

**PROMOTION ON CONSUMERS BEHAVIOR AND JEWELRY  
SALES IN KATHMANDU VALLEY**

**A Thesis**

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*In Partial Fulfillment of the Requirement for the Degree of  
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## **RECOMMENDATION**

This is to certify that the thesis

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**PROMOTION ON CONSUMERS BEHAVIOR AND JEWELRY  
SALES IN KATHMANDU VALLEY**

*has been prepared as approved by this Department in the prescribed format  
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## **DECLARATION**

I hereby declare that the work reported in this thesis entitled "**Promotion on Consumers Behavior and Jewelry Sales in Kathmandu Valley**" submitted to Office of the Dean, Faculty of Management, Tribhuvan University is my original work conducted in the form of partial fulfillment of the requirement for the degree of Master of Business Studies (M.B.S) under the supervision of respected supervisors **Asso. Prof. Suman Kamal Parajuli** of Shanker Dev Campus, T.U.

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## ABBREVIATIONS

%	:	Percentage
D	:	Disagree
DOP	:	Date of Publication
ES	:	Employee Satisfaction
M	:	Moderate
MBS	:	Master in Business Studies
Mkt.	:	Marketing
No.	:	Number
Res.	:	Respondents
S.N.	:	Serial Number
Ser.	:	Service
SLC	:	School Leaving Certificate
Stu.	:	Student
T.U	:	Tribhuvan University
TV	:	Television

# **CHAPTER-I**

## **INTRODUCTION**

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

Promotion is a key element in the marketing mix, functioning as a process of communication that involves information, persuasion, and influence. This process includes all forms of communication, whether personal or impersonal, with customers and middlemen in the distribution network. The main purpose of promotion is to inform, persuade, and influence prospective customers. Techniques such as personal selling, advertising, publicity, public relations, and sales promotion are widely utilized to inform people about product availability and create a desire to purchase.

Promotion encompasses any form of communication used to inform, persuade, influence, and remind people about an organization's or individual's goods, services, image, ideas, community involvement, or societal impact. A management concept central to this is the integration of all aspects of marketing communication such as advertising, sales promotion, public relations, and direct marketing so they work together as a unified force rather than in isolation. This integration ensures that all forms of communication and messages are carefully linked together.

At its most basic level, integrated marketing communications (IMC) means coordinating all promotional tools to work in harmony. IMC is an approach to planning communications that enables a marketing firm to achieve better results from campaigns and reduce marketing costs by integrating tools such as advertising, direct mail, social media, telemarketing, and sales promotion (Amtataw, 2017:14).

Integrated marketing communication (IMC) provides clarity, consistency, and maximum communication impact. It involves the careful coordination of all promotional messages for a product or service to ensure message consistency at every contact point between the company and the consumer. IMC combines all promotional elements advertising, sales promotion, personal selling, public relations, direct marketing, and other forms of communication into a unified strategy. This process ensures that consumers receive a cohesive and compelling brand message across all

channels. IMC enhances the reach of marketing efforts to consumers and facilitates the engagement of customers with the marketing activities (Amtataw, 2017).

Promotion refers to the entire set of activities that communicate a product, brand, or service to the user. Its goal is to raise awareness, attract interest, and persuade people to choose the product over others. This form of communication between buyers and sellers aims to persuade consumers to purchase goods or services through various promotional efforts. Promotion helps inform people about a product, service, or company, and it also plays a role in enhancing the public image of a company.

As one of the basic elements of the marketing mix, which includes the four Ps—product, price, promotion, and place—promotion is essential. It is also a key component of the promotional mix or plan, which includes personal selling, advertising, sales promotion, direct marketing, and publicity, as well as event marketing, exhibitions, and trade shows.

Determining your promotional marketing objectives is vital to achieving your goals. These objectives may include promoting new products or services, introducing them to the market, and helping them find a place in a competitive niche (Amtataw, 2017).

Promotional material can be part of direct marketing efforts, such as mail or email campaigns that include coupons. These materials might also feature contests that encourage consumer participation or offer free product samples to generate interest. Promotions are frequently employed during live interactions as well. Ultimately, the goal of any promotional marketing campaign is to raise awareness about a product or enhance its appeal. Promotional marketing benefits both new and existing customers by providing new customers with an incentive to try the product for the first time and fostering loyalty among existing customers (Amtataw, 2017:14).

Promotional marketing not only drives sales but also increases the likelihood that customers will remember specific details about the company. Recent data from the Promotional Products Association found that 76 percent of people who own promotional materials recall details about the promotion, the company it promoted, and even specific contact information like phone numbers and email addresses associated with the campaign.

This study examines the impact of promotion on consumer behavior and jewelry sales in the Kathmandu Valley. It focuses on how various promotional strategies affect consumer behavior and market demand for jewelry products. Promotion is a crucial business tool that helps increase market demand for products and services. The study specifically investigates the influence of promotional programs on product demand and consumer behavior in the jewelry market of Kathmandu Valley.

The research includes analysis of advertisements, government incentives, policies, consumer behavior, advertising methods, and their impact on buying decisions. A descriptive and analytical research design is employed, with data analyzed using SPSS software. Descriptive statistics are used for data presentation and analysis (Amtataw, 2017).

## **1.2 Problem Statement**

The study focuses on promotion in the jewelry market, highlighting promotion as one of the most important tools companies use to persuade target buyers to purchase their products or services. Promotion plays a crucial role in marketing and related sectors, serving various specific purposes. Its importance has grown significantly, as many companies rely on promotion to introduce products to target markets effectively. Promotion can shift the product demand curve upward, with the success or failure of a product often hinging on the success or failure of promotional efforts.

Different forms of advertising, publicity, personal selling, and sales promotion contribute to a comprehensive promotion mix that can reach various audiences. In today's world, the popularity of promotion is steadily increasing. It is vital for producers to understand how popular their products are among different demographics. Different types of promotions through various mediums appeal to customers in different ways, and careful analysis is essential for the success of any promotional activity. However, in Nepal, there is a lack of extensive analysis and research on this subject. Very few studies have been conducted to explore the effectiveness of promotional strategies in the country. This study will cover's the following problems:

- What is the impact of promotion on buying behavior of jewelry customer?

- Which one is the most preferred promotion means of jewelry product?
- What is the impact of promotion on jewelry sales?

There above findings can be more useful for the advertiser while selecting among media according to their product types.

### **1.3 Objectives of the Study**

The main objectives of the research is impact of promotion on consumer behavior on jewelry sales on Kathmandu valley and the specific objectives are as following:

- To analyze the impact of promotion on buying behavior of jewelry customer.
- To assess the most preferred promotional means of jewelry product.
- To examine the impact of promotion on jewelry sales.

### **1.4 Hypothesis of the Study**

- There is a significant impact of promotion on buying behavior of jewelry customer.
- There is significant association between promotional means and jewelry product.
- There is a significant association between promotion and jewelry.

### **1.5 Rationale of the Study**

Marketing management has become increasingly complex and challenging due to globalization, advanced information technology, and rapid changes in customer preferences. Introducing new products, modifying existing ones, penetrating new market segments, and withdrawing from declining markets have become routine activities in today's sophisticated market. For survival and growth in such a competitive environment, advertising and sales promotion play vital roles in creating push and pull demand in the market.

In the modern market, promotion is a crucial component for the success of companies and their products. It informs customers about products, companies, and services provided by manufacturers. To maintain profitable factory output, promotion must be powerful and continuous. Mass production requires mass consumption, which, in turn,

necessitates promotion through various media. Promotions serve informative, persuasive, and reminder roles in the market, helping to capture high customer equity by attracting potential customers and retaining loyal ones.

The objectives of promotion can vary at different stages of a product's life cycle, but it is essential at all stages for growth and survival. As such, promotional activities have become one of the most important, efficient, and effective marketing tools for gaining market share and communicating product information to customers. An effective promotion strategy has become a critical success factor (CSF) for organizations, underpinning their strategic advantages.

The rationale of the study are as follows:

- It helps to formulate the promotion program for the jewelry industry, with conclusion of report.
- It is also helpful to select the means of promotion for the industry in the market
- It contributes management in decision making process regarding the promotion.
- It helpful to analyze the promotion perception trend of customer and modify the promotion mix.

### **1.6 Limitations of the Study**

Marketing has broad area to study, but the research is become the specific because of various constraint and finding specific result. So, in the process of conducting research researcher has to consider limitation on the study. In this dissertation following are the main limitation:

- The study focuses on the impact of promotion on jewelry sales in Kathmandu valley only.
- The study has taken total sample of 400 out of them 300 are customers and 100 are jewelry entrepreneurs.
- The study is based on primary data are taken from the field study in jewelry industry only.

## **CHAPTER-II**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

A literature review is a crucial component of the research process. It involves reading and evaluating existing materials in the area of interest, helping to narrow down a broad topic into a specific research problem. Through a literature review, researchers gain insights into how to conduct their studies, understanding the theoretical background and methodologies related to their topic.

Any research project, regardless of its scale, requires reviewing what others have written about the area of interest, gathering information to support or refute arguments, and documenting findings. Ideally, most of this reading should be done early in the investigation, although in practice, various research activities often progress simultaneously, and reading may continue into the data collection stage. It is essential to show how the problem under investigation relates to previous research studies. In some fields, it is important to place the problem within a theoretical framework, necessitating a review of the underlying theory.

The primary objectives of a literature review are to identify variables relevant to the research, recognize previous research findings, avoid duplicating existing research, synthesize prior works, and determine the meaning and relationships among variables. Additionally, it helps to introduce new perspectives and insights into the field of study.

#### **2.2 Theoretical Review**

A theoretical literature review helps establish existing theories, their interrelationships, the extent to which they have been investigated, and the development of new hypotheses to be tested. The unit of analysis can focus on a theoretical concept, an entire theory, or a framework. The research is guided by inductive logical reasoning and relies on both primary and secondary data, with most data collected from the field of study.

The relationship between promotions and sales is analyzed based on customer reactions in the market. Generally, there is a significant relationship between promotion and sales, and customer perception of promotions is typically positive across different promotional methods (Koirala, 2019:200).

### **2.2.1 Concept of Promotion**

Promotion is the process of marketing communication that involves conveying information, persuasion, and influence. It serves three specific purposes: communicating information to consumers, users, and resellers. Promotional efforts are powerful competitive tools that enhance the entire marketing program. Promotion has been defined as the coordinated, self-initiated efforts to establish channels of information and persuasion to facilitate or foster the sale of goods or services, or the acceptance of ideas or viewpoints.

Promotion includes all activities undertaken by a company to communicate and promote its products to the target market. These activities inform customers and marketing agents about the products and services offered by the company to meet customer needs, wants, and desires. Promotion ensures the right product is sold in the right place at a reasonable price, effectively communicating product details and pricing to the target market.

According to the theory, promotion supports product sales in the market. It supplements efforts and acts as impersonal salesmanship, making sales efforts more productive. Good promotional materials increase the speed and acceptance of products in the market. Instruments like discount coupons, promotional coupons, and contests help boost product sales.

Promotion is one of the key elements in the marketing mix. Marketing aligns products with the specific needs and wants of buyers, but product quality, pricing, and placement alone cannot achieve organizational objectives effectively. Therefore, promotion is an essential element of marketing (Koirala, 2019:200).

#### **2.2.1.1 Objectives of Promotion**

The main objectives of the promotion are as follows:

**a. Informing:** promotional primary function is communication of product and organization to buyers and potential customer.

**b. Persuading:** Promotion persuades buyers to make purchase decision in favor of a company or brand.

**c. Reminding:** Buyers have short memory about the marketing activities and product of company. So, the promotional program works as reminder.

**d. Reassuring:** Promotion also plays the role of reassuring the buyers on the quality and benefits of the product (Koirala, 2019:210).

### **2.2.1.2 Promotion Mix**

The promotion mix considers various components and they are as follows

**a. Advertising:** Advertising is a sales message directed to the masses on behalf of a paying sponsor. Effective advertising enhances the sales of products and services by informing customers and buyers about product features, pricing, quality, and the organization itself.

**b. Personal Selling:** Personal selling involves oral presentations in conversations with one or more prospects to facilitate sales. As a promotional tool, personal selling influences product sales by building relationships, providing immediate solutions to customer issues, and persuading potential buyers.

**c. Sales Promotion:** Sales promotion refers to short-term incentives designed to stimulate demand among customers, middlemen, and sales personnel. These promotions attract customers through temporary, appealing offers such as coupons and incentives, ultimately increasing sales by enticing customers to purchase products.

**d. Public Relations:** Public relations entail deliberately planned and sustained efforts to establish and maintain mutual understanding between an organization and its public. By engaging in social initiatives, honoring senior citizens, addressing marginalized group needs, and fostering strong community relationships, public relations create a positive public perception of the organization and its products. This positive association can lead to increased product demand in the market (Koirala, 2019).

### 2.2.2 Concept of Advertising

The term advertising originates from the Latin word ‘advert ore’, meaning ‘to turn the attention’. Advertising effectively directs attention towards specific products and services, serving as a vital mass communication tool in marketing that enables mass selling. It is renowned as a powerful means of communication in marketing circles.

Advertising aims to promote the sales of goods, services, and ideas by consistently reaching out to consumers through targeted advertising communication. Essentially, it functions as a sales message directed to the masses on behalf of the sponsoring entity.

#### Component of the Advertising

The components of advertising are as follows:

- a. **Mission:** Advertising is guided by its mission to promote the products and services of an organization. Its objectives include informing, persuading, reminding, and reassuring customers about the benefits of the offerings.
- b. **Money:** Advertising involves financial costs borne by the organization. These costs include development expenses such as copywriting, illustrations, layout and design, production costs such as filming, photography, and printing, media costs for placement, and administrative expenses related to managing advertising campaigns.
- c. **Message:** Advertising communicates messages through words, signs, pictures, and symbols. These elements are carefully crafted to create positive perceptions in the minds of customers and reinforce brand attributes.
- d. **Media:** Advertising utilizes various media channels for dissemination. Indoor media includes TV, radio, newspapers, films, etc., while outdoor media includes posters, billboards, electronic signs, and banners. Direct media involves channels like mail and publications, and display media includes window displays and product demonstrations.
- e. **Measurement:** Advertising effectiveness is measured in several ways. Impact on target customers or markets assesses communication effectiveness, while sales measurement evaluates the direct impact on product sales. Cost measurement quantifies the financial investment in advertising campaigns and compares it against the outcomes achieved (Shrestha, 2070:26).

### 2.2.3 Personal Selling

Personal selling is the process of providing information, assistance, and persuasion directly to individuals to encourage them to purchase a product or service through direct personal contact. It involves face-to-face communication between a seller and a buyer. In this promotional technique, salespersons deliver oral presentations to one or more customers with the goal of making a sale. Those responsible for conducting these face-to-face interactions are known as salespersons or sales representatives. This form of communication is integral to integrated marketing communication strategies. Selling is a ubiquitous activity practiced by a vast number of people worldwide. Salespeople utilize selling techniques to market products and services, non-profit organizations employ selling to promote social causes, politicians sell their candidacy, and religious organizations promote their faith.

#### **Advantages of Personal Selling**

- a. **Personal Contact:** Personal selling is particularly effective in markets where the size is small and direct personal contact is crucial to persuading customers about the merits of the product.
- b. **Stimulate Buyers' Needs:** When buyers' needs are dormant or latent, and advertising alone is insufficient to stimulate interest, personal selling becomes necessary to actively engage and persuade potential customers.
- c. **Overcome Buyer Resistance:** Personal selling aims to overcome buyers' resistance to making a purchase by addressing objections, providing reassurance, and building trust through direct interaction.
- d. **Effective in Building Personal Relationships:** The interactive nature of personal selling makes it highly effective for building strong relationships with customers. Salespersons can tailor their approach based on individual customer preferences and needs, fostering loyalty and trust over time.
- e. **Convey More Information:** Personal selling allows salespeople to provide more detailed and customized information to customers compared to other promotional tools. This personalized approach ensures that customers receive comprehensive answers to their queries and concerns.
- f. **Suitable for Selling High-Value Products:** Personal selling is particularly suitable for selling high-value products that require in-depth explanation, customization, and personal engagement to convince buyers of their value and benefits.

g. **Create Greater Impact:** Personal selling creates a more immediate and impactful impression on buyers compared to advertising. The direct interaction allows for real-time feedback and adjustment, ensuring that customers receive immediate answers and solutions to their inquiries, thereby enhancing the overall buying experience (Koirala, 2019:151).

#### **2.2.4 Sales Promotion**

Sales promotions are brief, targeted incentives designed to boost the sales of a product or service. They serve as direct inducements, offering additional value and incentives to sales forces, distributors, and end consumers with the primary goal of generating immediate sales. Sales promotions encompass a variety of tactics such as coupons, sampling, free gifts, discounts, contests, trade shows, exhibitions, allowances, and more. These tools are instrumental in eliciting rapid and direct responses from consumers, sales forces, and distributors alike.

The essence of sales promotion lies in its ability to stimulate demand in the short term. It targets customers, intermediaries (middlemen), and sales personnel, aiming to accelerate and increase purchases of specific products or services within a defined period. This diverse collection of incentive tools, predominantly short-term in nature, is strategically designed to foster quicker and more substantial buying actions in the marketplace.

a. **Short Term:** Sales promotions are designed to operate for a limited duration, typically ranging from seven days to three months, sometimes aligning with seasonal opportunities. Unlike advertising and personal selling, which can be ongoing, sales promotions are generally non-cyclical and are often not repeated within the same year.

b. **Incentive:** Sales promotions offer deals or incentives to buyers, with the size of the incentive being attractive enough to prompt immediate action. These incentives often translate into direct economic benefits or savings for the consumer. Unlike other promotional tools that provide reasons to buy a product, sales promotion is more aggressive and directly encourages immediate purchase through incentives.

c. **Quicker Response:** Sales promotions are geared towards achieving rapid results, such as increased sales volumes and faster sales turnover. They stimulate existing

customers to purchase more and attract new customers to try the product. However, sales may temporarily decline once the promotion ends, stabilizing gradually afterward. Thus, sales promotion schemes are primarily aimed at achieving either immediate sales spikes or sustained higher sales volumes within a short timeframe.

d. **Target Audience:** Sales promotions target either consumers or dealers. Consumer promotions include tactics like samples, premiums, contests, temporary price reductions, and special displays. Dealer promotions involve cash discounts, quantity discounts, display and advertising allowances, gifts, prizes, and free products. Therefore, the target audience for sales promotions can encompass consumers, trade channels (dealers/retailers), and sales personnel. The specific tools used in sales promotions vary based on the target category.

Philip Kotler emphasizes that companies use sales promotion tools to elicit a stronger and more immediate response. Sales promotions can dramatize product offers and revive flagging sales, typically influencing brand preferences over the short term.

According to Frank Jerkins in "Advertising Today," sales promotion acts as a bridge between advertising and sales, employing communication methods distinct from traditional advertising and personal selling. While all elements of the marketing communication mix—advertising, personal selling, publicity, and sales promotion—come together, sales promotion activities stand out due to their unique approach.

In "Principles and Practice of Marketing in India," sales promotion is described as a bridge between advertising and personal selling, supplementing and coordinating efforts in both areas. In contemporary times, the significance of sales promotion has risen markedly. Sales promotional materials are often the only promotional tools available at the point of purchase, reminding or stimulating consumers to make prompt purchases right at the point of sale.

Koirala, in "Marketing Decision," defines sales promotion as non-recurrent activities aimed at reinforcing personal selling and advertising efforts to stimulate consumer purchases and enhance dealer effectiveness. Sales promotion strategies typically target consumers directly or retailers, with consumer promotions focused on reaching consumers at home, business locations, or within retail environments to counter competitors' promotions or mitigate seasonal sales declines.

## **Consumer Promotion Method**

They are directed at consumer. They consist of:

- a. **Free Sample:** Offering a free amount of a product allows consumers to try it without cost. Free samples can be distributed by mail, door-to-door delivery, in-store handouts, or attached to another product. This method is particularly effective for introducing new products to consumers, despite being costly to implement.
- b. **Coupons:** Coupons are certificates that offer cash or product discounts and can be redeemed during a purchase. They may be included in product packaging, mailed directly, inserted in newspaper ads, or distributed at the point of sale. Coupons are effective for stimulating sales of established products, with redemption rates typically ranging from 2% to 20%. To attract consumers, coupons usually offer savings of around 15% to 20%.
- c. **Rebates:** Rebates provide consumers with a refund or price reduction after purchase. Consumers typically submit proof of purchase to the manufacturer to receive the rebate. This method encourages purchases by offering a potential refund, thereby lowering the effective price of the product.
- d. **Premium:** Premiums are free gifts or low-cost items offered with the purchase of a specific product. They can be included as "with pack premiums" (inside or on the package) or as reusable containers serving as the premium themselves. For example, free glasses with beer bottles. Premiums enhance the perceived value of the purchase, incentivizing consumers to buy.
- e. **Price-Off:** Price-off promotions reduce the price of a product, advertised through package labels or newspaper ads. They can feature "reduced-price packs" or "branded packs" combining related products (e.g., toothbrush with toothpaste). Price-off promotions stimulate sales during off-seasons or periods of reduced demand.
- f. **Contests and Prizes:** Contests and prize promotions offer consumers the chance to win cash, trips, or products by participating. Consumers enter contests by filling out questionnaires, providing suggestions, or entering lotteries. Contest rules specify conditions for participation, attracting consumer engagement and fostering brand awareness.
- g. **Display and Demonstration:** Displays and demonstrations are designed to attract consumer attention and encourage impulse buying. Product demonstrations at trade fairs and exhibitions highlight product features and benefits, convincing consumers to

make a purchase. Products are often displayed prominently at counters, floors, and checkout points to maximize visibility and encourage trial (Bloom & Silver, 2012).

### **2.2.5 Publicity**

a. **Cost-free:** Publicity offers significant advantages as a cost-free promotional method. Through social media and word-of-mouth, publicity typically involves minimal financial investment, leveraging media coverage to disseminate information without direct payment.

b. **Credibility:** Unlike paid advertising, which is perceived as biased, publicity gains credibility through third-party endorsements and journalistic objectivity. Positive publicity from reputable sources can enhance a company's reputation, validating its products or services in the eyes of the public.

c. **Branding:** Consistent publicity efforts contribute to brand strengthening by continuously exposing the company's name to potential customers. Over time, repeated exposure through media coverage helps establish the company as a recognizable brand, potentially becoming a household name in the minds of consumers (Koirala, 2019).

### **2.2.6 Public Relations**

Public relations (PR) is the deliberate and ongoing effort to cultivate mutual understanding between an organization and its various publics. It serves as a strategic management tool aimed at shaping positive attitudes towards the organization, its products, and its mission. Despite its critical role, PR often receives less attention compared to other promotional tools such as personal selling, advertising, and sales promotion. Its primary goal is to enhance and maintain a favorable public image of the organization.

#### **Public Relation Method**

a. **Media outreach:** Media relations involves leveraging local, national, and international media channels to disseminate positive news stories about the organization and its products. This effort often includes distributing press releases, coordinating company events, and participating in sponsorship programs to gain favorable media coverage.

- b. **Community engagement:** Group relations focus on collaborating with various community entities such as local community groups, employee associations, customer organizations, and social institutions to address social issues and foster positive relationships. This engagement can involve partnerships with wholesaler associations, retailer groups, and humanitarian organizations like the Red Cross.
- c. **Advocacy:** Lobbying activities encompass maintaining personal relationships with influential individuals or groups who can advocate for the organization's interests and goals within governmental or regulatory contexts (Koirala, 2019).

### **2.2.7 Concept of Consumer Behavior**

An organization must acknowledge and value consumer feedback regarding product features, pricing, and interests, as these insights can give them a competitive edge over other products. The stimulus-response model of consumer behavior aids in understanding how consumers make decisions when purchasing products. Two prominent models include the traditional model and contemporary models.

Consumer behavior refers to the purchasing decisions made by individual customers or households who buy goods and services for personal use. Understanding consumer behavior is crucial for product positioning, developing effective marketing strategies, and fostering long-term customer relationships. It influences customer perceptions of product performance, guides product feature development, informs pricing strategies, and influences decisions about introducing new products.

Various consumer behavior models, such as the Nicosia model, Howard-Sheth model, Engel-Kollat-Blackwell model, Sheth family decision-making model, and Bettman's information processing model of consumer choice, offer insights into how consumers choose products and the factors that influence their purchasing decisions (Ghimire, 2074).

#### **2.2.7.1 Factors influencing consumer buying behavior**

Consumer behavior is shaped by several key factors that influence their preferences and decisions when purchasing products:

- a. **Social Factors:** These include influences from reference groups, both primary and secondary, as well as family dynamics. Reference groups are important because they provide social norms, values, and expectations that influence consumer choices.

Family plays a significant role in shaping consumer behavior through upbringing, roles, and relationships within the household.

**b. Personal Factors:** These encompass individual characteristics such as age, gender, lifestyle, occupation, and financial status. Age and stage of life often dictate purchasing needs and behaviors, while occupation and financial status influence purchasing power and preferences.

**c. Psychological Factors:** Motivation, perception, beliefs, and attitudes form the core of psychological influences on consumer behavior. Motivation drives individuals to fulfill specific needs, while perception filters how they interpret information about products. Beliefs and attitudes shape preferences and decision-making processes.

**d. Cultural Factors:** Culture, subculture, and social class are crucial in understanding consumer behavior within broader societal contexts. Culture provides a framework for values, customs, and traditions that influence product preferences. Subcultures within larger societies introduce variations in behavior based on shared characteristics like ethnicity or religious beliefs. Social class affects consumer behavior by defining lifestyles, preferences, and consumption patterns.

These factors are dynamic and interact in complex ways, influencing consumer behavior throughout the process of evaluating, purchasing, and using products and services (Ghimire, 2074).

### **2.2.7.2 Traditional Models**

Traditional models consist of four different models; they are as follows:

**a. Economic Model:** This model focuses on the "act of purchase" by the "average consumer" and describes what a buyer would purchase and in what quantity. Under the economic model of consumer behavior, buyers aim to maximize efficiency from products based on the law of diminishing marginal utility. Their goal is to maximize profits while minimizing costs.

**b. Learning Model:** Every human has fundamental needs such as food, shelter, and clothing, which drive consumer behavior. The consumer's needs determine whether they will purchase a product. For example, if a consumer needs food, they may postpone purchasing clothes until later when their budget allows.

**c. Psychological Model:** This model recognizes that consumer behavior is influenced by both conscious and unconscious factors. It draws from Sigmund Freud's theory of the three levels of consciousness: the id, which represents innate desires; the

superego, shaped by societal values; and the ego, which balances between the id and superego. Symbols such as a company's name or logo can affect the consumer's unconscious mind, influencing their purchasing decisions. Consumers may also unknowingly purchase products they believe are genuine, even if they are counterfeit, due to lack of awareness or time constraints.

d. **Sociological Model:** According to this model, individual consumers are members of society and are influenced by it while also influencing its development. It posits two types of groups: primary groups, which include friends, relatives, and family members; and secondary groups, which encompass broader societal influences such as cultural norms, personality types, and shared needs (Ghimire, 2074:223).

### **2.2.7.3 Contemporary Models: There are various model under contemporary model of consumer behavior**

a. **Nicosia Model:** Developed by Francesco Nicosia, this model focuses on the relationship between a firm and its potential consumers. In essence, the firm communicates with consumers through marketing communications such as advertising, and consumers respond to the firm through their actions. The Nicosia model is interactive in design, aiming to influence consumer purchasing decisions and to receive feedback from consumers based on their interactions with the firm.

The Nicosia model consists of four main components:

- **Consumer Attitude Formation:** How consumers form attitudes based on the firm's messages and communications.
- **Search and Evaluation:** The process consumers undertake to search for and evaluate products or services offered by the firm.
- **Act of Purchase:** The decision-making and purchasing process consumers go through when they decide to buy a product or service.
- **Feedback:** Consumers' responses and feedback to their experience with the firm's products or services.

b. **Howard-Seth Model:** The semodel was developed by John A. Howard and Jagdish N. Sheth in 1969. It is the major revision of earlier systematic effort to develop a comprehensive theory of consumer decision making model. Model explicitly distinguishes among three levels of learning are as follows:

- Extensive Problem solving: At the initial point, the knowledge and belief of consumer about brand of product is very limited. Consumers have no brand preferences and interesting to see information about numbers of brand in market.
- Limited brand Solving: Due to limit knowledge and belief brands are partially established. It means consumers are not fully access various brand in order to reach brand preferences. Some brand information is sought compared to other and criteria are likely to be fairly well defined. To make good preference some product criteria must be well defined and positioning on consumer mind. What consumer desire by product, company should consider those things effectively.
- Routinized response behavior: Routinized response behavior shows the consumers have knowledge and belief about brands well. And there is enough experience and information to avoid confusion about the various brands. Consumers are loyal towards some specific brand.

These above point shows initially, consumers have scarce of knowledge, belief on the specific brand. Secondly limited brand solving through communication and make brand loyal by creating knowledge, belief and assurance of consumer. It indicates communication between consumer and firm make loyalty of consumer towards particular brand (Howard & Sheth, 1969).

#### **2.2.7.4 Decision Making Model**

Decision making is the process of carefully selecting the best option among several available alternatives. In marketing, the decision-making process refers to how consumers become aware of and identify their needs, gather information to solve these needs, evaluate available options, make a purchase decision, and assess their purchase afterwards.

While many believe the pivotal moment in a sale is when a customer makes a purchase, influencing consumer behavior involves understanding and optimizing every step of the consumer decision-making process. Consumers don't simply buy; their purchasing behavior is influenced by a multitude of factors. Often, businesses concentrate on optimizing specific stages, such as streamlining checkout processes or acquiring customers through Search Engine Optimization (SEO).

### **a. Bettman's information-processing Model of Consumer Choice**

Bettman's information-processing model of consumer choice had been developed. The model of consumer choice subscribes to a distinctly cognitive and information-processing point of view. Consumers has limited by capacity for processing information. when faced with a choice, the consumer rarely undertakes very complex analysis of available alternatives. As suggested by the model, the consumer typically employe's simple decision strategies.

- The overview of the Bettman model contains its seven basic components.
- Processing capacity
- Motivation
- Attention and perceptual encoding
- Information acquisition and evaluation
- Memory
- Decision process

Consumer's choice is depending on various factors like processing capacity on consumer about information of brand of product, motivation by promotional program of organization, attention and perceptual encoding of information by buyer, information acquisition and evaluation of information, memory of information by consumer and decision process of consumer to buy product or services.

In addition, the model includes, at appropriate points, mechanisms that continually scan the environment, and receive and respond to interruption (Philip & Keller, 2011: 583).

### **2.2.7.5 Sheth-Newman-Gross Model**

The model developed by Sheth and Newman elucidates why consumers opt to purchase or abstain from purchasing a particular product, why they select one product category over another, and their decision-making processes encompassing various product types such as consumer non-durables, consumer durables, and industrial goods and services (Shrestha, 1990:586).

The model is based on three propositions

- Consumer choice is a function of a small number of consumption values.
- Specific consumption values make differential contributions in any given choice situation.
- Different consumption values are independent.

These propositions of model indicate choices of consumers are related with small number of consumption values. Consumer consider differential contribution of product values at the time of choice and consumption values are independent each other (Schiffman & Kanuk, 1993).

#### **2.2.7.6 Engel –Kollat -Blackwell Model (1978)**

This model is designed to address the challenges in understanding consumer behavior by examining the information gathering process and the factors influencing consumer decisions. It identifies four distinct activities that occur in the consumer decision-making process:

- a. Problem Identification: Consumers recognize discrepancies between their current situation and their desired state, often prompted by external stimuli.
- b. Information Search: Consumers face challenges in gathering information from various sources to make informed decisions.
- c. Evaluation of Alternatives: Before making a purchase, consumers evaluate various products and brands based on their needs and affordability.
- d. Purchase Decision: Consumers decide which product to purchase based on personal preferences, needs, and influences from friends or family.
- e. Response: Marketing efforts influence consumers' decisions by creating impressions that prompt them to make a purchase. Effective marketers understand consumer psychology and can convert consumer desires into actual purchases of products (Porter, 2005).

#### **2.2.7.7 IMC - The New Promotional Concept**

During the 1980s, many companies recognized the need for a more strategic integration of their promotional tools. This led to the emergence of integrated

marketing communications (IMC), which involves coordinating various promotional elements and marketing activities to communicate effectively with a firm's customers. As markets embraced IMC, companies shifted from relying primarily on media advertising to coordinating a variety of promotional tools. Ad agencies were tasked with integrating public relations, sales promotion, direct marketing, and other specialists into cohesive promotional plans. Some agencies expanded their services to become IMC agencies, offering comprehensive promotional solutions under one roof. The concept of IMC gained traction beyond being a passing trend. Terms like "new advertising," "orchestration," and "seamless communication" were used to describe this integrated approach. The American Association of Advertising Agencies (4As) defined IMC as a concept of marketing communications planning that evaluates the strategic roles of various communication disciplines—such as advertising, direct response, sales promotion, and public relations—to provide consistency, clarity, and maximum impact.

IMC requires a holistic approach to planning marketing and promotion programs, encompassing all of a firm's marketing activities, not just communication with customers. It aims to create a unified image through consistent messaging across media advertisements, pricing strategies, packaging designs, direct marketing efforts, public relations activities, websites, point-of-sale displays, and retail environments.

Many companies have embraced IMC as a way to manage their marketing communications effectively, ensuring consistent messaging about their brands. It represents an improvement over traditional methods by integrating marketing and communication elements into cohesive strategies. Beyond coordination, IMC helps companies identify the most effective methods for communicating and building relationships with customers, as well as other stakeholders like employees, suppliers, investors, interest groups, and the public.

According to Tom Duncan and Sandra Moriarty, IMC is part of a new generation of marketing approaches that enable companies to focus efforts on acquiring, retaining, and developing relationships with customers and stakeholders through communication-based marketing models (Belch and Michael, 2002:18).

## **2.3 Review of Related Studies**

### **2.3.1 Review of Journal/Articles**

Balanaga (2012) conducted a study titled "Impact of Customer Awareness and Buyer Behavior on Buying Jewelry Products." The study utilized primary data collected from 100 respondents selected through convenience sampling. Statistical tools such as correlation analysis, mean, and chi-square test were employed to analyze the respondents. The findings revealed that among the jewelry products surveyed in Tamil Nadu state: Jewelry had the highest priority with a mean rating of 4.60. Silver Jewelry followed as the second priority with a mean rating of 2.30. Diamond Jewelry ranked lower with a mean rating of 1.12. Platinum Jewelry, considered a new investment method, received the lowest priority with a mean rating of 0.62 in customer buying behavior and awareness. These results highlight the preferences and priorities of consumers in Tamil Nadu regarding different types of jewelry products.

Vekariya and Patel (2012) authored an article titled "A Study on Consumer Buying Behavior Towards Diamond Jewelry in Surat Region." The study aimed to analyze consumer buying behavior concerning diamond jewelry in Surat. The researchers employed a structured questionnaire to gather data from the field. Statistical methods such as chi-square and cross-tabulation were utilized for analysis.

The study concluded that consumer behavior encompasses the sum of a consumer's preferences, intentions, and decisions regarding their behavior in the marketplace when purchasing products and services. Understanding consumer behavior aids in devising strategies, marketing development, and other impactful initiatives.

Kain (2013) conducted a study titled "Consumer Perceptions of Burmese Shoppers on Gems and Jewelry Products," aiming to explore the relationship between demographic factors and consumer perceptions regarding product quality, design, price, and promotion. The study sampled 385 respondents using a simple random sampling technique in Mandalay Division, Myanmar. Primary data collected were analyzed using percentage analysis.

The findings highlighted that Burmese shoppers' perceptions of gems and jewelry products are significantly influenced by factors such as product quality, design, price, and demographic variables including gender, age, income, and education levels. Kain

tested sixteen hypotheses, revealing significant differences in perceptions related to product quality with age, income, and education levels, and in perceptions related to product design with education level.

The study emphasized that product quality and design play crucial roles in consumer behavior, directly impacting company revenues. The majority of Burmese gems and jewelry shoppers were found to be male, aged between 21 and 30 years, with undergraduate education and monthly incomes between \$501 and \$1,000 (approximately 500,000 to 1,000,000 kyat). These insights underscored the need for enhanced marketing strategies to raise awareness among current and potential customers in the Burmese market.

Srinivas et al. (2014) conducted a study titled "A Study of Customers' Attitudes and Behavior on the Purchase of Gold Jewelry in Chennai City." The study suggests that ornamental gold in India serves not only as a status symbol and a mark of respect but also as a liquid asset. Indians frequently purchase gold in various forms, regardless of occasions such as weddings and religious ceremonies. The cultural and religious significance of gold plays a crucial role in its prominence in Indian society, reflecting its enduring importance even after prolonged use, owing to challenges in assessing its quality.

Sultana and Islam (2015) authored an article titled "Factor Analysis of Consumer Behavior in the Jewelry Business in Bangladesh," aiming to identify the primary determinants influencing consumer purchasing decisions in the jewelry sector. The study focused on factor analysis, collecting data through questionnaires and employing SPSS for analysis. The findings revealed three main factors: operational and marketing factors, perceived quality and serviceability, and conformance.

Pandya (2016) conducted a study titled "A Critical Review of Literature: Gem and Jewelry Retailing" with the objective of conducting an in-depth analysis of the gem and jewelry retail market. The study focused on understanding the dynamics of gem and jewelry retail, particularly in terms of market growth and export dynamics. Key findings included the independent annual growth rate of exports of cut and polished diamonds from India compared to the overall gems and jewelry sector, the strong position of DEZ in Jaipur as an export promotion area, the development of a

comprehensive e-commerce application for jewelry stores, and the recommendation for unorganized retailers to upgrade their designs and technology.

Chitradevi (2017) authored an article titled "A Study on Consumer Behavior Towards Jewelry Products in Tiruchirappalli District," aiming to explore the factors influencing consumer buying behavior of jewelry products. The study focused on understanding consumer preferences, particularly emphasizing price, purity, and design as the most significant factors influencing purchase decisions. Employing a descriptive research design, the study gathered data from a sample size of 500 respondents in Tiruchirappalli district using structured questionnaires. Both primary and secondary data were utilized, and statistical methods such as mean and chi-square tests were employed for analysis. The findings indicated that factors such as gender, age, marital status, education level, income, and preferences for quality and design significantly influence consumer behavior in purchasing jewelry products.

Agrawal and Bhatnager (2018) authored an article titled "A Study of Problems Faced by Exports of the Gems and Jewelry Industry," aiming to identify the challenges encountered by the industry. The study highlighted various issues such as the presence of an unorganized sector, dependence on imports, changing trends, human resource constraints, price increases, competition from China and other countries, financial and transportation challenges, and gaps in research and product development. The conclusion drawn from the study emphasized the longstanding cultural significance of jewelry in India, where it is often integrated into significant celebrations and ceremonies as gifts. The study also underscored the importance of training in all aspects of jewelry manufacturing and design, noting a shortage of comprehensive training institutes in the sector. While acknowledging a promising future for India's gems and jewelry industry, the authors stressed the need for concerted efforts at the firm, industry, and governmental levels to strengthen India's position in the global market. They noted that the gems and jewelry sector accounted for approximately 14.98% of India's total merchandise exports, amounting to USD 262,290.13 million in 2015-16. However, the sector experienced a 12% decline in exports over the last four years.

Praveen and Saxena (2019) conducted a study titled "The Study of Buying Behavior of Women towards Gold Jewelry in Rewa City," aiming to understand customer purchasing behavior and the factors influencing it, such as cultural, social, economic factors, and brand awareness, when buying gold jewelry from various retail stores. The research employed a descriptive and analytical research design, gathering primary data through a questionnaire administered to 50 jewelry customers in Rewa city. Data analysis utilized factor analysis and ANOVA statistical tools. The study found that a majority of customers were aware of brands and preferred purchasing branded products.

Armoker and Haque (2020) authored an article titled "The Study of Female Consumer Behavior towards Jewelry Products in Bangladesh," aiming to understand the purchasing decision patterns of Bangladeshi female consumers regarding jewelry products. The study focused on analyzing factors influencing the behavior of female consumers, revealing that social status significantly affects jewelry purchasing decisions in Bangladesh. About 16.796% of respondents wear gold ornaments during various occasions. Financial security was another key factor, with 9.388% viewing gold purchases as investments for future financial needs such as weddings or business ventures. Factors like unique designs and price reductions also influenced purchasing behavior, accounting for 7.793% of respondents. Occasions such as festivals played a significant role, influencing 6.898% of consumers to purchase gold ornaments. Additionally, trust in familiar or branded jewelry shops was crucial, explaining 6.45% of consumer behavior, as female consumers feel more secure buying from trusted sources due to the difficulty in assessing gold quality after purchase.

Balamurugan (2021) authored an article titled "A Study on the Impact of Celebrity Endorsed Jewelry Advertisements towards Consumers' Buying Behavior," aiming to assess the influence of celebrity endorsements on consumer purchasing decisions and brand image perception. The study employed both primary and secondary data sources, with primary data collected through structured interviews using a random sampling technique. Secondary data were sourced from books, journals, internet sources, and articles. Analysis methods included simple percentiles, chi-square tests, and weighted average scores. The findings indicated that celebrity-endorsed jewelry advertisements are significantly more effective in enhancing brand recall and

improving brand image. Respondents generally believed that celebrity endorsements help in brand remembrance and elevate brand perception due to the celebrity's popularity. The study concluded that celebrity endorsements in jewelry advertisements positively impact consumers' buying intentions.

Maharjan (2022) conducted a study focusing on the vast potential for growth in Nepal's gem and jewelry sector. The main objective was to promote traditional Nepali jewelry, emphasizing its connection to festivals and ceremonies. The study aimed to make the jewelry profession economically attractive and inspire youth to enter this labor-intensive industry, which faces challenges in transferring knowledge and skills across generations. There is a need to highlight the quality and cultural significance of Nepali jewelry to compete effectively in the global market by blending traditional craftsmanship with modern designs. Unfortunately, artisans often struggle to receive fair prices for their products, leading some to leave their family businesses. Jewelry in Nepal serves not only as a cultural and fashion statement but also as a valuable asset that should be preserved for future generations. The private sector in Nepal conducts its own promotional programs and participates in international trade fairs and jewelry exhibitions to showcase products. Efforts like business-to-business meetings and exchanges also occur but remain relatively small scale. The Nepali diaspora in foreign countries constitutes a significant customer base for Nepali jewelry products.

Jaggi and Mim (2023) authored an article titled "Impact of Advertisements on Consumer Buying Behavior for Jewelry," aiming to investigate the influence of advertisements on consumer behavior. Their study empirically demonstrated that advertisements significantly impact consumer buying behavior, particularly in the jewelry market. The researchers concluded that advertising plays a crucial role in shaping consumer behavior and influencing purchasing decisions in the market.

### **2.3.2 Review of Thesis**

Jakinen (2011) conducted a study on "Consumer Perception and Behavior Regarding Ethical, Social, and Environmental Issues in the Jewelry Business," exploring how consumer perceptions of ethical and environmental factors influence their buying behavior in the jewelry sector. The study employed an empirical quantitative approach, collecting data through questionnaires distributed to approximately 10,000

recipients, resulting in 407 individual responses. Statistical tools such as ANOVA and Chi-square were utilized for data analysis. The findings highlighted that consumer behavior in purchasing jewelry is significantly influenced by factors such as design, price, and trust. Additionally, a segment of consumers showed a preference for ethical jewelry, indicating awareness and concern for ethical and environmental aspects in their purchasing decisions.

Jain (2013) conducted a study on "Indian Women's Perception Towards Branded and Non-branded Jewelry," aiming to explore consumer perceptions and factors influencing consumer choices towards branded jewelry. The study involved a sample size of 90 respondents selected through convenience sampling. The findings indicated that women consumers are increasingly aware of branded jewelry and are shifting their preference from non-branded to branded options. The majority of purchases were made by students and salaried housewives, primarily aged between 20 to 30 years. Self-influence played a significant role in their purchasing decisions. The study concluded that consumers exhibit a strong positive attitude towards branded jewelry, influenced by both consumer-specific variables and brand-specific factors. It also highlighted that brands like Nakshatra, Asmi, Sangini, and Carbon require time to build awareness among consumers.

Sundar (2014) conducted a study on "Consumer Behavior Towards Gold Jewelry in Tamil Nadu," focusing on factors influencing the purchase motivation of gold jewelry, customer satisfaction, and providing recommendations for consumer benefit. The study employed both analytical and descriptive research methodologies. The findings underscored that television advertising significantly contributes to consumer recall of jewelry brands. Factors such as religion (with Hindu religious adherents being prominent buyers), age (with over-30 and married women showing higher purchasing tendencies), and trust in quality influenced buying behaviors. The researcher concluded that a majority of consumers prefer purchasing from a single shop due to perceived availability of quality and trustworthiness.

Sajjanan (2015) conducted research on "Influence of Advertisement on Buying Behavior of Gold Jewelry Consumers in Kollam District." The study aimed to analyze the impact of print, electronic, and outdoor advertisements on consumer behavior towards gold jewelry. Both primary and secondary data were utilized, with a questionnaire employed for primary data collection and Garrett's Ranking method used for analysis.

Findings revealed that a majority (60%) of respondents were aged 21-40, 30% were graduates, and 46% belonged to an income group of Rs. 50,000 - Rs. 100,000. Women comprised 88% of respondents, primarily private employees. Advertisement was a key source of awareness, with 35% of consumers acknowledging its influence. Television advertisements significantly impacted buying behavior, while print advertisements played a crucial role in providing information. Factors like voice in radio ads, color combinations on billboards, informative content on banners, and picture quality on the internet influenced consumer decisions. Recommendations included focusing on building consumer trust as a strategic priority for retailers.

Bhuvanewari (2016) conducted a study on "Buying Behavior of Women Towards Gold Ornaments in Madurai District." The objectives included exploring the properties and modern applications of gold, tracing jewelry history, predicting future demand, and analyzing women's buying behavior towards gold ornaments in Madurai. Findings indicated that neck ornaments were most purchased, with upper and middle-class respondents favoring branded jewelry and lower-class respondents preferring non-branded options. The study also noted that a significant proportion of purchases were made using personal funds.

Rani (2017) conducted research on "Marketing Strategies of Retail Jewelers in Tamil Nadu" to examine jewelry market strategies, the historical growth of the industry in India, and challenges faced by retail jewelers in the region. The study employed both primary and secondary data, with questionnaires used for primary data collection. Findings showed that a majority (68%) of respondents were aged 30-50, and Hindu religious adherents were more frequent jewelry purchasers. Large showrooms invested heavily in decoration and promotion, with 66% having interior displays and 33.6% utilizing window or exterior displays.

Singh (2018) conducted a study on "Understanding Consumer Buying Behavior of Jewelry: An Exploratory Factor Analysis Study." The study aimed to explore the socio-economic profile of jewelry consumers, understand their buying behavior, and identify factors influencing their purchase decisions. Primary data was analyzed using exploratory methods, focusing on factors like perceived quality, promotional offers, payment options, and shop locality. Findings highlighted that consumer buying behavior is influenced significantly by perceived quality, followed by promotion and payment options.

Mahalaxmi (2020) conducted research on "Online Shopping Behavior of Women Towards Fashion Jewelry: A Study with Reference to Working Women in Chennai City." The study aimed to profile women consumers, analyze their online shopping behavior for fashion jewelry, and examine the relationship between consumer behavior changes and service quality. The majority of working women preferred online shopping due to ease of navigation, usability of web interfaces, and options for product replacement. Trust in product quality, influenced by reviews, product features, and perceived value, played crucial roles in their online purchasing decisions.

Shramchuk (2021) conducted a study on "B2B Customers Buying Behavior in the Jewelry Industry" to analyze B2B consumer behavior in purchasing jewelry products and understand the evolving trends in purchasing habits. The study employed both quantitative and qualitative data, with qualitative insights gathered through online interviews and quantitative data sourced from secondary sources. Results indicated a growing trend towards online ordering among customers in the jewelry industry.

Ponramu (2022) conducted research on "A Study on Consumer Buying Behavior towards Gold Jewelry in Tamil Nadu." The study aimed to explore consumer buying behavior, identify influencing factors, and provide recommendations for policymakers. Using a descriptive design, primary data was collected from consumers visiting jewelry shops. Findings revealed that cultural significance, new designs, and fashion trends were key motivators for purchasing gold jewelry. Advertising played a significant role in informing consumers about products, and purchases were often made for personal investment or as gifts for occasions like birthdays, anniversaries, and marriages.

Deveshwar and Kumari (2023) conducted an empirical study on "Determining the Customer Awareness Level Towards Branded Jewelry." The study aimed to assess customer awareness levels of branded jewelry and provide recommendations for enhancing this awareness. Using a convenience non-probability sampling technique with 100 customers, the study utilized mean and simple percentage methods for data analysis. Results indicated a moderate level of awareness among customers regarding branded jewelry, suggesting measures to increase awareness through targeted marketing strategies and educational campaigns.

#### **2.4 Research Gap**

The research gap refers to the disparity between previous studies and the current research. Numerous studies have been conducted by students, experts, and researchers on the topic of promotion and consumer buying behavior. However, previous research primarily relied on secondary data sources, whereas this study is based on primary data. While there exists ample literature on promotion and its effects in various international markets, there is a scarcity of such studies focused on Nepal. Different researchers have conducted comparative studies using diverse tools and methodologies over different periods to fulfill their empirical research objectives. The existing literature has made significant contributions to understanding the impact of promotion on consumer buying behavior in the jewelry sector.

This research seeks to explore the impact of promotion on consumer behavior and jewelry sales specifically in the Kathmandu Valley. It raises questions about how promotions affect jewelry sales in the Nepalese market.

## **CHAPTER –III**

### **RESEARCH METHODOLOGY**

Research methodology can be described as the systematic approach to solving a research problem. It is the science of studying how research is conducted in a methodical manner. This involves understanding the various steps typically undertaken by a researcher to investigate their research problem, along with the rationale behind each step. It is crucial for researchers to grasp not just the research methods employed but also the underlying methodology. When discussing research methodology, we delve into both the methods used in a research study and the logic that guides their selection. This includes explaining why specific methods or techniques are chosen over others, ensuring that the research outcomes can be critically evaluated by both the researcher and others. Research methodology encompasses a broad array of methods, encompassing quantitative techniques for data analysis and presentation. In practical terms, it involves specifying the information needed for market research, designing methods to collect this information, managing and executing the data collection process, analyzing the results obtained, and communicating the findings along with their implications.

#### **3.1 Research Design**

A research design entails the systematic and logical planning of a research endeavor. In this study, a descriptive research design is employed, which is a significant development in research methodology. This approach aims to comprehensively describe a field or problem using questionnaires and opinions. It focuses on identifying various characteristics related to the research problem and generates observations that facilitate further investigation. Descriptive research is increasingly favored by researchers for exploring new areas of inquiry.

The study primarily relies on primary data gathered directly from customer responses in the market, supplemented by sales data obtained from secondary sources. Quantitative data analysis involves both descriptive and inferential methods, presented in tabular format using statistical tools such as frequency distribution, percentages, means, standard deviations, cross-tabulations, and custom tables. To

establish relationships between dependent and independent variables, statistical tests including t-tests, F-tests, correlations, and regression analyses were employed as necessary.

Data encoding initially occurred in Microsoft Excel following survey administration. Subsequently, the data were transferred to SPSS (Statistical Package for the Social Sciences) for detailed analysis and interpretation. The reliability of Likert scale data was assessed using Cronbach's Alpha technique, ensuring robustness in measurement and consistency in responses.

### **3.2 Population and Sample, and Sampling Design**

The population of the study includes jewelry consumer and jewelry firm of the Kathmandu Valley. The sample size of this research is about 400, from the different places. The sampling design for the study is convenience sampling design is accepted. The business firm in jewelry business and customer of the jewelry are taken as sample.

### **3.3 Nature and Sources of Data, and the instrument of data collection**

the nature of the data primary data. Primary data are collected through field research, utilizing structured questionnaires as the data collection instrument. A sample refers to a subset of the population being studied. Sampling involves the process of selecting this subset from the population to gather information. Convenience sampling is utilized in this research, where elements of the population are selected based on their accessibility or convenience. In convenience sampling, each element of the population has a pre-established convenience factor for inclusion in the sample.

### **3.4 Methods of Analysis**

This study uses the descriptive statistical tools with correlation for analysis like mean, median, standard deviation and inferential statistical tool like chi-square test for test of hypothesis. The SPSS and excel will be used for data analysis.

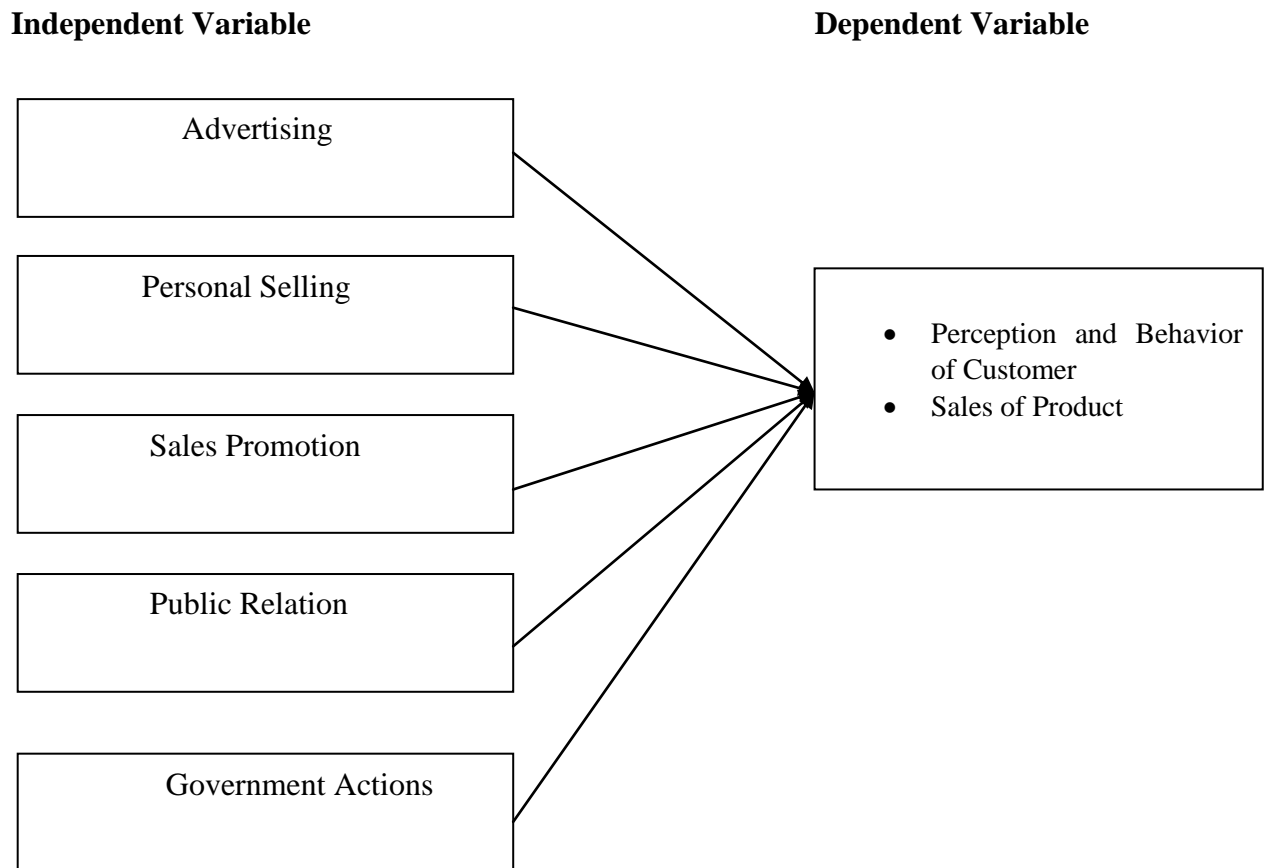
### **3.5 Research Frame Work and Definition of Variables**

The research framework connects the researcher to existing knowledge. Guided by a relevant theory, researcher has given a basis for hypothesis and choice of research

methods. A framework specifies which key variables influence a phenomenon of interest.

**Figure: 3.1**

**Conceptual Framework**



*Source: (Kolter, 2011)*

**Dependent Variables**

**Perception and Behavior of Customer**

Perception is the process by which people select organizer and interpret sensory stimulus into meaningful information about their work environment. Perception is a process of obtaining knowledge of external objects and events by means of senses. Perception is a psychological phenomenon of an individual toward any product or person, generate by see, listen and information process. It is change by various factor, time and situation the behavior refers to thean individual doing or activities of individual which can be see, the customer behavior means what customer doing in the process of marketing. Customer is very important as it supports product positioning development of effective marketing strategy and enhancement of long –term customer relationship. Consumer behavior supports customer belief for performance,

determines product features, formulates pricing policy and appreciates new product decision. Consumer behavior is the study of how people make decision about what they buy, want, need, or act in regards to a product, service, or company.

### **Sales of Product**

The sales of product mean how much quantity of product sold in market at a fixed time period in given price. It is influence by large number of factors. Sale of company generate income of firm or business. The company always try to maximize sales through following various tools and techniques of sale promotion like personal sales, public relation, advertising, discount offer etc.

### **Independent Variables**

#### **Advertising**

Advertising is the sales message directed to mass on behalf of the paying sponsor. Effective advertising increases the sales of product and service of the organization through inform to customer and buyers about product, price, quality and organization. The adverting is being one of the most powerful instruments for sales promotion of firm and industry in market. The advertising informs about the product, place, prices and quality of product in market.

#### **Personal Selling**

Personal selling is the oral presentation in conversation with one or more prospects for the purpose of making sales. Promotional tools personal selling influences the sales of product through development of relationship, quick solution of problem and convince customer. The personal selling is an important tool to increase sale of product in market, some companies use it to promotion their sales. The personal selling helps to convince consumer about their queries.

#### **Sales Promotion**

Sales promotion refers to the short-term incentives to stimulate demand it can be directed at customers, middleman and sales personnel. Sales promotion attract customer though short-term attractive tools like coupon, incentive etc. to increase sales. Customer are attracting towards product offers.

### **Public Relations**

Public relation is the deliberately planned and sustained effort to establish and maintain mutual understanding between an organization and its public. Contributing in social work, gratuity senior aged people in society, address marginal group demand, it makes strong relationship with public and create positive attitude of customer towards organization and its product. The senior public respect, organize some programs in society, which are beneficial for both firm and society, which being empowered tools for promotion of product and sales.

### **Government Action**

The government action refers to the promotion or regulatory role in an economy to promote the business activities. The government play the promotional as well as regulatory role in an economy, because private business sector itself cannot bear all activities. Government plays the promotional role like provide subsidy, discount on tax, and protect intellectual property of business. And it also plays the regulatory role in an economy like formulate policy, act, registration process etc.

The given figure shows the conceptual framework of study, there is relationship shown between independent variables and dependent variable. The independent variable promotional tools are advertising, personal selling, sales promotion, public relation and government action impact on perception, behavior consumer, sales of product and preferences to customers. The change in promotional program is how it influences the behavior and perception, preferences of consumer in the process of buying jewelry product.

## CHAPTER-IV

### DATA PRESENTATION AND ANALYSIS

Generally, data are collected from primary or secondary sources. Such data are analyzed and evaluated and interpret so as to achieve the result. To analyze the data, there are various statistical, econometric and mathematical tools are used by researcher to find out result. First of all, raw data are to be arranged in a systematic order and they should be analyzed using various tolls to reach conclusion. The data of the study are presented on the various table and figures. The table and figure are mentioned on the basis of response of respondent on various statements which are presented as under.

Data analysis is the process of gathering, classifying, and transforming data with the goal of highlighting useful information, suggestions, conclusions and supporting decision making. Data analysis has multiple facts and approaches, encompassing diverse techniques under a variety of names, in different business, science and social science domain.

#### 4.1 Data Presentation and Analysis

##### 4.1.1 Demographic Analysis of Respondent

The respondent's demographic participant situation on the basis of response can be shown as follows with their gender, education and age group.

**Table 1:** *Gender Respondent*

	<b>Frequency</b>	<b>Percent</b>
Male	140	35.0
Female	260	65.0
	400	100.0

*Source: Field Survey, 2023*

The table 1 shows the gender wise participant in survey. The large number of females are owner of jewelry business. The female number of proprietors are 260 and male are 140 with percent of them 65 percent and 35 percent respectively.

**Table 2: Age group of Respondent**

	<b>Frequency</b>	<b>Percent</b>
16-20	27	6.75
21-30	261	65.25
31-40	44	11.0
41-50	40	10.0
Above 50	28	7.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 2 shows the age wise participant in survey data. The table is divided into five age wise group. They are 16-20 is first group, 21-30 second group, 31-40 third group, 41-50 fourth group and above 50 is fifth group. The participant is 27 on group first, 261 on second, 44 on group third, 40 on group and 28 on fifth group with 6.75 percent, 65.25 percent, 11 percent, 10 percent and 7 percent respectively.

**Table 3: Marital status of Respondent**

	<b>Frequency</b>	<b>Percent</b>
Unmarried	121	30.25
Married	279	69.75
Total	400	100.0

*Source: Field Survey, 2023*

The table 3 shows the marital status of respondent on jewelry market survey. The marital status of respondent is unmarried are 121 and married are 279 out of total 400. The percent of unmarried and married is 30.25 percent and 69.75 percent.

**Table 4: Education level of Respondent**

	<b>Frequency</b>	<b>Percent</b>
SLC	28	7.0
Plus 2	73	18.25
Bachelor	230	57.5
Master	69	17.25
Total	400	100.0

*Source: Field Survey, 2023*

The table 4 shows respondent on the basis of education level. The education wise group are divided into four. First group is SLC, second group is plus two, third group is Bachelor and fourth group is master. The respondent on 28 on group first, 73 respondents on second group, 230 on third group and 69 on group fourth. The percentage wise participant are 7 percent on group one, 18.25 percent on group second, 57.5 percent on group third and 17.25 percent on group fourth.

**Table 5: Profession of Respondent**

	<b>Frequency</b>	<b>Percent</b>
Student	41	10.25
Teacher	42	10.5
Service Holder	259	64.75
Householder	32	8.0
Other	26	6.5
Total	400	100.0

*Source: Field Survey, 2023*

The table 5 shows the profession of respondent. The professional of respondent are student, teacher, and service holder, household and other. The number of participants on survey are student are 41, teacher 42, service holder 259, householder 32 and other 26. The percentage of participant professional wise student participant is 10.25 percent, teacher 10.5 percent, service holder 64.75 percent, 8 percent of householder and other are 6.5 percent.

**Table 6: Monthly Income of Respondent**

	<b>Frequency</b>	<b>Percent</b>
Rs.10001- Rs.20000	187	46.75
Rs 20001- Rs 30000	79	19.75
Rs. 30001- Rs. 40000	64	16.0
Rs. 40001- Rs. 50000	60	15.0
Above Rs. 50000	10	2.5
Total	400	100.0

*Source: Field Survey, 2023*

Table 6 shows the monthly income wise of respondent of study. The group wise divided as Rs. 10001 – Rs. 20000 group first, Rs. 20001- Rs. 30000 group second, Rs. 300001 – Rs. 40000 group, Rs. 40001 – Rs. 50000 and above Rs. 50000. Participant of respondent 187 in group one, respondent on 79 on group second, 64 number of groups three, 60 number of respondents on group four and 10 respondents on group five. Proportion of respondent was 46.75, 19.75, 16, 15 and 2.5 percent respectively.

#### 4.1.2 Analysis of Promotional Impact on Consumer Buying Behavior

The promotion in marketing influences the buying behavior of consumer, the promotion informs to consumer about product, design, price, quality, place and services provided by the company. The attractive promotional program positively affects the consumer to buy product. Similar rule applies in jewelry market. The analysis part can be described by following table.

**Table 7:** Respondent on role of promotion to change buying behavior of Consumer

	Frequency	Percent
Yes	333	83.25
No	67	16.75
Total	400	100.0

*Source: Field Survey, 2023*

The table 7 shows the response on role of promotion to change buying behavior of consumer in jewelry market. The respondent response on promotion change buying behavior of consumer are 333 and not change are 67 out of total 400 respondent. The percent on yes is 83.25 percentage, and on no. is 16.75 percent.

**Table 8:** Respondent on promotion change the perception and understanding of consumer

	Frequency	Percent
Yes	388	97.0
No	12	3.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 4.8 shows the response on promotion change perception and understanding of consumer about jewelry market and product. The respondent on yes is 388 and no are 12. The respondent proportion is 97 percent on yes and 3 percent on No.

**Table 9:** *Respondent on promotion information change the consumer buying behavior*

	<b>Frequency</b>	<b>Percent</b>
Yes	373	93.25
No	27	6.75
Total	400	100.0

The table 9 shows the response on promotion give required information to consumer about the jewelry product and services. The number of respondents on yes is 373 and no. is 27. The proportion of respondent on yes is 93.25 percent and no are 6.75 percent.

**Table 10:** *Respondent on impact of promotion means on buying behavior*

	<b>Frequency</b>	<b>Percent</b>
Yes	278	69.95
No	122	30.05
Total	400	100.0

*Source: Field Survey, 2023*

The table 10 shows response on impact of promotional means on buying behavior. The option is yes and no. The respondent response on yes is 278 and no. is 122. The percentage of respondent on yes are 69.95 percentage and no are 30.05 percentage.

**Table 11:** *Respondent on sensitivity on promoted facto in decision making*

	<b>Frequency</b>	<b>Percent</b>
Yes	338	84.5
No	62	15.5
Total	400	100.0

*Source: Field Survey, 2023*

The table 11 shows the response on respondent on sensitivity of consumer consider promoted factor on decision making of buying of jewelry product. The number of respondents on yes are 338 with 84.5 percent and number of respondents on No. is 15.5 percent.

**Table 12:** *Respondent on taken time more on the basis of promotion of jewelry*

	<b>Frequency</b>	<b>Percent</b>
Yes	216	54.0
No	184	46.0
Total	400	100.0

*Source: Field Survey, 2023*

Table 12 shows response of respondent on time more on the basis of promoting of jewelry. The response of respondent on yes are 216 and on No. are 184. The percentage of respondent on yes is 54 percent and on No. are 46 percentage.

**Table 13:** *Response on promotion factor influence buying decision*

	<b>Frequency</b>	<b>Percent</b>
Design	64	16.0
Quality	45	11.25
Cost of product	219	54.75
Fashion	72	18
Total	400	100.0

*Source: Field Survey, 2023*

The table 13 shows the response of respondent on which promotional factor influences buying decision. There are mainly given factor are design, quality, cost of product and fashion. The number of respondents is on design are 64, on quality are 45, on cost of product are 219, and on fashion are 72. The percentage on design is 16 percent, on quality is 11.25 percent, on cost of product is 54.75 percent and on fashion is 18 percent.

**Table 14:** *Response on promotion influences buying behavior*

	<b>Frequency</b>	<b>Percent</b>
High	100	25.0
Moderate	253	63.25
Low	47	11.75
Total	400	100.0

*Source: Field Survey, 2023*

The table 14 shows the response of respondent on promotion influences buying behavior. Respondent on highly influences the buying behavior agree respondent are 100, moderately influences respondent is 253, and on low are 47 respondents. The proportion of respondent on high is 25 percent, on moderate is 63.25 and low are respondent are 11.75 percent. The moderately influences are high proportion.

#### **4.1.3 Analysis of Consumer Preferences to Means of Promotion**

Consumers are differing each other they have their own choice, desire, expectation about product, services in the process of consuming, buying. The means of promotion influences consumer differently, some consumer like television promotion, some like social media, some like magazine, some like newspaper. The preferences of consumer about means of promotion are differ. Which is analyzed in the perspective of jewelry market as follows:

**Table 15:** *Response on more information means form Respondent*

	<b>Frequency</b>	<b>Percent</b>
TV advertisement	55	13.75
Social-media	305	76.25
Magazine	40	10
Total	400	100.0

*Source: Field Survey, 2023*

The table 15 shows the response which means is more appropriate for information. The respondent response on TV advertisement is 55, on social-media are 305 and on

magazine are 40. The proportion of various means are, on TV advertisement is 13.75percent, on social-media is 76.25 percent and on magazine is 10 percent. The highest proportion taking information from social media.

**Table 16:** *Response on most prefer promotion means*

	<b>Frequency</b>	<b>Percent</b>
TV advertisement	48	12
Social-media	322	80.5
Magazine	30	7.5
Total	400	100.0

*Source: Field Survey, 2023*

The table 16 shows the response of respondent on preference of promotional means. The given alternative newspaper, TV advertisement, radio, social-media, magazine etc. The number of -respondent on TV advertisement is 48, on social-media is 322 and magazine is 30, newspaper and radio are zero. The proportion of respondent on their response is, on TV advertisement is 12percent, on social-media is 80.5 percent and on magazine is 7.5 percent respectively.

**Table 17:** *Response on evaluation means of promotion*

	<b>Frequency</b>	<b>Percent</b>
Design	60	15.0
Attraction	241	60.25
Information	72	18
Virtually	27	6.75
Total	400	100.0

*Source: Field Survey, 2023*

The table 17 shows the response on evaluation means of promotion, which is most effective about the promotion. The promotional design, attraction, information and virtually. The number of respondents on design is 60, on attraction is 241, on information is 72, and virtually is 27. The proportion of respondent is 15 percent on

design, on attraction is 60.25 percent, on information is 18 percent and virtually are 6.75 percent.

**Table 18:** *Response of respondent taking decision by promotion means*

	<b>Frequency</b>	<b>Percent</b>
Yes	252	63.0
No	148	37.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 18 shows the response on taking decision on the basis of promotion means. The response of response on yes is 252 with 63 percent and on No is 148 with 37 percent. There are higher proportion on yes options.

**Table 19:** *Response of respondent about factor they consider on promotion*

	<b>Frequency</b>	<b>Percent</b>
Design	159	39.75
Attraction	45	11.25
Information	196	49.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 19 shows the response of respondent on factor they consider on promotional situation. Which factor mostly consider by the consumers on given option. The respondent response on option is on factor design is 159, on attraction is 45, on information is 196. Respondent proportion on design is 39.75 percent, on attraction is 11.25 percent, and on information is 49 percent. The highest proportion on information.

#### **4.1. 4 Analysis the Impact of Promotion on Jewelry Sales**

General is that promotional impact on sales of product is positive. The promotion is carried out through the various means of promotion in market. The response of owner about sales of jewelry product after initiated promotional program. The result of promotional program in jewelry industry is as follows.

**Table 20:** *Response by respondent on initiate promotion for business*

	<b>Frequency</b>	<b>Percent</b>
Yes	317	79.25
No	83	20.75
Total	400	100.0

*Source: Field Survey, 2023*

The table 20 shows the response of respondent on owner of jewelry businessman initiate promotion for their business. The number of respondents on yes is 317 on yes and number of respondents on 83. The proportion on yes 79.25 percent and no is 20.75 percent. That means high proportion on yes.

**Table 21:** *Response on promotion increase sales of business*

	<b>Frequency</b>	<b>Percent</b>
Yes	304	76.0
No	96	24.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 21 shows the response of respondent on promotion has important role in increase sales of business. The number of respondents on yes is 304 and no is 96. The proportion on yes is 76 percent, and on no. is 24 percent.

**Table 22:** *Response on sales volume of Jewelry increase after promotion*

	<b>Frequency</b>	<b>Percent</b>
Yes	326	81.5
No	74	18.5
Total	400	100.0

*Source: Field Survey, 2023*

The table 22 shows the response on sales volume of jewelry product is increased after promotion by various means of promotion. The respondent response on yes is 326 and

no is 74. The proportion of respondent on yes 81.5 percent and on no. 18.5 percent. That means the sales volume of jewelry product is increased.

**Table 23:** *Response on percentage change in sales is higher than promotional cost*

	<b>Frequency</b>	<b>Percent</b>
Yes	224	56.0
No	176	44.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 23 shows the response of respondent on proportionally change in sales is higher than on change proportion on promotion cost. The number of respondents no yes is 224 and no. is 176. The percentage on yes is 56 and on no. is 44 percent.

**Table 24:** *Response on sales promotion is cost effective*

	<b>Frequency</b>	<b>Percent</b>
Yes	236	59.0
No	164	41.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 24 shows the response of respondent on sales promotion is cost effective. The number of respondents on yes is 236 and no. is 164. The percentage on yes is 59 percent and no. 41 percent. The high promotion holds by yes that is 59.

**Table 25:** *Response on respondent on government policy support Jewelry business*

	<b>Frequency</b>	<b>Percent</b>
Yes	160	40.0
No	240	60.0
Total	400	100.0

*Source: Field Survey, 2023*

The table 25 shows the response of respondent on government policy support jewelry business. The respondent number response on yes is 160 and on no. is 240. The

proportion on yes is 40 percent and 60 percent on No. That means government policy is not favor of jewelry business.

**Table 26:** *Response of respondent on government Jewelry industry in Nepal*

	<b>Frequency</b>	<b>Percent</b>
Export Subsidy	140	35.0
Concession on import raw material	223	55.75
No support at all	37	9.25
<b>Total</b>	<b>400</b>	<b>100.0</b>

The table 26 shows the response of respondent on government support on export subsidy, concession on import raw material and no. support at all. The number of respondents on export subsidy is 140, on concession on import raw material is 223 and no. support at all is 37. The proportion of respondent on export subsidy is 35 percentage, on concession on import raw material is 55.75 percent and on no. support at all is 9.25 percent. The highest proportion on concession on import raw material that is 55.75 percent.

#### **4.2 Regression Analysis**

**Table 27:** *Promotion role to change consumer behavior*

<b>Particular</b>	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	7.993	7	1.142	41.447	.000 <sup>b</sup>
Residual	8.044	292	0.028		
Total	16.037	299			

a. Dependent Variable: Promotion have significant role to change buying behavior of consumer

b. Predictors: (Constant), Promotion influences your buying behavior, Factor of promotion influences your buying decision, Promotion change the perception and understanding of consumer, more time to take decision on the basis of promotion of jewelry, consider promoted factor in the process of decision making, Promotion information change the consumer buying behavior, Impact of different means of promotion on consumer buying behavior

The table 4.27 shows the association between promotion of jewelry and behavior of consumer is significant. The value calculated value of F- test is 41.447 significant at the level of 5 percent. The regression coefficient with independent variable is 8.044. Autonomous value of regression line is 7.993. So, the research shows there is significant relationship between buying behavior of consumer and promotion of jewelry.

**Table 28:** *impact of means of promotion on jewelry consumer behavior*

<b>Particular</b>	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	123.533	5	24.707	258.183	.000 <sup>b</sup>
Residual	28.134	294	0.096		
Total	151.667	299			

a. Dependent Variable: preference Means of promotion of jewelry

b. Predictors: (Constant), Initiated promotion program for business, Decision buying jewelry on the basis of promotion, means of promotion do you prefer mostly, Factor do you consider in means of promotion, evaluate means of promotion to choose

The tale 4.28 shows the means of jewelry promotion significantly influences the preference of consumer in jewelry market. The dependent variable is preference of means with various independent variable shown in above influences the preference. The calculated value of hypothesis testing by F-test is significant at 5 percent level. The calculated value 258.18 is signifies ate 5 percent. With autonomous values 123.53, residual value 28.13.

**Table 29: Impact of promotional program on sales**

Particular	Sum of Squares	df	Mean Square	F	Sig.
Regression	8.208	5	1.642	20.563	.000 <sup>b</sup>
Residual	23.472	294	0.08		
Total	31.68	299			

a. Dependent Variable: Promotion program increased the sales of business

b. Predictors: (Constant), Government Support jewelry Industry in Nepal, Sales promotion of your jewelry is cost effective, Sales volume o jewelry product increased after promotion, Government policy support jewelry business, Percentage change in sales in higher than promotion cost

The table 4.29 shows the promotion program of jewelry in market significantly increases the sales value of jewelry product. The hypothesis is tested at 5 level of significant. The calculated value is 20.56 is significant at 5 percent. So, the study indicates that there is promotion always increase the sales volume of jewelry.

#### **4.2 Major Findings**

- Demographic analysis revealed that the study had a higher participation of female respondents. The majority of respondents were aged between 21-30 years, predominantly married, with the highest educational attainment being a bachelor's degree. Professionally, respondents were predominantly from the service sector, followed by teachers and students. In terms of income, the largest group fell within the Rs. 10,001-20,000 bracket, followed by Rs. 20,001-30,000 and Rs. 30,001-40,000 brackets.
- Data analysis indicated a significant impact of promotional programs on consumer buying behavior, influencing consumer perception, understanding, and behavior change. Consumers were particularly drawn to fashion-oriented promotions in their jewelry purchases, with promotions playing a crucial role in influencing their buying decisions. Respondents overwhelmingly supported these findings.

- Government policies have struggled to fully meet the demands of the jewelry industry, although measures such as export subsidies and import material concessions have been supportive.
- Promotional activities significantly boost jewelry sales volumes by shaping consumer perceptions and behaviors through effective design, timing, and medium choices. Social media emerged as a particularly influential platform for consumer understanding and perception.
- Female participants constituted a majority in the field survey. The 21-30 age group was most represented, with bachelor's degree holders being the largest educational demographic. Married individuals predominated, and those earning between Rs. 10,001-20,000 per month were most active in the jewelry market.
- Social media was the preferred promotional medium for most consumers, followed by magazines and television. The attractiveness of promotions significantly influenced consumer purchasing decisions, with technological advancements offering new promotional tools that align with consumer preferences.
- Many jewelry firms initiate promotional programs, noting their positive impact on sales volumes. However, there remains a gap in government policy addressing industry demands, despite supportive measures like export subsidies and import concessions for raw materials.
- Consumer preferences vary widely regarding promotional strategies and media. The jewelry industry reflects these diverse preferences, with promotional programs effectively enhancing sales, altering consumer perceptions, and influencing purchasing behaviors positively.

## **CHAPTER –V**

### **SUMMARY CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

Promotion is the one of the key elements in the marketing mix. Promotion is a process of communication involving information, persuasion, and influence. It includes all types of personal or Impersonal communication with customers as well as middlemen in distribution network. The purpose of promotion is to inform, persuade and influence the prospective customers. Personal selling, advertising, publicity, public relations and sales promotion are widely used to inform the people about the availability of products and create among them the desire to buy the products. From the definitions, promotion is any form of communication used to inform, persuade, influence, and remind people about and organizations or individual's goods, services, image, ideas, community involvement, impact on society etc. A management concept that is to make all aspects of marketing communication such as advertising, sales promotion, public relations, and direct marketing work together as a unified force, rather than permitting each to work in isolation. It ensures that all forms of communication and messages are carefully linked together. It is most basic level, integrating all marketing communications, means integrating all the promotional tools, so that they work together in harmony.

The main objectives of the research is impact of promotion on consumer behavior on jewelry sales on Kathmandu valley and the specific objective is to analyze the impact of promotion on buying behavior of jewelry customer, to assess the most preferred promotional means of jewelry product and the impact of promotion on jewelry sales. This study completely related to the promotion of jewelry product in Kathmandu. Promotional is an important tool of business, which help to increase the market demand for product and services in market. The study focused on impact of promotional program in demand of product in market and behavior of consumer. There are various tools and techniques for the promotional program of business firm but out of them, which is highly preferred by consumer in the process of buying decision. The study focuses on the impact of promotion on jewelry sales in Kathmandu valley only. The study has taken total sample 400 out of them 300 customers and 100 jewelry entrepreneurs, the study is based on primary data are taken

from the field study in jewelry industry. Generally, focus of study shows the relation between various study and their variables. This study is completely related to the promotion of jewelry product in Kathmandu. Promotion is one of the important tools of business, which help to increase the market demand for product and services in market. The study focused on impact of promotional program in demand of product in market and behavior of consumer. The demand of product or sales of product in jewelry market of Kathmandu valley are main area of this study. The study includes the advertisement, government incentive, policy, behavior of consumer, means of advertisement and impact on buying decision of jewelry consumer. The descriptive and analytical research design are followed to find out the result of study by using SPSS software. The descriptive statistic has been used for data presentation and analysis.

The majority of respondents find promotional attractiveness compelling. As technology advances, new promotional tools for products and brands are emerging in the market, reflecting consumer preferences. Therefore, the jewelry industry should prioritize promotional activities through social media, the preferred platform among consumers.

According to respondents, a significant number of jewelry firms initiate promotional programs. Owners report that these promotions effectively increase jewelry sales volumes. Despite this, government policies have not fully addressed the jewelry industry's demands, although measures like export subsidies and import material concessions provide some support.

Promotional activities, especially through social media, television, and magazines, are highly effective according to industry feedback. Consumers exhibit diverse preferences for promotional strategies and media. The jewelry industry observes that such programs boost sales, influence consumer perceptions, and shape purchasing behaviors positively.

In conclusion, consumer preferences vary regarding promotional strategies and media in marketing. The jewelry industry experiences similar outcomes, where promotional programs effectively enhance product sales and play a crucial role in influencing potential consumers' perceptions and buying behaviors. Therefore, promoting jewelry through various channels proves beneficial for the industry.

## **5.2 Conclusion**

Based on the analysis of respondent data, it is evident that promotional programs significantly impact consumer buying behavior by influencing their perception, understanding, and behavior change. Consumers actively consider promotional offers when purchasing jewelry, highlighting the strong influence of promotions on their decisions. Respondent feedback consistently supports these findings, emphasizing the pivotal role of promotional activities in shaping consumer perceptions within the jewelry industry.

Given the impact of promotions on consumer perception, firms should strategically employ various types of promotional programs to attract consumers effectively. The preference data from respondents indicate that social media is the most preferred promotional channel, followed by magazines and television. This consumer preference underscores the importance of selecting effective promotion methods that directly influence consumer purchasing decisions.

## **5.3 Recommendations**

The study impact of promotion on consumer behavior and jewelry sales in Kathmandu valley have significant implication. They can be shown as follows:

- The implication of study is to formulate policy, strategy and promotion program for jewelry market in Nepal.
- The study is implacable for planning, promotion and choice of promotion means for jewelry market.
- The study plays significant role for making long term promotional planning, factor analysis for promotion on the basis of cost benefit analysis.
- It is implacable in effective management of financial resource for promotion program.



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[www.marketing-schools.org](https://www.marketing-schools.org)**paper text:****CHAPTER-I INTRODUCTION 1.1** Background **of the Study Promotion is** a key **element in**

**the marketing mix** , functioning as **a process of communication** that involves **information, persuasion, and influence** . This process **includes all** forms **of** communication, whether **personal or impersonal, with customers** and **middlemen in the distribution** network. **The main purpose of promotion is to inform, persuade, and influence prospective customers** . Techniques such as **personal selling, advertising, publicity** , public relations, **and sales promotion are widely** utilized **to inform people about** product **availability and create** a **desire to** purchase. **Promotion**

encompasses any form of communication used to inform, persuade, influence, and remind people about an organization's or individual's goods, services, image, ideas, community involvement, or societal impact. A management concept central to this is the integration of all aspects of marketing communication—such as advertising, sales promotion, public relations, and direct marketing—so they work together as a unified force rather than in isolation. This integration ensures that all forms of communication and messages are carefully linked together. At its most basic level, integrated marketing communications (IMC) means coordinating all promotional tools to work in harmony. IMC is an approach to planning communications that enables a marketing firm to achieve better results from campaigns and reduce marketing costs by integrating tools such as advertising, direct mail, social media, telemarketing, and sales promotion (Amtataw, 2017:14). Integrated marketing communication (IMC) provides clarity, consistency, and maximum communication impact. It involves the careful coordination of all promotional messages for a product or service to ensure