotional vehicle for improving or maintaining an organization's image and its favorable relationship with its public. Publicity is any promotional communication regarding an organization and its products that are not paid for by company benefiting from it. Typically these two activities are handled in a department separate from the marketing department is a firm. (Khanal, 2002)

## **2.5 Review of Related Studies**

There has been no research on the Toothpaste and marketing in Nepal. But only related some topic of marketing has been revising below. From the interpretation and

analysis of the data and information collected from the consumer. It is found that brand awareness of the Nepalese consumers is high and most of them are brand loyal in each of the products selected for this study. Similarly, it is also found that the factors such as the consumer sex, age, marital status, income, family system etc. Also affect brand loyalty. The consumers relate with brand loyalty but degree and directions of relationship varied across product.

Aryal (2002) according to his study titled “The Study of Market Share of Colgate in Comparison with other Brand”, the sales promotion works as a starter to the Toothpaste users. People, who are not so educated, are not loyal towards any particular brand. Due to this, the sales promotion, advertisement easily attracts attention of those toothpaste users and as result the sales of that particular Toothpaste will increase. The sales promotion is very powerful, which can easily boost the sales have its impact of market share. The major objectives of his study are to identify the purchase/buying behavior of Colgate toothpaste, to identify the market share of Colgate toothpaste in comparison with other brands and to find out the popular media of advertisement for toothpaste, this can easily attract the potential consumers on each brand of companies.

In his study he concluded that the maximum numbers of consumers use Close-up than other brands. Maximum consumers purchase the toothpaste from general store and only minimum number of consumers purchase than toothpaste from wholesalers. Most of the consumers take Self-decision while buying toothpaste and most of the consumers are attracted thorough T.V. media for buying toothpaste.

Khanal (2002) in this study titled “The Study of Market Situation of Toothpaste ‘Pepsodent’” he has stressed that most of the consumers in the marketing of toothpaste seen to be loyal on the specific brand this loyalty is found to be created by the quality rather than the price; similarly the advertisement also plays important role in the marketing. Sales especially the visual ads advertisement seen on the screen is quite considerable for them. Some significant facts and major findings of the thesis are pointed out as nn Nepalese context, the market of toothpaste is increasing and most of the consumers are loyal to the specific brands. About 51% consumers are convinced by the shopkeepers’ suggestion to purchase a specific

brand. More than 50% prefer quality in toothpaste rather than price. An effective promotional activity ensures the increment of sales in the toothpaste marketing.

Thapailaya (1999) in his study titled “A Study on Market Situation of instant Noodles Yum-Yum” analyzed the Yum-Yum noodles’ market, its sales, its position, taste, price, quality and customers loyalty in compared with other brands of Noodles in Narayanghat. It also had objectives to suggest company for marketing activities for better distribution. In his study he concluded that consumption of instant noodles is being increased in Narayanghat There is high competition of different brands in terms of price, quality, taste on the consumer’s side and incentives, profit margin etc. on the marketing side. The product of general food industry Yum-Yum brands ranked second in market on the basis of sale volume. Thought, its price is reasonable, its taste and quality has dissatisfied consumers need. The factory has adopted multistage sales mechanism, the drawback of its marketing system is that it hasn't devised attractive scheme to promote sales for wholesalers and consumers the company lacks feedback from wholesaler, distribution and consumers.

This study recommends to the general food industry to produce variety of brands with improvement in taste, quality and price. It also suggested distributor for its sales promotion. The company must take marketing feedback from consumers, wholesaler and distributors.

Shrestha(1997) in his study titled “The Role of Advertising in Brand Choice and Product Positioning, Especially in Case of Noodles and Soft Drinks”, he analyzed the effectiveness of advertising on brand choice of consumer product, evaluate the role of advertising in product positioning and the consumer perspective and consumer’s response to advertisement and other promotional tools.

This study has concluded that advertisements are the important means of sales promotion and consumers respond-well on these. Advertisements are the means that introduce the products among consumer and the advertisements are most effective.

It has been recommended that especially in case of instant noodles and soft drinks advertisements through electronic media were found and the companies are required to make even more effective advertisements. This research would be helpful to Govt. companies, experts, planners and university students in future.

Bista (2011) in his study “A Study of Market situation of Toothpaste Marketing in Kathmandu Valley”, his main objectives are to identify the consumers behaviors toward the purchase and use of toothpaste in kathmandu valley, to ascertain role and effectiveness of advertisement and promotion and to observe the brand awareness of consumers in toothpaste marketing. The main findings of his study are Close-Up and Pepsodent toothpaste have highest share in kathmandu valley. Consumers give more preference to the quality and less preference to brand. There are large number of consumers who are not influenced by advertisement.

His study concludes that Toothpaste use is prevalent in kathmandu valley and advertisements have high influence on the preference of the brand by consumers. There is high competition among different brands. The factors like price, quality, availability in the market, incentive, profit margin etc determines the position occupied by the individual brand.

## **2.6 Concluding Remarks**

In the field of market situation of toothpaste and other consumer product, several thesis works have been conducted by various students such as: Market Share of Colgate in Comparison with other Brand, Market Situation of Toothpaste Pepsodent, Market Situation of Instant Noodles Yum-Yum, The role of Advertising in Brand Choice and Product Positioning, Market Situation of Toothpaste Marketing in Kathmandu Valley. All these studies analyzed market of the product, its sales, position, taste, price, quality, costumer’s loyalty in compared with other brand, advertisement etc. These analysis are also done in this current study. This study shows market situation of toothpaste particularly in Lalitpur District.

# CHAPTER THREE

## **Research Methodology**

### **3.1 Introduction**

Methodology is the research method used to test the hypothesis. Research methodology is a systematic way to solve the research problems. It describes the methods and process applied in the entire aspects of the study. It refers to the various sequential steps to be adopted by a researcher in studying a problem with certain objectives in view (Kothari, 1994).

Research Methodology is a way to solve the problem. Market research specifies the information requires addressing this issue, designs the methods of collecting information, manages and implements and data collection process analyzed the results, and communicate the finding and their implication.

In the context of view of marketing, Marketing is the principle revenue generating activity while other is revenue consuming. Marketing research deals with production and distribution problems, marketing institutions marketing policies, and practices. It is better established than production research partly because of not closely interwoven with technology. It covers the issues like production, planning, development, pricing, promotion and distribution (Joshi, 2002).

### **3.2 Research Design**

Research design is the plan, structure, and strategy of investigation conceived so as to obtain answer to research questions and to control variance (Kerlinger, 2002). It is the specification of methods and procedures for acquiring the information needed. In this study historical as well as descriptive research design is adopted. This study is an exploratory type of study. The main aim of this study is to find out the market situation of toothpaste marketing in Lalitpur district. For the study the survey research design is adopted, on the basis of information analysis, this study suggests to the company of Unilever Nepal Limited needs to strengthen the market in future

seeing present scenario. To fulfill this purpose raw data related with different aspects are collected through the questionnaire method. Thus, to evaluate and analyze the market situation of toothpaste marketing analysis descriptive type of survey research design has been followed through the study.

### **3.3 Data Collection Instrument**

As the main objective of the study is to identify the consumers' behaviors towards the purchase and use of toothpaste in Lalitpur district, to ascertain the role and effectiveness of advertisement and promotion schemes on sales toothpaste, to analyze the reaction of consumers on product and to observe the brand awareness of consumers in toothpaste market, for finding the data of those qualitative aspects, the main instrument has become questionnaire.

Questionnaire was distributed to the consumers so that their views, opinion, ideas and experiences can be obtained and that information will be valuable for analyzing and interpretation. It was obvious for me to use questionnaire as the main instrument for the research basically due to the fact that the process of observation is itself very time consuming and questionnaire is faster and simple method of collecting data and also through this, a large number of sample can be covered that have managed to do in this research. This study has used structural questionnaire method for conducting survey and specially, probing techniques are have been used for getting enough information about the opinions, expressions, ideas and knowledge from the respondents.

Survey has been used as an instrument to undertake research on, selected sampling with the help of questionnaire. Some informal interviews were taken with some of the experts of marketing field. The survey efforts for primary data were yielded a total of 100 responses of consumers of toothpaste.

### **3.4 Nature and Sources of Data**

Similarly, two categories of data are used in this study primary and secondary. Most of the data used in this study are primary nature. Primary data are those data collected from shops, wholesalers, retailers and consumers. Some secondary data have also been used for the purpose of study. The secondary data has been

collected from the toothpaste companies and research organizations. Most of the information is collected through sample therefore, from the different professions, age groups, areas, educational background are included to avoid any biasness in the data. The questionnaire was developed for the purpose of collecting data from the shops and real consumers.

### **3.4.1 Data Collection Procedure**

The questionnaire was distributed through personal contact and the researcher also collected information through personal interview with the shopkeepers of toothpaste. During research, some shopkeepers were unable to fill the answer. In that condition researcher helped them to answer the questionnaire. Primary sources are through the questionnaire and oral conversation with the concerned distributors, wholesalers, retailers and consumers. The questionnaire was distributed to the consumers and business man of Lalitpur District for the collection of necessary information. Some business man and consumers have been orally interviewed

### **3.5 Population and Sample**

The population of the study area was the residents of Lalitpur district. It was difficult for researchers to cover all shops of Lalitpur district. So the researcher took only 20 place between 100 sample sizes on his research by random sampling, which is based on area wise sampling. In the above stated places, population is very huge. It is almost impossible to include the total population in the study.

The population included in the sample is therefore from the different professions, age groups, income groups, educational background and equally of both sexes, i.e. male and female. In the survey all respondents had to responds through filled up questionnaire. The researcher covered the areas of her study are Lagankhel, Mangal Bazar, Dholahity, Tangal, Sanepa, Jhamsikhel, Pulchowk, Kupandole, Jwagal, PatanDhoka, Talsikhel, Gwarko. The sample size of consumers and sample size of shops are taken 5 for each area of the study.

### **3.6 Data Processing and Analysis**

All the questionnaire was distributed and collected by the researcher herself. So there was not any delay in collection of questionnaire, which was distributed among

the respondents. Every questionnaire was thoroughly checked after the collection and was found correctly filled up. The same responses of the collected questionnaire were put into one place under the respective heading and the total responses were counted. The total responses were presented in one master table. With the help of the data of the master table, necessary presentations have been made for attaining the objectives of the study. All the analysis is made on the basis of the data as presented in the master table. Data is analyzed both descriptively and statistically. For statistical analysis, required tools such as simple mean, percentage, chi-square, pie-chart, and diagram etc. are adopted.

### **3.7 Data Presentation**

To answer the research questions and to achieve objectives information and data collected are systematically and properly analyzed. The collected information are concerned with the objectives of the study. After its collection data re presented and interpreted in different headings. Purposes data has been presented clearly and vividly in table, simple mean, percentage, chi-square test, diagram and pie-chart according the nature of the data which are either available in the secondary or in the primary form.

# CHAPTER FOUR

## **Presentation and Analysis of Data**

In this chapter, the data which we got on the master table is analyzed descriptively as well as statistically with the help of necessary tools related with it and presented them in an accurate and clear manner.

### **4.1 Introduction**

This research is mainly an exploratory type; the researcher has tried to representative of the whole population. So, two ways of collection and interpretation of data is considered and given in this study.

First types of data are those from the survey conducted by person who lives in Lalitpur. A second type of data is based on secondary data, which was taken from toothpaste companies. Survey data was analyzed and interpreted from the response taken from the final consumers.

The researcher took 100 questionnaire from the final consumer and target customers. So in this study, the researcher has shown the demographic profile of only 100 respondents who are considered as the final consumer with questionnaire based on the role and effectiveness of advertisement and promotion-scheme in toothpaste marketing.

### **4.2 Respondent's Profile**

The researcher took only 12 places between 100 sample sizes on her research by random sampling. The researcher taken out of 100 questionnaire were distributed to the consumers who are from Lalitpur district. Out of 100 questionnaire distributed, we have received 100% response.

## 4.2.1 Analysis of Age of the consumer who use Toothpaste

**Table 1: Analysis of Age of the consumer who use Toothpaste**

Age Group	Colgate Users		Pepsodent User		Close-Up User		Dabur User		Anchor User		Herbal User		Other User		Total
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	
Under 20	16	16	10	10	8	8	2	2	3	3	2	2	3	3	44
20 – 40	19	19	6	6	8	8	1	1	2	2	2	2	3	3	41
40 Above	3	3	4	4	3	3	1	1	1	1	1	1	2	2	15
Total	38	38	20	20	19	19	4	4	6	6	5	5	8	8	100

[Source: Field Survey 2013]

This table shows the age wise preference of toothpaste. The table shows that 16% consumers less than 20 years, 19% consumers 20-40 years and 3% consumers above 40 years prefer to Colgate brand. Similarly 10%, 6%, 4% are the consumers of Pepsodent brand and are of age below 20 years, 20-40 years and above 40 years respectively. 8% of the consumer of age below 20 years, 8% of consumer of 20-40 year and 3% consumer above 40 prefer Close-up brand. 2% of the consumer of age below 20 years, 1% consumers 20-40 years and 1% above 40 years prefer Dabur Brand. 3%,2% and 1% consumer of below 20, 20-40 and above 40 year respectively chose Anchor brand. And 2%,2% and 1% consumer of below 20, 20-40 and above 40 year respectively preferred Herbal Toothpaste. The above table can be presented in following bar diagram.

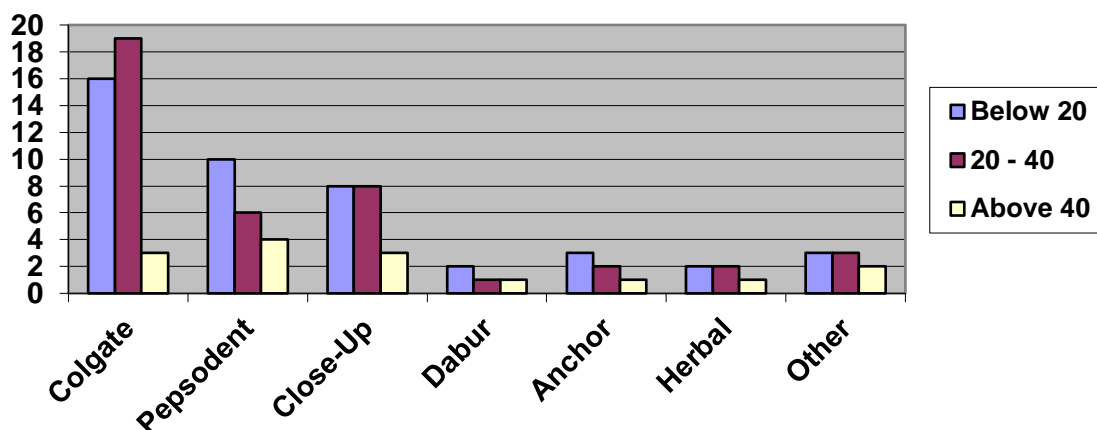


Figure No. 2: Analysis of Age of Consumer who use Toothpaste

#### 4.2.2 Occupation Wise Analysis of Toothpaste Users

Table 2: Occupation wise Analysis of Toothpaste Users

Occupation	Colgate Users		Pepsodent User		Close-Up User		Dabur User		Anchor User		Herbal User		Other User		Total
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	
Students	22	22	10	10	8	8	2	2	2	2	1	1	3	3	48
Service Holders	8	8	4	4	5	5	1	1	2	2	2	2	1	1	23
Business	3	3	3	3	3	3	1	1	1	1	1	1	2	2	14
Farmers	3	3	2	2	2	2	-	-	-	-	1	1	1	1	9
Others	2	2	1	1	1	1	-	-	1	1	-	-	1	1	6
Total	38	38	20	20	19	19	4	4	6	6	5	5	8	8	100

[Source: Field Survey 2013]

The above table show that there are 22%, 10%, 8%, 2%, 2%, 1%, 3% of the students use Colgate, Pepsodent, Close-Up, Dabur, Anchor, Herbal and other brands respectively. 8%, 4%, 5%, 1%, 2%, 2%, 1% of the Service holders use Colgate, Pepsodent, Close-Up, Dabur, Anchor, Herbal and other brands respectively. Similarly, 3%, 3%, 3%, 1%, 1%, 1%, 2% of business person use Colgate, Pepsodent, Close-Up, Dabur, Anchor, Herbal and other brands respectively. 3%, 2%, 2%, 1%, 1% of farmers use Colgate, Pepsodent, Close-Up, Herbal and other brands respectively. And 2%, 1%, 1%, 1%, 1% of other occupation people use Colgate,

Pepsodent, Close-Up, Anchor and other brands respectively. This shows Colgate have highest no of consumer in every field.

The above table can be presented in following bar diagram.

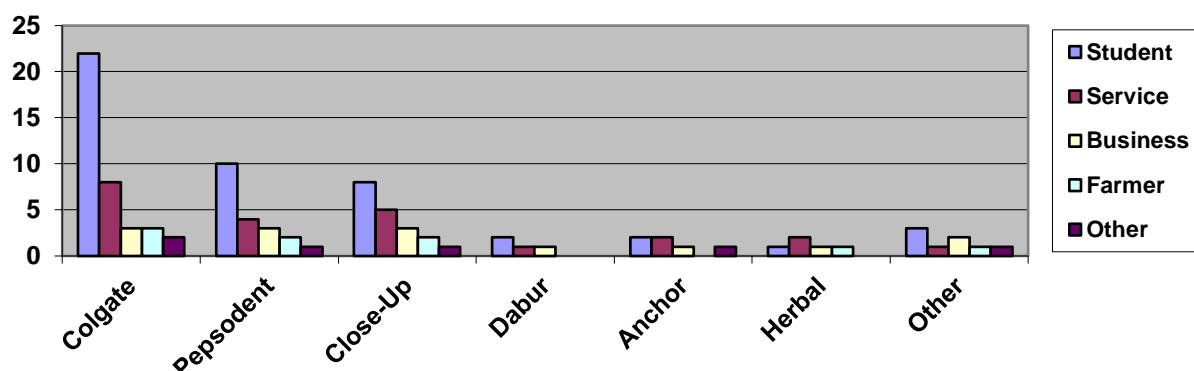


Figure No. 3: Occupation wise Analysis of Consumer who use Toothpaste

#### 4.2.3 Income Wise Analysis of Consumer who use of Toothpaste

Table 3: Income Wise Analysis of consumers who use Toothpaste

Income	Colgate Users		Pepsodent User		Close-Up User		Dabur User		Anchor User		Herbal User		Other User		Total
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	
Below 5000	8	8	6	6	4	4	1	1	4	4	1	1	2	2	26
5000 - 10000	13	13	7	7	6	6	2	2	2	2	2	2	3	3	35
Above 10000	17	17	7	7	9	9	1	1	-	-	2	2	3	3	39
Total	38	38	20	20	19	19	4	4	6	6	5	5	8	8	100

[Source: Field Survey 2013]

In above table, It shows 17%, 7%, 9%, 1%, 0%, 2%, 3% consumers with income above 10000 use toothpaste of Colgate, Pepsodent, Close-up, dabur, anchor, herbal and other brand respectively. Similarly 13%, 7%, 6%, 2%, 2%, 2%, 3% consumers of income range 5000 to 10000 use toothpaste of Colgate, Pepsodent, Close-up, dabur, anchor, herbal and other brand respectively. And 8%, 6%, 4%, 1%, 4%, 1%, 2% consumers of income below 5000 use toothpaste of Colgate, Pepsodent, Close-up, dabur, anchor, herbal and other brand respectively.

The above table can be presented in following bar diagram.

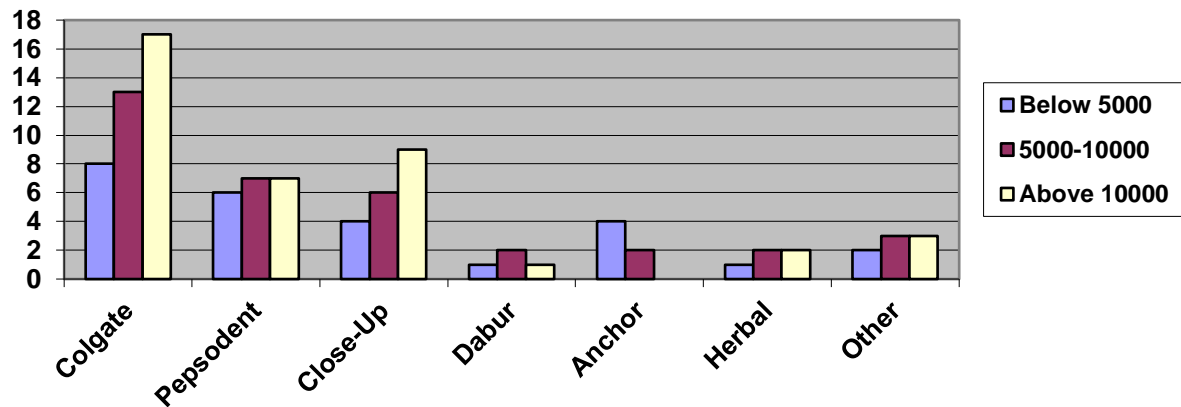


Figure No. 4: Income wise Analysis of Consumer who use Toothpaste

#### 4.2.4 Sex Wise Analysis of Consumers who use Toothpaste

Table 4: Sex Wise Analysis of consumers who use Toothpaste

Sex	Colgate Users		Pepsodent User		Close-Up User		Dabur User		Anchor User		Herbal User		Other User		Total
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	
Male	21	21	11	11	9	9	3	3	3	3	2	2	5	5	54
Female	17	17	9	9	10	10	1	1	3	3	3	3	3	3	46
Total	38	38	20	20	19	19	4	4	6	6	5	5	8	8	100

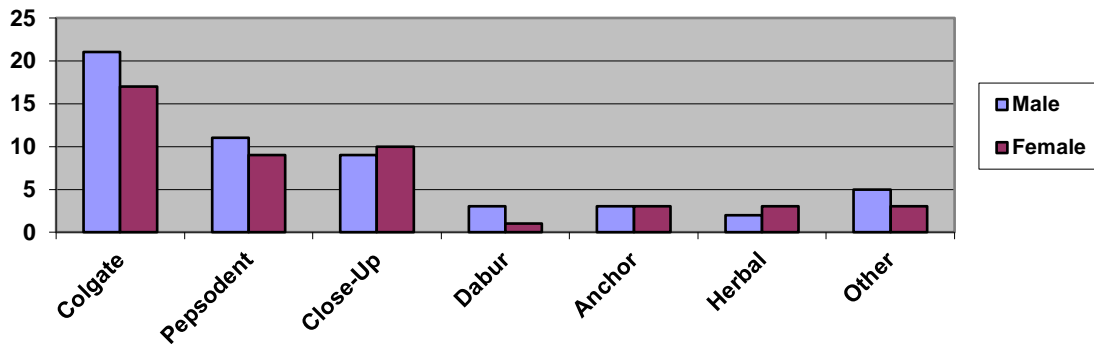
[Source: Field Survey 2013]

In above table, out of 100 consumers 54 % are male and 46% are female. The table shows sex wise preference of Toothpaste.

It shows 21%, 11%, 9%, 3%, 3%, 2%, 5% consumers are male who use toothpaste of Colgate, Pepsodent, Close-up, dabur, anchor, herbal and other brand respectively. Similarly 17%, 9%, 10%, 1%, 3%, 3%, 3% consumers are female who use toothpaste of Colgate, Pepsodent, Close-up, dabur, anchor, herbal and other brand respectively. This show highest number of both male and female customer use

Colgate toothpaste and close-up toothpaste is preferred more by female consumers as compared to male.

The above table can be presented in following bar diagram.



**Figure No. 5: Sex Wise Analysis of consumers who use Toothpaste**

### 4.3 Consumer’s Buying Habit

About the consumers buying habit, the researcher started from very preliminary questionnaire like “which of the following brands of Toothpaste do you usually buy?” to the very specific question like “Do you have any specific brand or not?” If yes give name the following series of the table presents the response acquire.

#### 4.3.1 Which Brand do you usually buy?

**Table 5: Which Brand do you usually buy?**

Brand Name	Nos	Percentage (%)
Colgate	38	38
Pepsodent	20	20
Close-up	19	19
Dabur	4	4
Anchor	6	6
Herbal	5	5
Other	8	8
Total	100	100

[Source: Field Survey - 2013]

The table reveals that out of total collected response to the questionnaire, 100% people use toothpaste in Lalitpur District. Our tabulation shows that 38% people use Colgate toothpaste, 20% use Pepsodent, 19% use Close-up. Similarly 4%, 6%, 5%,

8% of people use other brands like Dabur, Anchor, Herbal and Other brand respectively. The above data shows Colgate come in first position with maximum user and Pepsodent and Close-up comes after Colgate with almost same no of users.

Above table can be presented in following Pi-Chart.

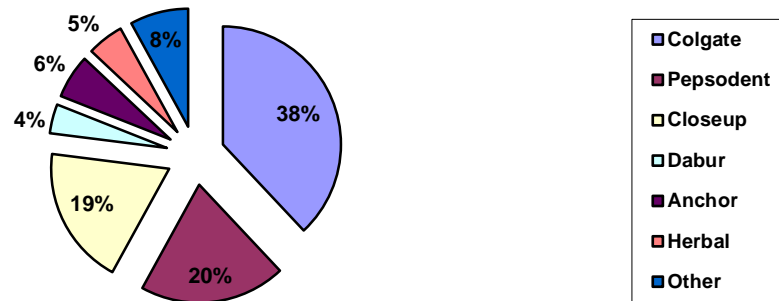


Figure No. 6: Which Brand do you usually buy

### 4.3.2 Product Feature While Buying Toothpaste

**Table 6: Product Feature while buying Toothpaste (In Lalitpur)**

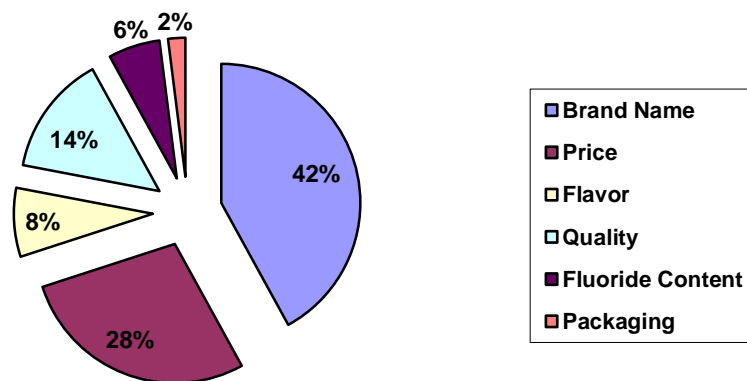
Considering Variables	Nos	Percentage (%)
Price	28	28
Brand Name	42	42
Flavor	8	8
Quality	14	14
Fluoride Content	6	6
Packaging	2	2
Total	100	100

[Source: Field Survey - 2013]

The table reveals that the most of the consumers which is about 42% consider the brand name and 28% consumer prefer Price while buying Toothpaste. Similarly 8% consumer prefer Flavor, 14% care about quality, 6% care fluoride content and only 2% go on packaging.

With this data we can say that most of consumers buy toothpaste based on brand name rather than price or quality of the toothpaste. And price is another main factor consumer check while buying toothpaste. Only 14% consumers check for quality. And there are very few people who check packaging, fluoride content or flavor while buying toothpaste.

The above table can be shown in the following Pie-Chart



**Figure No. 7: Product Feature while buying Toothpaste**

#### 4.4 Media Recognition of Toothpaste

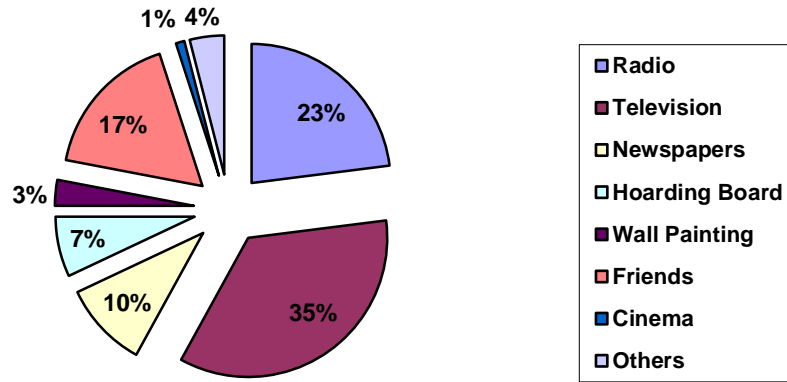
Media is the best method of identifying goods and services to the consumers. The products can be promoted by a company by means of effective media. Generally, media includes Radio Stations, Television Channels, Newspapers, Hoarding Board, Wall Painting, Friends and Cinema etc.

**Table 7: Media Recognition of Toothpaste**

<b>Media</b>	<b>No. of Person</b>	<b>Percentage (%)</b>
Radio	23	23
Television Channels	35	35
Newspapers	10	10
Hoarding Board	7	7
Wall Painting	3	3
Friends	17	17
Cinema	1	1
Others	4	4
Total	100	100

*[Source: Field Survey - 2013]*

The table reveals that the television channels are the most popular media. 35% of consumers were made familiar to the toothpaste by the TV channels and 23% were informed by the Radio stations. Similarly, Newspapers, friends, Hoarding Board, Wall Painting, Cinema and Others recognized toothpaste to the consumers accounting to 10%, 17%, 7%, 3%, 1%, 4% respectively. Maximum people believe that television channels are the familiar media and it attract them a lot through this media and minimum people give importance to cinema and wall painting. The above table can be shown in the following Pie-Chart



**Figure No. 8: Media Recognition of Toothpaste**

#### 4.4.1 Influence by the Advertisement

**Table 8: Influence by the Advertisement**

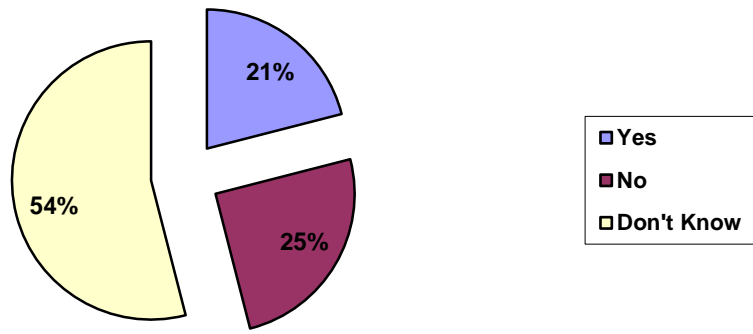
Description	Frequency	Percentage
Yes	21	21
No	25	25
Don't Know	54	54
Total	100	100

[Source: Field Survey - 2013]

The above table shows that out of 100 consumers, 25 replied that they were not influenced by advertisements, 54% are not sure about the influence of advertisement in buying decision. While 21% know the factor influenced by advertisement therefore, it can be concluded that less number were influenced by the advertisements.

Maximum people are not concerned about the influence of advertisements and only few numbers of consumers have a concern upon advertisement.

The above table can be also presented in following Pie chart.



**Figure No. 9: Influence by the Advertisement**

#### 4.4.2 The Advertisement Attractiveness of various Brands in Television Channels

**Table 9: The Advertisement Attractiveness of Various Bands in TV**

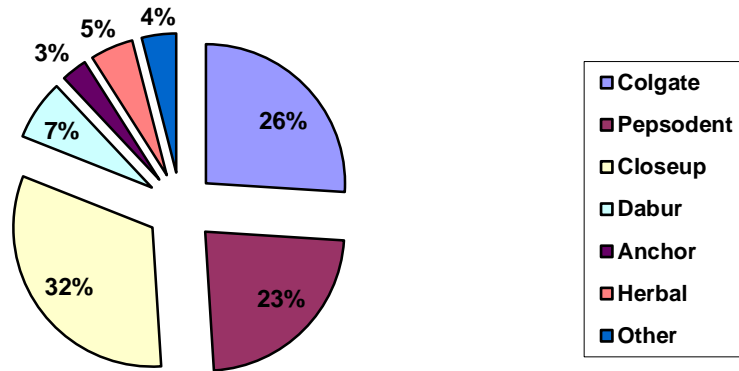
<b>Brand Name</b>	<b>Nos</b>	<b>Percentage (%)</b>
Colgate	26	26
Pepsodent	23	23
Close-up	32	32
Dabur	7	7
Anchor	3	3
Herbal	5	5
Other	4	4
Total	100	100

*[Source: Field Survey - 2013]*

The above table indicates that Close-up toothpaste holds the first position in Attractiveness of Advertisement in television channels. 32% consumers say advertisements of close-up toothpaste shown in TV are most attractive. Similarly Colgate holds second position with 26%, Pepsodent is in third position with 23%. Dabur, Herbal, Anchor on fourth, fifth and sixth position with 7%, 5%, 4% and 3% respectively.

As Television Channel being most popular advertisement media among customers of Lalitpur, advertisement attractiveness in TV plays important role.

The above table can be shown in the following Pie-Chart



**Figure No. 10: The advertisement Attractiveness among various brand in TV**

#### 4.4.3 The Advertisement Attractiveness in Radio Station

**Table 10: The Advertisement Attractiveness in Radio Stations**

Brand Name	Nos	Percentage (%)
Colgate	30	30
Pepsodent	21	21
Close-up	28	28
Dabur	8	8
Anchor	5	5
Herbal	4	4
Other	4	4
Total	100	100

*[Source: Field Survey - 2013]*

The above table indicates that with 30%, Colgate toothpaste holds the first position in Attractiveness of Advertisement in Radio Stations. Similarly Close-up holds second position with 28%, Pepsodent is in third position with 21%, Dabur, Anchor, Herbal on fourth, fifth and sixth position with 8%, 5%, 4% share respectively.

The above table can be shown in the following Pie-Chart

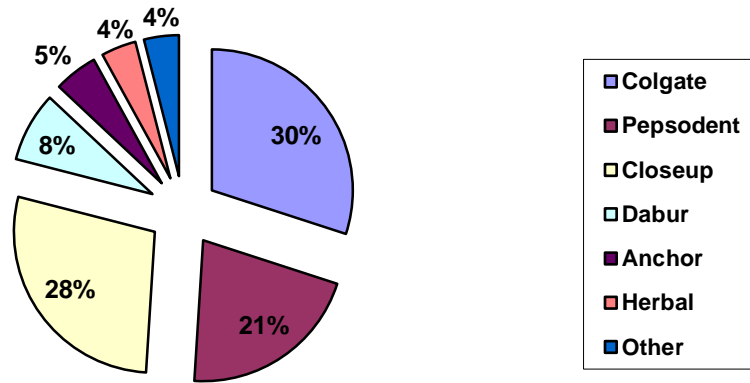


Figure No. 11: The advertisement Attractiveness among various brand in Radio

#### 4.4.4 The Advertisement Attractiveness in Newspaper

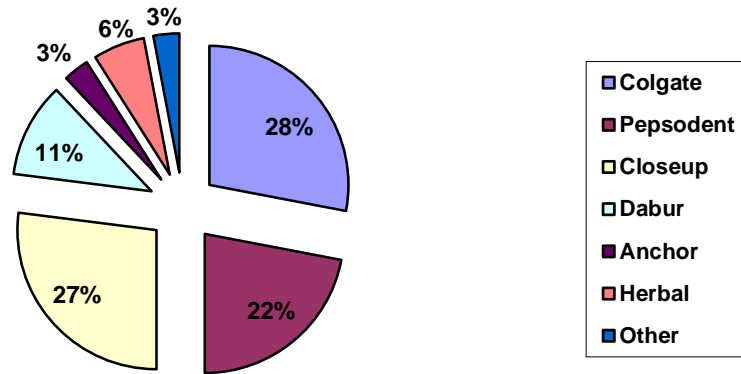
Table 11: The Advertisement Attractiveness in Newspaper

Brand Name	Nos	Percentage (%)
Colgate	28	28
Pepsodent	22	22
Close-up	27	27
Dabur	11	11
Anchor	3	3
Herbal	6	6
Other	3	3
Total	100	100

[Source: Field Survey - 2013]

The above table indicates that Colgate toothpaste holds the first position in Attractiveness of Advertisement in Newspaper. 28% consumers think Colgate made attractive advertisement in newspaper. 27% consumers think same for Close-up toothpaste and come in second position. Similarly for attractive advertisement in newspaper Pepsodent is in third position with 22%, Dabur, Herbal, Anchor on fourth, fifth and sixth position respectively with 11%, 6% and 3% vote from consumers.

The above table can be shown in the following Pie-Chart



**Figure No. 12: The advertisement Attractiveness in Newspaper**

#### 4.4.5 Which Toothpaste Advertisement is best preferred in Lalitpur District?

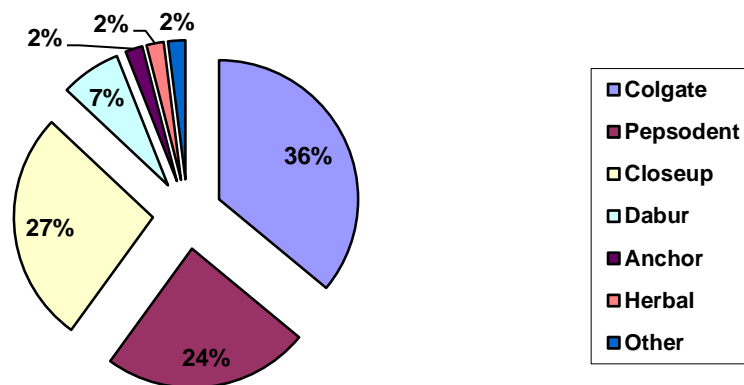
**Table 12: Which Toothpaste Advertisement is best preferred in Lalitpur District.**

Brand Name	Nos	Percentage (%)
Colgate	36	36
Pepsodent	24	24
Close-up	27	27
Dabur	7	7
Anchor	2	2
Herbal	2	2
Other	2	2
Total	100	100

[Source: Field Survey - 2013]

The above table shows that the consumers in Lalitpur district like the advertisement of Colgate which according to our tabulation is 36% and Close-up toothpaste is 27%. Similarly other brand's value are as follows Pepsodent 24%, Dabour 7% and Herbal, Anchor with same 2% each. The consumers think that Colgate advertisement is best and Anchor, herbal and other brands are less marked by the consumers.

The above table can be shown in the following Pie-Chart



**Figure No. 13: Toothpaste Advertisement best preferred in Lalitpur District**

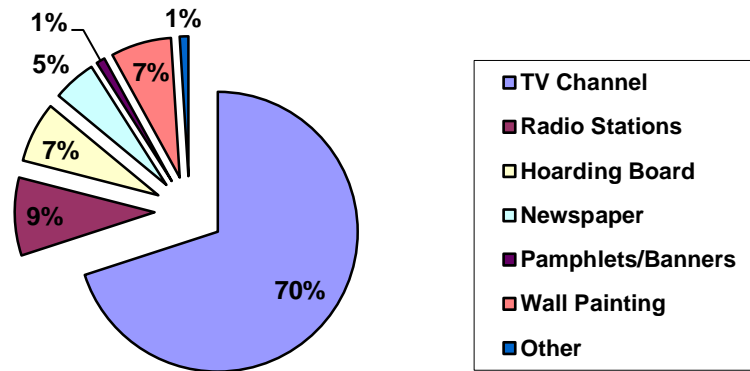
#### 4.4.6 Suitable Media for Toothpaste Advertisement (In Lalitpur)

**Table 13: Suitable Media for Toothpaste Advertisement (In Lalitpur District)**

Media	Nos	Percentage (%)
TV Channels	70	70
Radio Station	9	9
Hoarding Board	7	7
Newspaper	5	5
Pamphlets/Banners	1	1
Wall Painting	7	7
Other	1	1
Total	100	100

[Source: Field Survey - 2013]

The Table shows that 70% consumers feel that television media is best for toothpaste advertisement, 9% consumers think radio stations will pay the worth, 7% respondents prefer hoarding board, 5% prefer newspapers, 7% prefer Hoarding Boards and 1% each respectively consumers prefer Pamphlets and others. Consumers think that Television is the most effective media to advertise toothpaste. Above table can be shown in following Pi-Chart



**Figure No. 14: Suitable Media for Toothpaste Advertisement (In Lalitpur District)**

With the help of tables above, it can be said that media have the effective impact among the people. It proves that the various media have to be used by the competitor to survive in the tough competition. Media will help to increase the market share of a product.

#### 4.5 Quality Determination

The domain of the quality professional has changed. From its humble beginnings in manufacturing, it is now expected, along with other infrastructure professions, such as IT, HR and finance, to contribute at the organizational level. Unlike those other professions, quality expertise can be hard to define, perhaps because there are many questions: 'what is wanted?' And 'How do we want it?' Accordingly, quality's stomping to the heady heights of TQM; quality professionals specify, measure, improve and re-engineer processes to ensure that people get what they want. Hence, quality is one of the most crucial factors that affect consumers buying decisions. So from the research done following data relating to quality are observed:

##### 4.5.1 Quality Determination in Toothpaste by consumers

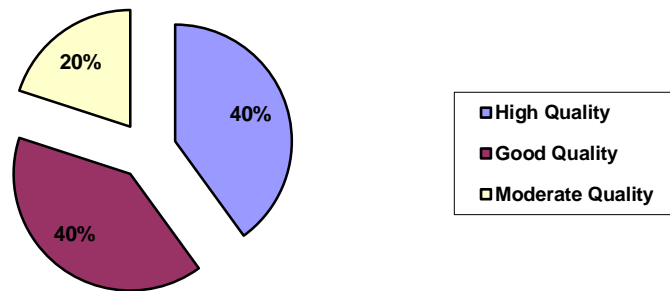
**Table 14: Quality determination in Toothpaste by consumers**

Quality	Nos	Percentage (%)
High Quality	40	40
Good Quality	40	40
Moderate Quality	20	20
Total	100	100

[Source: Field Survey - 2013]

The above table mainly concerns for that the consumers perceive about the toothpaste they are using. The above tablet shows that 40% of consumers think that toothpaste is of high quality, 40% consumer say it is good quality and also 20% consumers say that it is moderate quality.

The above table can be shown in the following Pie-Chart



**Figure No. 15: Quality Determination in Toothpaste by Consumers**

#### 4.5.2 Reaction of Consumers toward the Price of Toothpaste

**Table 15: Reaction of Consumers toward the Price of Toothpaste**

Reaction	Nos	Percentage (%)
Expensive	30	30
Reasonable	60	60
Cheap	10	10
Total	100	100

[Source: Field Survey - 2013]

The above table shows price consideration by consumers while buying toothpaste. 30% of consumers think that toothpaste is expensive, and 60% of the consumers say the price is reasonable, remaining 10% of the consumers think that it is cheap. Thus, we can conclude that the pricing of toothpaste is accepted as reasonable in the market by more than half of consumers in Lalitpur district. And 30% consumers still think the price they are paying for toothpaste is expensive.

The above table can be presented in following daigram

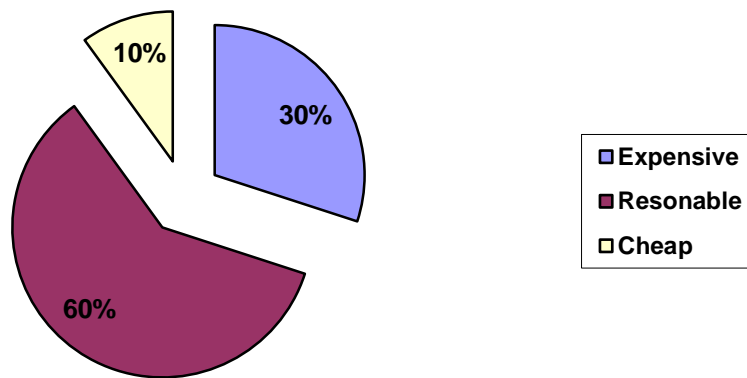


Figure No. 16: Reaction of Consumers towards the price of the Toothpaste

#### 4.5.3 Taste Preference of Consumer towards Toothpaste

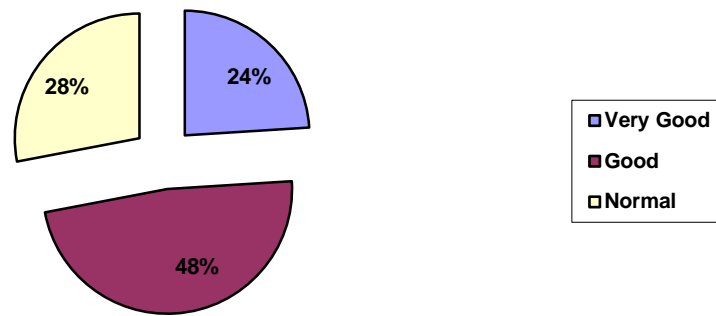
Table 16: Taste Preference of Consumer toward Toothpaste

Quality	Nos	Percentage (%)
Very Good	24	24
Good	48	48
Normal	28	28
Total	100	100

[Source: Field Survey - 2013]

The above table shows concern for that the consumers toward taste of toothpaste they are using. 48% of consumers think that toothpaste is good, 24% consumer say it is very good and 28% consumers say that it is normal. Taste of Toothpaste in the entire industry should be improved according to consumers demand. It is aspires to be competitive in the market.

Above table can be presented in following figure.



**Figure No. 17: Quality Determination in Toothpaste by Consumers**

## 4.6 Distribution of Toothpaste

In Nepal, the business is being complex day by day. Several business companies are being established, producing similar products, with their own brand. For increasing their market share, these companies are also taking the advantages of sales promotion. They try to be strong in distribution system, which plays a vital role in raising sales. If distribution is good, the customers who have brand awareness will never shift to another brand because they will find their brand easily whenever they want. Hence, the distribution plays the vital role for each and every company in increasing their market share.

### 4.6.1 Which Toothpaste Company has good distribution? (In Lalitpur District)

**Table 17: Which Toothpaste company has Good Distribution? (In Lalitpur)**

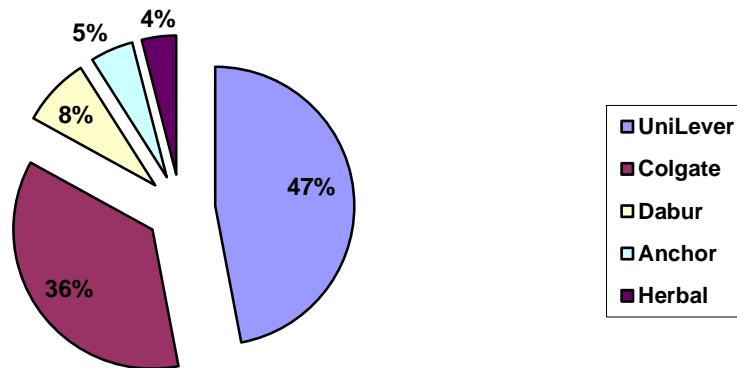
Companies	No of Consumer	Percentage (%)
UniLever	47	47
Colgate	36	36
Dabur Nepal	8	8
Anchor	5	5
Herbal	4	4
Total	100	100

*[Source: Field Survey - 2013]*

The above table shows that Unilever Nepal has good distribution channel with the value of 47%. Similarly with 36% Colgate has also good distribution channel. And other brands available in the market also have gained 8%, 5%, 4% of public support regarding their distribution channel according to above tabulation.

The table data shows that maximum number of consumers think UniLever and Colgate has good distribution channel in Lalitpur where as Herbal and Anchor have very low distribution channel.

The table can be also presented in diagram below.



**Figure No. 18: Which Toothpaste company has Good Distribution? (In Lalitpur)**

#### 4.6.2 Market share of Toothpaste in Lalitpur District.

**Table 18: Market Share of Toothpaste in Lalitpur District.**

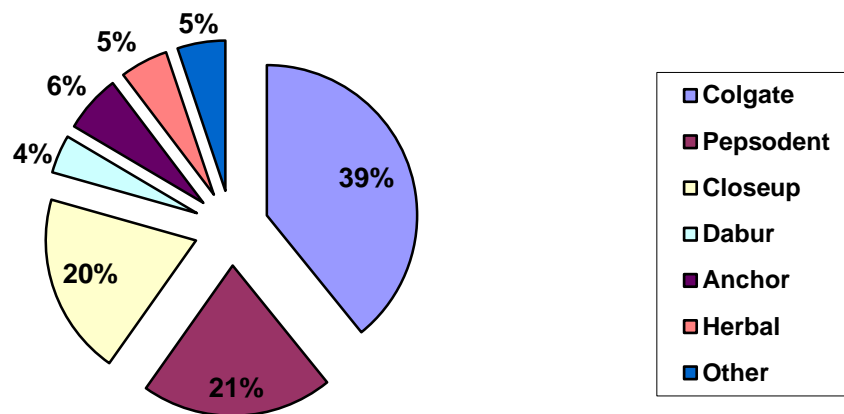
Brand Name	Nos	Percentage (%)
Colgate	38	38
Pepsodent	20	20
Close-up	19	19
Dabur	4	4
Anchor	6	6
Herbal	5	5
Other	5	5
Total	100	100

*[Source: Field Survey - 2013]*

The table reveals that market share of Colgate toothpaste is 38%. And market share of other Toothpaste are as 20% of Pepsodent, 19% of Close-up. Similarly 4%, 6%, 5%, 5% of people use other brands like Dabur, Anchor, Herbal and Other brand respectively.

From this data it show that Colgate has huge market share in Lalitpur district, Pepsodent and Close-up comes after Colgate. Dabur toothpaste has minimum share in toothpaste market in Lalitpur.

The table can also be presented in diagram below



**Figure No. 19: Market share of Toothpaste in Lalitpur**

#### **4.7 Inferential Analysis**

The inferential analysis conducted under this study basically is the Chi-Square test in order to find out the significant relation between different qualitative variables such as age group, occupation, income and gender of the customers with the brand of the toothpaste they use.

##### **4.7.1 Relation between the Age group and the Brand of the toothpaste**

After having data analysis, it has been found that the tabulated value of  $X^2$  of the degree of freedom at 5% level of significance is 21.026 and the calculated value is 4.6. Hence, the tabulated value is greater than the calculated value. So, the null hypothesis is accepted. Thus, we can conclude that there is no significant relation between the age group of the customers and the brand of the toothpaste. (Please refer to the Annex for the result of Chi-Square test)

##### **4.7.2 Relation between the Occupation and the Brand of the toothpaste**

After having data analysis, it has been found that the tabulated value of  $X^2$  of the degree of freedom at 5% level of significance is 36.415 and the calculated value is 10.12. Hence, the tabulated value is greater than the calculated value. So, the null

hypothesis is accepted. Thus, we can conclude that there is no significant relation between the occupation of the customers and the brand of the toothpaste. (Please refer to the Annex for the result of Chi-Square test)

#### **4.7.3 Relation between Income level and the Brand of the toothpaste**

After having data analysis, it has been found that the tabulated value of  $X^2$  of the degree of freedom at 5% level of significance is 21.026 and the calculated value is 8.22. Hence, the tabulated value is greater than the calculated value. So, the null hypothesis is accepted. Thus, we can conclude that there is no significant relation between the income level of the customers and the brand of the toothpaste. (Please refer to the Annex for the result of Chi-Square test)

#### **4.7.4 Relation between Sex and Brand of the toothpaste**

After having data analysis, it has been found that the tabulated value of  $X^2$  of the degree of freedom at 5% level of significance is 12.59 and the calculated value is 1.74. Hence, the tabulated value is greater than the calculated value. So, the null hypothesis is accepted. Thus, we can conclude that there is no significant relation between gender and the brand of the toothpaste. (Please refer to the Annex for the result of Chi-Square test)

### **4.8 Major Findings of the Study**

The major findings of the study are as listed below:

1. Colgate and Pepsodent toothpaste have highest share in comparison with other brand of toothpaste in Lalitpur District.
2. Demand and Supply of Colgate and Pepsodent toothpaste are highly increasing comparing with other toothpaste brand in Lalitpur district.
3. Consumers give more preference to the brand and less preference to the quality.
4. The distribution of different brands by their quality, the Colgate is the best quality toothpaste and the Pepsodent follows in the second position.
5. Television is the most popular media of advertisement in Lalitpur. Radio follows on Second and Hoarding boards and Wall paintings follows on combined third position respectively.

6. There are large numbers of consumers who are not influenced by advertisement.
7. The advertisement of the Close-up and Pepsodent in television is more attractive with respect to other brands.
8. Consumers are brand loyal most of consumers suggest to decrease or not to increase the price maintaining the best quality.
9. In Lalitpur, the main competitive brands of toothpaste are Colgate, Close-up and Pepsodent with higher market share than any other brands of toothpaste.
10. People staying in Lalitpur use a particular brand, if they can't get their used brand then only they purchase other brand.

# CHAPTER FIVE

## **Summary, Conclusion and Recommendations**

### **5.1 Summary**

Marketing has gained new dimensions in recent years and passed through different stages to reach at the present stage of societal marketing concept which aims at maximizing social welfare through delivering goods and services are produced to satisfy social wants and are produced according to consumer preferences.

Marketing is a system which can be compared with human system, as it has its input output and process marketing environment is influenced by many factors and is broadly classify as external and internal factor. The firm should have through knowledge of these factors so that it can formulate plans and policies in order to achieve its objectives.

The importance of marketing is increasing day by day as the competition in the market has been increasing. The marketing concept seen in present world market has passed through different stage of development and finally involved as social concept of marketing. All the firms have to pass through various stages while delivering its product in market and it has to formulate its plans and policy and apply it with flexibility. The product passes through the various stages of life cycle like development, introduction, growth, maturity and decline stage to the market.

In this study, an attempt is made to analyze the marketing strategy. Potential users, consumer preference (taste, price, quality), popular media for the product in the market of Lalitpur district based on the survey of the consumer, producers and dealers, opinion as well as the all toothpaste company strategies.

After analyzing the information collected from primary data, a conclusion is to be made on the study of market situation of toothpaste marketing. The main objective of this study is to find out the consumers behavior toward toothpaste with reference to

different brands available in the market. To find out these goals, the primary data was collected from consumers with the help of questionnaire. These data were analyzed by mean, chi-square test, tabulation, pie-chart and bar-diagram.

It is found that the Colgate toothpaste and Pepsodent toothpaste were in higher position in comparison to the other brand of toothpaste. The study has shown that Colgate and Pepsodent toothpaste were popular among the consumers. It has also quite good market share and has been able to make its own identity in the market. The quality, advertisement and distribution of the both brands were found good in comparison to other brands in the market.

In Nepal, the toothpaste company production and sales started in 1980 A.D. which the establishment of Nepal Tooth Product. The company started its marketing activities with the product and sales of “Everest” Brand toothpaste. The Brighter Industries is the second toothpaste company, which produce “Brighter” toothpaste and was established in 2042 B.S. in Thimi, Bhaktapur.

Unilever Nepal Limited as a subsidiary of Hindusthan Lever was established in Hetauda in 1992 AD. This company produces several products; Close-Up and Pepsodent are some of the popular products in their manufacturing wing. Since its inception, it has been able to retain top position in Nepalese market.

From the study, it was found that the demand of toothpaste has been increasing in recent years among various brands. The excessive use of media for advertisement as TV Channels, Radio, Wall painting, Hoarding Board, Newspaper etc has familiarized the product to consumers.

## **5.2 Conclusion**

On the basic of study under taken in the area, the following conclusion can be made regarding market situation of Toothpaste in Lalitpur District.

1. Toothpastes have high demand in Lalitpur.
2. Toothpaste use is prevalent in Lalitpur.
3. Advertisement has high influence in the preference of the brand by consumers.

4. There are various brands of toothpastes available and the market is highly competitive in recent years.
5. Various brands of toothpastes available are made well known to the consumers by advertising through various media available in the market. Among these advertising media Television Channel is most affective one than any other advertising media. 35% customer think TV is most popular advertising media.
6. There is high competition among different brands, the factors price, quality, availability in the market, incentives, profit margin, etc determines the portion occupied by the individual brand.
7. Consumers give more preference to Brand rather than price or quality. About 42% consumers give preference to brand compared to 28% consumers going for price and only 14% consumers for quality.
8. Various new brands are coming in the market but producers aren't considering about improving and quality consumers are getting new brands with price competition and incentives.
9. The marketing mechanism, advertising and advertising activities have an important role in establishing a product in a market and sustaining it over time.

### **5.3 Recommendations**

On the basic of analysis and conclusion, the following recommendations are made:

1. An improvement in the quality and fixing reasonable price can be helpful measures to increase the volume of sales in the market.
2. The company should adopt effective marketing mechanism and activities to compete with Colgate and Pepsodent.
3. The company should increate the incentive to the wholesalers/distributors so as to motivate and encourage them to focus their transactions on specific brands.
4. The company should undertake frequent market studies and establish and information system to understand the brands loyalty and the preferences of the consumers and design the products and product qualities accordingly.
5. The government has to encourage the toothpaste industries and create suitable environment to the entrepreneurs by easing the availability of raw

materials. The government at the same time should bring strong and legal provision against unhealthy competition.

6. The language and message used in advertisement should be easily understandable to all type of consumer groups.

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# ANNEX - A: Questionnaire

## Survey of consumer's Toothpaste choice

Name:

Date:

Address:

Education:

Profession:

Age:

Gender: Male/Female

1. Have You Used Toothpaste?

Yes

No

2. If you have used, when did you started to use toothpaste?

Two years ago

Five years ago

More than five years ago

3. In which basic do you buy the toothpaste available at Market?

In the basic of Brand

In the basic of Personality

In the basic of Investigation

4. Which Toothpaste do you prefer the most?

Close-Up

Dabur

Pepsodent

Herbal

Colgate

Anchor

Other

5. Which Priority do you give in buying Toothpaste?

Taste

Brand Name

Quality

Other

6. In which category do you prefer the most?

Very Good

Good

Moderate

Other

7. According to the Price how do you rate your Toothpaste?

- Cheap
  Expensive
  Reasonable

8. How do you rate the price for following brands of Toothpaste?

	Cheap	Expensive	Resonable
Colgate			
Pepsodent			
Anchor			
Dabur			
Close-Up			
Herbal			
Other			

9. Through which media you came to know about the toothpaste you are using?

- From Radio
  From TV  
 From Newspaper
  From Poster & Pamphlets  
 From Friends
  From Hoarding Board  
 From Cinema
  Don't Know  
 From Wall Painting
  All of Above

10. According to your view which of the following brands has made the most attractive advertisement?

- Close-Up
  Dabur
  Pepsodent
  Herbal  
 Colgate
  Anchor
  Any Other

11. Which toothpaste's advertisement have you seen the Most?

- Close-Up
  Dabur
  Pepsodent
  Herbal  
 Colgate
  Anchor
  Other

12. Which toothpaste's advertisement have you heard the Most?

- Close-Up       Dabur       Pepsodent       Herbal  
 Colgate       Anchor       Other

13. Which toothpaste's advertisement have you read the Most?

- Close-Up       Dabur       Pepsodent       Herbal  
 Colgate       Anchor       Other

14. What type of advertisement do you like the most?

- Different type  
 Similar type  
 No different type

15. When did you buy toothpaste after watching its advertisement?

- Recently  
 After watching two-three times  
 After more information

16. How much do you believe in advertisements?

- Believe Fully  
 Believe to some extent  
 Do not believe

17. What is your average Monthly Income?

- Below Rs 5000  
 Rs 5,000 – Rs 10,000  
 Above Rs 10,000

Thank You

## ANNEX - B: Calculation of Chi-Square Test

### 1. Age groups and Brand

Observed O	Expected E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
16	16.7	-0.7	0.49	0.029341317
19	15.6	3.4	11.56	0.741025641
3	5.7	-2.7	7.29	1.278947368
10	8.8	1.2	1.44	0.163636364
6	8.2	-2.2	4.84	0.590243902
4	3	1	1	0.333333333
8	8.36	-0.36	0.1296	0.015502392
8	7.79	0.21	0.0441	0.005661104
3	2.85	0.15	0.0225	0.007894737
2	1.76	0.24	0.0576	0.032727273
1	1.64	-0.64	0.4096	0.249756098
1	0.6	0.4	0.16	0.266666667
3	2.6	0.4	0.16	0.061538462
2	2.4	-0.4	0.16	0.066666667
1	0.9	0.1	0.01	0.011111111
2	2.2	-0.2	0.04	0.018181818
2	2.05	-0.05	0.0025	0.001219512
1	0.75	0.25	0.0625	0.083333333
3	3.52	-0.52	0.2704	0.076818182
3	3.28	-0.28	0.0784	0.023902439
2	1.2	0.8	0.64	0.533333333
			<b>Sum</b>	<b>4.590841054</b>

$$X^2 = \sum (O-E)^2 / E = 4.590841054$$

Level of Significance : 5%

Degree of Freedom : 12

Thus, Calculated Value : 4.590841054

Tabulated Value : 21.026

Expected Value : (row total x col total)/Number of sample

## 2. Occupations and Brand

Observed O	Expected E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
22	18.24	3.76	14.14	0.77508772
8	8.74	-0.74	0.548	0.06265446
3	5.32	-2.32	5.382	1.01172932
3	3.42	-0.42	0.176	0.05157895
2	2.28	-0.28	0.078	0.03438596
10	9.6	0.4	0.16	0.01666667
4	4.6	-0.6	0.36	0.07826087
3	2.8	0.2	0.04	0.01428571
2	1.8	0.2	0.04	0.02222222
1	1.2	-0.2	0.04	0.03333333
8	9.12	-1.12	1.254	0.13754386
5	4.37	0.63	0.397	0.0908238
3	2.66	0.34	0.116	0.04345865
2	1.71	0.29	0.084	0.04918129
1	1.14	-0.14	0.02	0.01719298
2	1.92	0.08	0.006	0.00333333
1	0.92	0.08	0.006	0.00695652
1	0.56	0.44	0.194	0.34571429
0	0.36	-0.36	0.13	0.36
0	0.24	-0.24	0.058	0.24
2	2.88	-0.88	0.774	0.26888889
2	1.38	0.62	0.384	0.27855072
1	0.84	0.16	0.026	0.03047619
0	0.54	-0.54	0.292	0.54
1	0.36	0.64	0.41	1.13777778
1	2.4	-1.4	1.96	0.81666667
2	1.15	0.85	0.723	0.62826087
1	0.7	0.3	0.09	0.12857143
1	0.45	0.55	0.303	0.67222222
0	0.3	-0.3	0.09	0.3
3	3.84	-0.84	0.706	0.18375
1	1.84	-0.84	0.706	0.38347826
2	1.12	0.88	0.774	0.69142857
1	0.72	0.28	0.078	0.10888889
1	0.48	0.52	0.27	0.56333333
			<b>Sum</b>	<b>10.1267038</b>

$$X^2 = \sum (O-E)^2 / E = 10.12670376$$

Level of Significance : 5%

Degree of Freedom : 24 (row-1)x(col-1)

Thus, Calculated Value : 10.12670376

Tabulated Value : 36.415

Expected Value (row total x col total)/Number of sample

### 3. Income Level and Brand

Observed O	Expected E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
8	9.88	-1.88	3.534	0.35773279
13	13.3	-0.3	0.09	0.00676692
17	14.82	2.18	4.752	0.32067476
6	5.2	0.8	0.64	0.12307692
7	7	0	0	0
7	7.8	-0.8	0.64	0.08205128
4	4.94	-0.94	0.884	0.1788664
6	6.65	-0.65	0.423	0.06353383
9	7.41	1.59	2.528	0.34117409
1	1.04	-0.04	0.002	0.00153846
2	1.4	0.6	0.36	0.25714286
1	1.56	-0.56	0.314	0.20102564
4	1.56	2.44	5.954	3.81641026
2	2.1	-0.1	0.01	0.0047619
0	2.34	-2.34	5.476	2.34
1	1.3	-0.3	0.09	0.06923077
2	1.75	0.25	0.063	0.03571429
2	1.95	0.05	0.003	0.00128205
2	2.08	-0.08	0.006	0.00307692
3	2.8	0.2	0.04	0.01428571
3	3.12	-0.12	0.014	0.00461538
			<b>Sum</b>	<b>8.22296125</b>

$$X^2 = \sum (O-E)^2 / E = 8.222961249$$

Level of Significance : 5%

Degree of Freedom : 12 (row-1)x(col-1)

Thus, Calculated Value : 8.222961249

Tabulated Value : 21.026

Expected Value : (row total x col total)/Number of sample

#### 4. Sex and Brand

Observed O	Expected E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
21	20.52	0.48	0.2304	0.01122807
17	17.48	-0.48	0.2304	0.013180778
11	10.8	0.2	0.04	0.003703704
9	9.2	-0.2	0.04	0.004347826
9	10.26	-1.26	1.5876	0.154736842
10	8.74	1.26	1.5876	0.181647597
3	2.16	0.84	0.7056	0.326666667
1	1.84	-0.84	0.7056	0.383478261
3	3.24	-0.24	0.0576	0.017777778
3	2.76	0.24	0.0576	0.020869565
2	2.7	-0.7	0.49	0.181481481
3	2.3	0.7	0.49	0.213043478
5	4.32	0.68	0.4624	0.107037037
3	3.68	-0.68	0.4624	0.125652174
			<b>Sum</b>	<b>1.744851259</b>

$$\chi^2 = \sum (O-E)^2 / E = 1.744851259$$

Level of Significance      5%

Degree of Freedom :      6                      (row-1)x(col-1)

Thus, Calculated Value :   1.744851259

Tabulated Value :            12.592

Expected Value                (row total x col total)/Number of sample