

# **IMPACT OF RADIO / TELEVISION ADVERTISING ON CONSUMER BEHAVIOR**



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*A Thesis submitted to:*  
Office of the dean  
Faculty of management  
Tribhuvan University



*In partial fulfillment of the requirement for the degree of Master  
of Business Studies (M.B.S.)*

Biratnagar

2011



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**RECOMMENDATION**

This is to certify that the thesis

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**Entitled:**  
**IMPACT OF RADIO/ TELEVISION ADVERTISING**  
**ON**  
**CONSUMER BEHAVIOR**

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**VIVA- VOCE SHEET**

We have conducted the viva-voce examination of the thesis

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## DECLARATION

I hereby declare the thesis entitled “Advertising **Impact of Radio/Television Advertising on Consumer Behavior** submitted to Central Department of Management, Tribhuvan University is my original work. It is done in the form of partial fulfillment of the requirement for the Master of Business Studies (M.B.S.) under the supervision of Prof. **Dr. Khagendra Acharya**, of Post Graduate Campus Biratnagar.

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# ACKNOWLEDGEMENTS

First and foremost, I would like to express my sincere gratitude to my supervisor *Mr .Dr. Khagendra Achraya* a Reader of Post Graduate Campus, Biratnagar for his guidance, encouragement, and possible help in the smooth conduct of this study.

I am also very much grateful to honorable *Mr. Dr. khagendra Acharya*, the Head of the Department of Thesis Committee of P. G. Campus, Biratnagar and my other respected teachers for providing invaluable suggestions, information and comments.

Special thanks to my friend *Mr. Rabin Shrestha* whose help has been invaluable to me. Similarly, I am thankful to my brother, *Mr. Deepan Dahal* for providing almost all the materials required for the dissertation. Similarly I am thankful to Mr Madan Koerala for his co-operation, inspiration, and encouragement to bring out this work successfully. I owe a gratitude to my family especially to my Mother who always encouraged me to be a perfect person and my sister, *Miss Deepa Pokharel* for her ceaseless assistance and encouragement in pursuing my academic activities successfully in a very busy schedule.

I found my self-fortune enough to receive a good deal of help from various institutions and persona of various sectors in completing this study. I am solely responsible for all errors.

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## Table of Contents

Recommendation

Viva- Voce Sheet

Declaration

Acknowledgement

Table of Contents

List of Table

List of Figure

**Abbreviations**

### **CHAPTER I**

#### **I. Introduction**

**1**

1.1 Background of the study

1

1.2 Evolution of advertising in Nepal

8

1.3 History of Saptakoshi FM

11

1.4 Statement of problem

12

1.5 Objectives of the study

13

1.6 Significance of the Study

14

1.7 Limitation of the Study

16

1.8 Organization of the study

16

### **CHAPTER II**

#### **2. Review of Literature**

**17**

2.1 History of Advertising

17

2.2 Development of Advertising in Nepal

20

2.3 Meaning of Advertising

22

2.4 Specific reason for Advertising

26

2.5 Types of Advertising

29

2.6 Methods of Advertising

31

2.7 Advertising Media

33

2.7.1 Print Media

34

2.7.2 The Newspaper

35

2.7.3 The Magazines

36

2.7.4 Electronic Media

37

2.7.5 Radio Broadcasting

37

2.7.6	Television	39
2.7.7	Outdoor media Advertising	40
2.8	Effective Advertising	40
2.9	The Advertising Agency	41
2.10	Evaluation of Advertising in Nepal	42
2.11	Legal Provision for Governing Advertising in Nepal	44

### **CHAPTER III**

<b>3. Research Methodology</b>	<b>46</b>
3.1 Introduction	46
3.2 Research Design	46
3.3 Population and Sample	36
3.4 Selection of Sample for the Study	36
3.5 The Data Collection Procedure	47
3.6 The Data Analysis Procedure	47
3.6.1 Arithmetic Mean	47
3.6.2 Median	47
3.6.3 Chi – Square Test	47
3.6.4 Hypothesis Testing	48

### **CHAPTER IV**

<b>4. Analysis and Interpretation of Data</b>	<b>49</b>
---	-----------

### **CHAPTER V**

<b>5. Summary, Conclusions and Recommendations</b>	<b>68</b>
5.1 Summary	68
5.2 Conclusions	70
5.3 Recommendations	70

### **BIBLIOGRAPHY**

### **APPENDIS**

## **List of Table**

<b>Table No.</b>	<b>Pg. No.</b>
1. Age – Wise preference of different types of FM Advertisement.	51
2. Education wise preference of Difference types of FM Advertisement	53
3. Preference of Listening and Non Listening F.M. Sex wise	55
4. Sex wise Preference of Different types of FM Advertisement	56
5. Status level to FM Advertisement	56
6. The Degree of influence of FM Ad. on Consumers	58
7. Consumers Preference of Advertisement & Not Advertisement Product	59
8. Consumers Curiosity towards FM Advertisements	60
9. Does the FM Ad. Persuade the Consumer to buy the product	62
10. Advertisement & the increment in the price of the Advertised Product	63

## List of Figure

Fig No.	Bar-diagram	Pg. No.
1.	Preference of FM Advertisement	53
2.	Preference of FM Advertisement Education Wise	55
3.	Consumer preference of Advertisement according to inclined rate	59
4.	Consumers Preference of Advertisement & Not Advertisement Product	60
5.	Curiosity towards F.M.	61
6.	Does the FM Ad. Persuade the Consumer to buy the product	62
7.	Advertisement & the increment in the price of the Advertised Product	64

## **ABBREVIATION**

FM	:	Frequency Modulation
B.S.	:	Bikram Sambat
T.V.	:	Television
M.B.S	:	Master of Business Studies
i.e.	:	That is
Pvt. Ltd	:	Private limited
Govt.	:	Government
A.D	:	Advertisement
S.L.C	:	School Living Certificate
K.W.	:	Kilo Watt
P.G.	:	Post Graduate
B.B.S	:	Bachelor of business studies
ITH	:	Itahari
A.M.A.	:	American marketing association
MHz	:	Megahertz

# CHAPTER - ONE

## INTRODUCTION

### 1.1. Background of the Study

Marketing depends heavily on an effective communication. Through communication, marketers attempt to inform, persuade, and influence potential buyers of a product in order to elicit a response. It also bridges the gap between marketers and consumers. In the age of information marketing is incomplete without communication. The role of communication in marketing can be made clear from the following points.

Role of communication in, marketing:

1. Provide information
2. Persuade Buyers
3. Differentiate the product
4. Build Brand image
5. Stimulate Demand
6. Contribution to Economic Growth<sup>1</sup>

Advertising is probably the most widespread forms of promotion and publicity. It is paid publicity sponsored by the advertiser. It is used for communicating some business information to the present and prospective customers. The communication is usually one-sided in one direction from the advertiser to the Public. A product service and idea can be presented and promoted in a variety of ways and advertising is one of them .The dictionary defines advertising as make known to inform to inform. Literally, to advertise mean to tell the public about a product or service in order to encourage them to buy or use it. Thus, advertisement can be regarded as communication.

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<sup>1</sup> Shrestha Kul Narshing, Foundation of Advertising, Raj offset press , Tahachal ,Kathmandu, 2063B.S. pp.4

Advertising is a general phrase used for the announcement made by manufacturers or sellers to promote the sale of their products. About product, service and organization. The major difference between the advertising uses mass media such as TV, Radio, FM, Hoarding board, news paper etc. to communicate about the product, service and idea.

Advertising is a powerful marketing tool, which is highly expensive. Organizations spend huge sums on advertising. In any organization for a given marketing program, an adequate advertising expenditure is necessary. When media choices are made the size of the advertisement budget often acts as a limiting factor. Thus, advertising expenditure requires planning. Advertisement budget is a form of advertising plan in terms of advertising expenditure and media choice.

However, the main purpose of advertising is to persuade the consumer to buy the product and service. The other purpose can be to inform the consumers about the product's availability, feature and uses etc.

Different people have defined advertising in many ways. However, they all mean nearly the same thing. Some of the popular definitions are as follows;

“Advertising is any paid form of non personal presentation and promotion of ideas, goods and services by an identified sponsor.”<sup>2</sup>

“Advertising is the non personal communication of information usually paid for and ideas by identified sponsor through the various media.”<sup>3</sup>

The American marketing association, Chicago, defines advertising as “Any paid form of non-personal presentation of idea, goods and services of an identified sponsor.”<sup>4</sup>

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2. Kotler Philip, marketing management, The Millennium Edition, Prentice Halls of India, New Delhi, 2000 P.578

3. CL Bovee and W.F.Arens Advertising, 2/e, Irwin Home-Wood, Illinois, USA: 1986, P.2

4. Chhunawala S.A and K.C. Sethia, Foundation of advertising, Theory and Practice, 4/e, Himalaya Publishing House, Mumbai: 1998, P.5

An analysis of each elements of this American definition follows.

“Advertising may be in any form of presentation .it may be assign, a symbol, an illustration, an advertising message I a magazine or newspaper, a commercial on the radio, or on the television .Any form of presentation which an advertiser imagines will fulfill the requirement of an ad can be employed. Secondly, it is defined as any paid from, favorable publicity projects, service or ideas in any media because it is considered informative and useful for the audience. For publicity no payment is made by the benefited organization. The paid aspect of the definition reflects the fact that the space or time for an advertising message generally must be bought. It has been defined as non-personal also. The phrase excludes any form of personal selling, which is usually done on a person to person or people to people basis. Advertising is totally non–personal inter reaction, delivered through media and often viewed as intrusion. Of course, advertising may helps the sales person that in his or her sales effort.”<sup>5</sup>

Advertiser include not only business firms but also charitable organizations, social organization and government agencies that direct message to target publics.

Advertising may be in any forms of presentation that carries a message. The message may be visual or oral. It may be a sign, symbol, a commercial on the radio or TV, a circular dispatched through the mail or a message on the billboard or poster.

Advertising is non-personal communication as nobody has personally conveyed it. There is no face to face direct contact as in personal selling.

An advertisement announcement the arrival of a new product, talks about its special features and explains the best use of the product. Thus advertising promotes ideas, goods, and services. Advertising try to persuade or influence the consumers to do something. No, manufacturers

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5. Adopted from S.H.H. Kazmi and K.B. sethia, Advertising, and Sales Promotion, 2/e, Excel Books.New Dellhi: P.9

can think of sales without advertising. In some cases the advertising makes consumers aware of the product or company.

Advertising creates the awareness in the mind of the consumers and it motivates the consumer to purchase the product or we can say that actual purchase occurs as a result of advertising but in reality, many other factors also on it. Some times advertising can do its job and bring the customers to the retail outlets but if the retail outlet doesn't have products on stock, purchase may not occur. Advertising is a paid form of communication by sponsors. It is directly paid for as against the publicity.

Advertising stimulates the potential buyers to go to the store to buy actual advertised products. In general, advertising is done in expectation of intangible gain, such as favorable attitudes, better image of the firm and increased sales. Marketing manager decides the techniques of advertising depending upon the situation and also blend all promotional tools- advertising, publicity, sales promotion and personal selling, to arrive at a right mix. Each of the promotional tools has got unique characteristics and employment. The advertiser includes not only business firms but also museums professional and social organization that advertises their products or service. He advertiser s includes not only business firms but also museums, professional and social organizations that advertise their products or services. The term advertisement is very popular in today world. All the countries in the world use it.

We can see it everywhere, i.e., on the television, in the newspaper, in the magazines, on the trash containers, on the vehicles, on the matchbox, even in the sky and so on. We can here it on the radio, fm channels, announce etc. so the advertisers have different choices of media to advertise their products, services or ideas. The advertisers need to choose the medium which best reach the customers. In this respects, the study of the media impact on the customer is the must.

Advertising is an important element of promotion activities. It is paid publicity sponsored by the advertiser. Advertising attempts to present the most persuasive selling message to the right prospects for the product or services. It is used to promote the ideas, products, and services. It is creative and designed to attract prospective buyers. It has been accepted that advertising is mass communication. The communication is usually one sided in one direction from the advertiser to the public.

Advertising is the major forms of promotion in the international as well as domestic marketing .people generally buy a product only after known about it. that is way, advertising play the vital role of marketing specially in purchasing and providing information to a large number of scattered mass in different region of the country. Advertising as a tool of the mass selling is an indispensable medium. It can bring the message to millions of people at the same time .while it is not so increase of personal selling, store display etc.

Advertising is used by different organization in different ways. A large company set up its own advertising department whose job is to develop the total budget, help developing advertising strategy, select media, approved advertising agency etc. Most companies use an out side advertising agency to help them, create advertising companies and to selects and purchase media. Advertising can be understood as firms of communications which aims at bringing about some change in behavior of the target audience; particularly the potential buyers or non-buyers towards the product or service advertised generally theoretical model seeks to identifies a stepwise behavioral progression of a non-buyer towards buying action.

This is the progression from awareness to comprehension, from comprehension to favorable attitude, from favorable attitude to conviction and from conviction to action means finding actual purchase of the product

concerned, which can be presented in the following points to answers how advertising convert from potential to actual one.

- a) Action
- b) Conviction
- c) Favorable attitude
- d) Comprehension
- e) Awareness<sup>6</sup>

Advertising is complex because so many different advertisers try to reach so many different types of audiences. The forms of advertising vary according to its use. From the user's point of view advertising has following forms.

1. Advertising by producers.
2. Advertising by resellers.
3. Advertising by individuals
4. Advertising by government, social institutions, and groups.<sup>7</sup>

It is opened to question if this model represents that actually happens in real life or one thing actual purchase occurs as a result of many factors and advertising only one of them something advertising do its job and bring he customer to the retail outlets, but if distribution plan of the company is uneven and retail does not have stock of the products purchase may not result.

Simply advertising simulates the potential buyers to go to the store to buy advertised product .in general, advertising is done in he expectation of tangible gains such as favorable attitude, better image of the film and increased sales. The technique of advertising upon the situation however, it

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<sup>6</sup> Adopted from Navraj Thapa; Role of Advertisement and its Impact on consumer Behavior, Degree Dissertation, Submitted to Central Department of Management, T.U.2003, P.2

<sup>7</sup> Shrestha Kul Narsingh, "fundamentals of Advertising, 2063, Raj offset Press, Tahachal Kathmandu, Nepal. Pp.29

is the matter of design of the marketing manager to blend all promotional tools-advertising, personal selling, publicity and sales promotion to arrive at a right mix. Each promotional tools have got unique characteristics and complementary .the exposure of the advertisement can create awareness about the brand, leading to a feeling of familiarity with it .it gives the information about the brand's benefit and the attributes are based on.

Similarity advertisement can also generate feeling in an audience that they begin to associate with the choice of spoke person and various devices, the advertisement can lead to the creation of an image for the brand which is often called "brand personality."

The advertisement can create the impression that the brand is favored by the consumer's peers or experts-individuals and groups the consumer likes to emulate. This is often how products and brands are presented as being fashionable. These effects can be create a favorable liking or attitude towards the brand which lead to purchasing action. Sometimes the advertiser will attempt to spur purchasing action directly by providing a reminder or by attacking reasons why the consumer may be postponing the action.

It is true that sometimes the effects of advertising cannot be measured directly in terms of sales.

Therefore, advertising objective could be stated in terms of communication goals, such as awareness of the product on favor ability of attitude towards it. This assumption is that on some way communication related to stated on terms of communication, measurement against such goals can always be possible.

A company can create good and effective stimuli through advertising. a consumer may impress himself by advertising and then motive himself to purchase goods. Advertising is only one among other several selling tools, which businessmen have used to centuries to assist them in getting their ware in to hands of consumers. Its early uses were distinctly a minor

supplement to other forms of selling. Perhaps some forms of advertising have existed as long as we have had buying and selling.

## 1.2 Evolution of Advertising in Nepal

Advertising evolved and changed according to the needs of the society and progress of the country. Advertisers have been engaged in the promotion of production, services. The evolution of advertising has been presented under the following head:

- a. Early Advertising
- b. Early Printed Advertising
- c. Development of Modern Advertising
- d. Development of Advertising in 20<sup>th</sup> Century
- e. Development in the Information Age<sup>8</sup>

The history of advertising takes us in to the dim past many centuries ago. People used primitive hand tools to produce goods. They live in small, isolated communities when artisans and farmers bartered goods and services among themselves. Advertising by word of mouth was probably the earliest forms of advertising, which began as soon as one man desired to barter with another.

The most important development in the history of advertising was the introductions of the printing press in the 1450s. Movable letters provided the flexibility to the print in local dialects. This new technology made possible the formats of advertising posters, handbills, and signs and enabled the development of first mass medium-newspaper.

Eventually, Greek and Roman merchants expanded contact with other societies. And with the development of more sophisticated tools and division of labor, people achieved a higher level of production. The famous Nepali proverb “Bolneko Pitho Bikchha Navolneko Chamal Pani

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<sup>8</sup> Shrestha Kul Narsingh, Fundamentals of Advertising, Raj offset Tahachal Kathmandu, 2063 P.25

Bikdaina.” points out that the Nepalese society has known advertising and its usefulness to the business for a long time. The proverb means that even a superior product cannot be sold if the marketer fails to advertise the product in the proper manner and vice versa. It shows that advertising has been deep-rooted in our culture and was prevalent long back.

Certainly, advertising in those days was done other forms of communication. Government used to publish announces to communicate information and orders. Written government orders and information were posted on the walls where all of the people could see them. Actually we still have this practice in Nepal and in many countries.

Even after a restoration of democracy, the role of effective advertisement still were used simply as a means to provide information to public. The notion of public appeal creation of demand and attraction of needs and wants were out of question. Later as Nepal’s trade with other countries increased, advertisement became more and more influential as more of different nations were introduced into Nepalese markets. The first newspaper of Nepal is Gorkhapatra, which was published in the year 1957 B.S. Still it has been publishing. It has not until much later that the paper began to advertise about commodities in Nepal.

Now a day’s many newspapers and magazines are publishing in Nepal as information and business views. The history of radio broadcasting in Nepal starts from magh 2007 B.S. at first, the radio broadcasting was made from the premises of the Ragu Pati jute mills at Biratnagar on 41 Mulreband on 2007 chaitra 20. A broadcasting station was established in Singh Durbas school Ghar under the name of Nepal Radio. One and half hour Dailly program of Hindi recorded songs and advertisement were broadcasted from the beginning during the afternoon transmission and the advertisement were channeled through commercial department.

The history of advertising agencies in 2007 B.S. at that time advertising was only about the official notice and information and numbers of advertisers were also very few .advertising was really done in private newspaper while advertisement from Radio Nepal was not in practice.

The history of television broadcasting in Nepal starts from Paush 2041 B.S. in the name of Nepal Television and started to telecaste the programmer in 2042 B.S. while the commercial telecasting started from 2044 B.S. now more than half a dozen of television broadcasting channels are establish in Nepal.

The history of F.M. program broadcasting in Nepal starts from Kartik, 2052B.S,which was launches by Radio Nepal .the FM channel airs program on 100 MHZ on the FM band thought 1 K w transmitter installed at Khumaltar Lalitpur.<sup>9</sup> Now days various FM station have been established in national, regional and district level.

### 1.3 **History of SAPTAKOSHI F.M.**

Itahari is the heart of eastern development region. This is the famous educational place. In this place famous government, private school and college are here. Also here in, many caste and ethnic group like and passing their life. So, FM is also introductions of Biratnagar city. Where is located in Sunsari districts in Nepal.

The famous Television and FM Radio in eastern regional area are as follows: Pathivara FM Jhapa, Kanchanjanga FM Jhapa, Sky FM morang, Dantakali FM Sunsari, Ganatantra FM Sunsari, Makalu Television Sunsari, Paribartan FM sunsari, Koshi FM Morang, Purwanchal FM Morang, Makalu FM Morang, B FM Morang, and SAPTAKOSHI FM Sunsari etc. are here.

Saptakoshi FM is established on 2058 B.S. It's started its broadcasting on Ashoj17, 2058. It is heard at 90.00 MHz. The FM

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<sup>9</sup> Thapa, op.cit, P.8.

Manager name is Mr.Chandra Neupane. The FM founder names are Pradip Nepal and Prem Basnet.

The Saptakoshi FM advertising normal rate in average Rs.200.00 per minute including 13% vat. The total staffs are 25.whereas; the partial staffs are 12 nos.

Its time and we can hear it for 9 hours per day, from 5 am. To 11pm the FM channel air programs installed at Itahari-8

The FM gives international program like entertainment, educational, health educational and as well as sports. It has been very popular in eastern development region as well as neighboring country India.

#### **1.4. Statement of problem**

Advertising is one of the most important tools that company as use to persuade target buyers to buy their products of services .there are many special and `specific reasons for advertising . The reasons can be to announce a new product or announce a modification to announce a price change to announce a new park, to make a special offer etc.

Today due to the importance of advertising, many companies are using advertising as their integral part .The role of advertising is to shift the product the demand curve upward. For this, the effectiveness of advertisement is on of the major areas advertiser needs to consider.

Deciding on the media is the crucial task that the advertiser needs to undertake for the success of any advertisements. Among various types of media FM enjoys the dominant position. Advertisement can reach very easily to various consumers at a time through FM.

Nepalese market is becoming competitive and sophisticated than before. Which has made advertising as a compulsion to any business organization? In Nepalese prospective advertising means charity or wasting of time and money, but this type of misconception has been

disappearing by the developing of the advertising and its increasing popularity.

Entry of multinational advertising companies made Nepalese advertising world creative and competitive than ever before.

The selection of the target market and the product nature plays a significant impact on choosing the media. The boundaries within which, the product are intended to be sold sets limitation on choice of media. Different people show different attitude toward the same message broadcasted, telecasted and published.

Thus, the understating of the impact of any media on consumer behavior is extremely important for any advertiser in a developing country like Nepal, these types of study is most. The Nepalese business house can generate many ideas in the field of marketing area through this type of survey.

But in Nepal, the advertisers are advertising their products without considering the customers. That is why the advertisement fails to increase the goodwill of products among customers.

Therefore, the present study focuses to analyze the present situation of FM advertisement in Nepal, especially in Biratnagar. Besides that, they should be further analyzed the viewers attitudes, their comments and suggestion through different sector of viewers which would be helpful to the both advertiser and viewers in future.

### **1.5. Objectives of the study:**

Advertising is a mass communication, which informs, persuades, and reminds the customers about the products. The basic objective of advertising is to sell something-a product, a service or an idea. Different authors have noted the objectives of advertising differently. Advertiser has no single objective. They formulate their objectives according to their functional needs. In brief, the objectives of advertising are as follows.

- a. Introduce new product to potential customers.
- b. Persuade customers
- c. Image building
- d. Educate the customers
- e. Help middlemen.
- f. Remind customers
- g. Other objectives<sup>10</sup>

Where as, the main objective of the study is to analyze the general impact of FM advertising on consumer behavior. However the basic of the study can be outlined as below:

1. To identify the present advertising situation of Saptakoshi FM.
2. To analyze the effectiveness of FM advertisements and its influence on the buying habits of the consumers.
3. To examine how the different group of people perceive and about FM advertisement.
4. To identify the types of FM advertisement consumer prefer.

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

The advertiser should test the ad before it is run so that any corrective step if required may be taken at the right time. Testing should be carried out at an appropriate stage in the advertising process.

However, in testing the ad, advertiser measures the ad effectiveness. Advertisement effectiveness testing or evolution is a research activity that established cause and effect relations between advertising efforts and result. Advertising has proved to be effective source of information than other source in the today's modern business world; the need of advertising

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<sup>10</sup> Shrestha Kul Narsingh, "Fundamentals of advertising,2063, Raj Offset Press,Tahachal Kathmandu ,Nepal.Pp.25

is indispensable. Every stage of product life cycle needs advertising volume of which may be low or high. Depending upon the nature helps in the introduction of mass production, installation of up to date machinery, and consequent reduction of cost of article. It is beneficial not only to the producer and retailer but also to the consumer.

“Advertising presents the most persuasive possible selling message to the right prospect for the product or service at the lowest possible cost”. This is a professional definition, which emphasize that advertising should be planned and reacted to achieve

The most result for the least cost. The main objective of advertising is to sell the goods and services. But unlike the salesman who in a face to face or in a voice to voice situation , advertising sales in a broadcast fashion to numbers of prospect whose identity may or may not be known and who may be close at hand or at a distance. The message is reached to the large number of prospective buyers at a time.

Advertising has this remarkable flexibility and range of operation. This versatile and flexibility of the advertisement does have to be used intelligently. This is lacking in Nepal.

In this regard, the present study will be helpful. before there is any expenditure on advertising .first there must be an assessment of the likely return and one method or medium should be judged against another on a cost benefit analysis .i hope this study will be important for the adviser .it will help them to improve their advertising policy.

Nepalese advertising sector is rapidly growing as it is in the world. This is the business world which can't be even imagined without effective advertisement .most of the business houses and business companies are doing their business with the help of the advertisement by allocating huge proportion of the amount in the same.

This study will help to the marketing manager to improve upon their advertising policy .as advertising involves cost and every cost should bear

ample return, it in the interest of business enterprises to study the factor hindering it Its development and way develop it. for example, if the product is for younger, the advertising must prefer to make musical advertisement as the result is highly towards musical advertisements, if the product is for high educated people, the advertisers must refer to make advertisements having as the result is highly towards goods wording advertisement and so on. This study will try to find out the consumers behavior and their thought regarding the FM. So this study will also helpful them who are related to FM advertisement.

### **1.7. Limitation of the study**

1. This study is based on the FM advertising made by the Saptakoshi FM.
2. This study is base on the primary data collected from the respondent whom the questionnaire is administrated.
3. The field survey is confined within itahari City.
4. The resources like time and money are major constraint.
5. The secondary data is limited within a few researches because of the lack of research in this topic.

### **1.8. Organization of the study**

The entire thesis works will have been organized in to five chapters.

1. Introduction
2. Review of literature
3. Research methodology
4. Presentation and analysis of data
5. Summary, findings and recommendation.

# CHAPTER-TWO

## Review of Literature

### 2.1. History of Advertising

Archeologists have found evidence of advertising dating back to the 3000s BC, among the Babylonians. The out door display ,usually an eye catching sign painted on the wall of building was one of a the first known methods of advertising .many such signs were uncovered by archeologist ,notably in the ruins of ancient Rome and Pompeii. An out door advertisement exceptive in Rome offers property for rent and one found painted on a wall in the Pompeii calls the attention of travelers to a town situated in another town.

“Advertising by word of mouth is probably the earliest form of advertising, because oral skills were developed before reading and writing. Advertising was given the commercial status the day man entered into the process of exchange.”<sup>11</sup>

Word of mouth praise of produces was the way of advertising used in medieval times. This gives rise to simple but effective form of advertising, the use of so called town criers. The criers were citizens who read public notices aloud merchants also employed these town criers to shout the praises of their wares. Even in Nepal, during Regime, town criers walked through the streets announcing the opening the closure of gambling periods during the Laxmi Puja and other occasions. This form of advertising was called ‘jhali pitne’ in Nepali. Jhali means a certain types of an instrument which produces music and pitne means to beat .this is so called because the town criers beat the Jhali while making announcement of informing the public.

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11.C.N. Santokki, Advertising, 2/e New Delhi: Kalyani Publishers, 1994, P.106

They were forerunners of the modern announcer who delivers Radio and television commercials.

Although graphics form of advertising appeared early in the history, printed advertising media little headway until the invention of the movable type printing press by German printers Johannes Guttenberg about 1450. This invention made the mass distribution of posters and circulars possible. The first advertisement in English appeared in 1472 in the form of handbill announcing a pager book for sale. Two Hundred year later the first newspaper ad was published offering a reward for the return of 12 stolen horses.

Another major technological breakthrough in the field of advertising was the invention of photography in the late 1880s. Prior to this invention, advertisement were illustrated only by drawing; Photography adds creativity to advertisements as it shows products as they were Visualized by an artist.

During the 16<sup>th</sup> century newspaper was the largest among the prints and these newspapers were in the form of newsletters. The first newsletter was started in 1622 in England. Later half of the 16<sup>th</sup> century witnessed newspapers in the form of news books and by the middle of the 17<sup>th</sup> century; there were special advertising periodicals. By 1675, newspaper published excellent news books. By the end of 17<sup>th</sup> century, newspapers were well established in England undertaking advertising on a regular basis.”<sup>12</sup>

Advertising agency initially focused on print .then the new powerful advertising medium, Radio started on 2 November 1920 in Pittsburgh, Pennsylvania. The introduction of this broad casting medium created new opportunity and by the end of the 1920s, advertising had established itself in Radio to such an extend that advertiser were producing many of their own programs.

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<sup>12</sup> Santokki C.N: IBID

The early 1930s produced dozens of Radio dramatic series in America that were known as soap operas they were sponsored by soap companies. Though television had been introduced in 1940, it was not immediately embraced because of the high cost of TV sets and the lack of programming. In the 1950s the American economy soared which led to the rise in the sale of TV sets and the advertising that paid for the popular new shows. Soon TV became the largest advertising medium, which surpassed Radio as an advertising medium. The form of the advertising is also changing. No longer does advertising simply present the product benefit. Instead it creates a product image.

The change in advertising corresponds with social, economic and political change of the country. The fact of the world has changed and people are more sensitive about the particular types of products and services, which best satisfy their needs. Life styles were changing. Advertisements help people in their buying decision since people are faced with many products that satisfy their particular needs, decision making process has become complicated. In this regard, advertisements come to their rescue. People have started to make decisions on the basis of advertisements they preferred for instance, some teenagers choose cosmetics, which are not much advertised.

The importance of advertising is growing day by day and so does the field of advertising. No one can predict what new forms of advertising may take in the future. The most recent advanced form is advertising through internet i.e. by creating different websites in the internet etc.

## **2.2. Development of advertising in Nepal**

The development of the media of advertising dates back to the initial years of the Rana Regime. Prior to that, the media of communication used included only pamphlets and the town criers who speak a loud voice in the public place to communicate the message.

The history of newspaper in Nepal is a recent phenomenon. In the developed country such as United States, magazines entered the field of journalism long before the advent of newspaper of Nepal. Motiram Bhatta was the pioneer of the Nepalese journalism. He was the first to edit and publish the first Nepali monthly Gorkha – Bharat “Jeevani” printed and published from Banarasi, India in the year 1886 AD. A Nepali poet Moti Ram Bhatta collaborated with Krishna Dev Pandey set up the Pashupati Press, the first printing press in Kathmandu. A Nepali monthly Sudha Sagar was first printed and published by that press in 1889 AD.

The press printed the first “Gorkhapatra” during the premiership of Dev Samsher J. B. Rana in 1901 AD. It was the first published as a corporation has expanded its field by publishing the English daily “The Rising Nepal”. It was not until much later that this paper began to advertise about commodities in Nepal.

During the Rana Regime, Prime Minister Juddha Samsher had ordered all radio set owners to surrender their radio to the Government. At the time, some Nepalese people who had returned from the British Army service in the Second World War brought some radio sets to listen the news and other programs secretly. Therefore, it is not exactly known when radio broadcasting in Nepal was started in the 1950s. At first, the radio broadcast was made to the public from the premises of the Raghupati Jute Mill at Biratnagar on 41 meter –band. On 2nd April, 1951 a broadcasting station was established in Singh Durbar Kathmandu under the name of Radio Nepal.

With the arrival of Democracy, the means of communication developed rapidly.

Television medium of advertising was developed much later in the end of 1985 AD.

With the development of different types of media, advertising also flourishes day by day. There are so many advertisements of products and

services on television and in the popular press today, which were not there only a few years ago. We can see many advertisements of cosmetic products, noodles, soaps, telephone, and other various goods and services, in mass communication media like, newspaper, radio, FM, TV etc.

Before people were not bombarded with as many advertisements as seen today. Never before there have been so many excellent advertisements about offering prizes by noodles like Wai-Wai, Mayos, Rumpum etc.

The history of advertising agencies in Nepal was started after establishing advertising agencies in 2017 B.S. At that time, advertising was only about the official notice and information. Number of advertisers were also very few and advertising was rarely done in private newspapers while advertisement in radio was not practice.

Television was not developed in that time. Now a days, there are so many advertising agencies serving in the field of advertising. The top ten advertising agencies of Nepal are started to be selected yearly, MediaHub, Synco media, AD. Avenues, Classic AD., Media Times, and Thompson Nepal etc. are popular advertising agencies of Nepal.

The history of fm (frequency modulation) program broadcasting in Nepal starts from Kartik 2052 B.S. (November 1995), which was launched by Radio Nepal. The FM channel airs programs on 100 MHz on the fm band through a 1 kW transmitter installed at Khumaltar Lalitpur. Now a days, various fm station has been established in national, regional and district level. Kantipur fm, Image fm, Sagarmatha fm, saptakoshi fm, Koshi fm etc. are some popular fm channel of Nepal.

### **2.3 Meaning of Advertising:**

Advertising is a form of mass communication, which is designed to promote the sale of a product or service or a message on behalf of identified sponsor .most advertising is designed to promote the sale of a particular product or service. However some advertisements are designed

to promote an idea or influence behavior such as encouraging people not use to illegal drugs or smoke Cigarettes, informing people about family planning etc. such type of advertisement are often called public service ads [PSAs]. Some advertisement is also made to promote an institution, such as the Red Cross. Or Maiti Nepal and are known as institutional advertising .The basic purpose of these types of advertisements are to encourage people to volunteer or donate money to the institution.

For any business with something to sell, advertising performs several functions and its effect on that organization may be dramatic. The Basic functions and effects of advertising as a marketing tool are as follows:

1. To identify products and different them from others.
2. To communicate information about the product, its features, and its location of sale.
3. To induce consumers to try new products and to suggest reuse.
4. To stimulates the distribution of a product.
5. To increase product use.
6. To build value, brand preference, loyalty.
7. To lower the overall cost of sales.
8. To remind and reinforce the consumers.<sup>13</sup>

We can say that the basic purpose of advertising is to draw an attention of people towards particular products service or an idea. However ,in today's world of competition ,it is not enough for the advertisements to draw the attention of buyers .They should be able to persuade the consumers to use the advertised product, service or an idea .Than, only the goal of an advertisement is achieved.

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<sup>13</sup> Shrestha Kul Narsingh, “ Foundamentals of Advertising”,2063,Raj Offset Press Tahachal Kathmandu,Nepal.Pp.23

Different people have defined advertising in many ways .However, they all mean nearly the same thing, and some of the popular definitions are as follows:

“Advertising is any paid from of non-personal presentation and promotion of ideas, goods or service by an identified sponsor.”<sup>14</sup>

The American marketing association, Chicago defines “advertising is any paid from of non –personal presentation of goods, service or ideas of an identified sponsor.”

“Advertisement is a message composed by the advertiser to persuade whoever receives it to accept an idea, by a product or take some other action desired.”<sup>15</sup>

“.....clearly advertising included the following funds of massge; the massge carried in newspaper and magazine, or out door boards, or street car ,bus and trained cards and poster, in Radio and television broadcasts ,and in circulation of all kinds, whether distributed by mail ,by person through trade men or by inserts in packages, dealer help materials; window display and country display material and efforts; stone signs, house organs when directed to dealer and consumers; motion pictures used for advertising and novelties bearing advertising message or signature of the advertiser.” <sup>16</sup>

“Advertising is the means by which make known what we have to sell or what we want to buy.”<sup>17</sup>

The above definitions include many features of advertising .Firstly, advertising is non personal. There is not any king of face to face interaction in advertising .the message is transmitted through one or more than various types of mass communication media such as television, Radio, FM, newspaper .Because of its impersonality, the audience does not

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<sup>14</sup> Kotler, op. cit, P.587.

<sup>15</sup> Chunwalla S.A, Sethia K.B, Foundation of Advertising: Theory and Practice, Himalaya Publishing House, Mumbai: 4/e1998,P.5

<sup>16</sup> Borden.N and Marshal.a, Advertising Management, New Delhi: 1971.P.3

<sup>17</sup> Jefkins Frank, Advertising, London: Willaim Heine Mann Ltd., 4/e 1985,P.3

feel obliged to pay attention or respond . As such advertising can not be as compelling as company sales representative .However , advertising enjoys the advantage of mass communication .In this regard , advertising in the most cost efficient method of communication .it is an efficient way of reaching a large number of geographically dispersed buyers at a low cost per exposure .

Secondly, advertising is sponsored by an identified sponsor .The sponsors may be individuals, group or an organization .The sponsor who control the advertising is identified. In other words, public know the sponsors behind the advertising as they are openly identified in the advertisements.

Thirdly, advertising is a paid form of promotion of ideas, goods or services payment should be made by the sponsor to the medium which carries the message .The spenders not only include business firms but also museums, social organization, professionals etc. “Advertising is one of the most popularly used promotion tools it is used by business non-government organization charities and service institution.”<sup>18</sup> Last but not the least advertising has a message it carries a verbal or visual message. The message, thus carried, is encoded by the sender and decoded by the receiver .In the above definition, we can find that there is a clear distinction between advertising and advertisement .Advertisement simply is the message whereas advertising is a process which includes programming the series of activities which are necessary to plan and prepare the message and present it to the target market. Many experts believe that advertising has important economic and social benefits.

There are also some people who say that some advertising is deceptive or encourage an excessively materialistic culture or reinforce harmful stereo type .However, the majority of people believe it as an important buying guide.

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<sup>18</sup> Agrawal G.R, Foundation of Marketing: A Nepalese Perspective, 1/e Kathmandu: MK Publishers and distributors, Kathmandu, 2006.P.29

Thus, advertising is a paid form of non-personal mass communication and promotion of ideas, goods or service by an identified sponsor to the target market and advertising uses mass communication media as mentioned in the above definitions. “Advertising works in a myriad of different ways: it varies according to many factors, including the following:

- 1 The product or service being advertised.
- 2 The organization doing the advertising.
- 3 The target market aimed at.
- 4 The competitive environment.
- 5 The time period in which the advertising is done.
- 6 The media being used.
- 7 The message content of the advertisement.
- 8 The level of advertising being employed.<sup>19</sup>

The above mentioned all the factors need to be clearly analyzed before understanding any advertising companies

Daniel Storch wrote in 1925, an advertisement to be successful:

- A. Must be seen;
- B. Must be read;
- C. Must be believed;
- D. Must be remembered;
- E. Must be acted upon.

Thus, advertisement must be capable of drawing the attention of consumers toward the advertised product and persuading them to buy it.

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<sup>19</sup> Lancaster .G and Massingham.I, Marketing Management, 5/e, New Delhi: Prentice-Hall of India, 1998P.217

## **2.4 Specific reason for advertising.**

The primary reason for advertising by an organization is to promote the sale of a product, service or an idea. However, there are many special and specific reasons for advertising.

- a.** To announces a new product or service.
- b.** To expands the market to new buyers.
- c.** To announces a modification.
- d.** To announces a price change.
- e.** To announce a new pack.
- f.** To makes a special offer.
- g.** To invite inquiries.
- h.** To sell direct.
- i.** To tests a media.
- j.** Media announces the location of stockiest.
- k.** To educate consumers.
- l.** To maintain sales.
- m.** To challenge competition.
- n.** To reminds.
- o.** To retrieve lost sales.
- p.** To pleases the force.
- q.** To recruits staff.
- r.** To attracts investors.
- s.** To export.
- t.** To announces trading results.<sup>20</sup>

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<sup>20</sup> Jefkin, op.cit, PP.3-11

Announcing a new product or service usually means a costly and dramatic launch. To create a market for a product is not an easy job. The buying public is conservative, skeptical and is hard to shift from established habits. The advertising has to be bold, dramatic persuasive and convincing to promote something new. A long term campaign of advertising is required instead of a solitary big splash. The advertising should be persistent and insistent for the new product to create the market.

Manufacturers also use advertising to expand the market to new buyers. Since, the product already have some markets; the advertising is likely to have greater impact .People are aware of the products. The products have already been proved in professional commercials or some other accepted use .The advertising used by the advertiser is more persuasive rather than informative in this case.

An existing product is sometimes modified .It may be given a face lift with an additive, a new finish or casing such as a new pack of container etc. In the case, the product is advertised to announce a modification with an attempt to revive the sale of a product because of competition.

Advertisement announcing a price change is more common form. We can see many examples of these types of these types of advertisements during festival time i.e. advertising announcing festive discounts and hence change in price.

Some advertisements announce a new pack. Sometimes, a manufacturer may update a very old –established and probably old fashioned container. At the time, It is necessary to promote the product assure the consumers that the product is the same or better in quality. Consumers may suspect that a new pack means a different or inferior product is announced through advertisement assuring the consumers about the quality product.

For various reasons such as competition, slack seasons, the business house may plan to give special offer to their clients. These special offers

need to be advertised. For example Buddha announcing mileage card system offers to their regular clients traveling some sectors.

Some manufactures advertised to sell direct while other advertised to test the medium. The advertising objectives or reason for advertising differ as per the advertiser's requirement. The other objectives of advertisements can be educating consumers, to announce the location of stockiest, to challenge sales, to maintain sales etc.

## **2.5 Types of Advertising.**

Advertising can be divided into two broad categories:-

1. Consumer Advertising.
2. Trade Advertising.

Consumer advertising is the type of advertising, which is directed at the public where as trade advertising is directed at wholesaler or distributors who sell to the public.

Consumer advertising can be further divided into international or global advertising, national advertising and local advertising. Global advertising is directed at consumers throughout the entire country. This type of advertising usually aims to create awareness among the public of a product or service, or it tries to build loyalty to a product or service. Local advertising aims to inform public in a particular area where they can purchase a product or service. Advertising to the public also takes the form of institutional advertising, image advertising, cooperative advertising or international advertising.

Rather than trying to sell a specific product, institutional advertising seeks to create a favorable impression of a business or institution. It is designed solely to build prestige and public respect for non-profit institution, such advertising helps support the institution activities i.e., by encouraging blood donation or cash contribution for the work of an organization like the Red Cross.

However, profit earning business organization may also conduct institutional advertising for improving its reputation rather than trying to sell a particular product. There are many large company who see a diversity of products. As a result, there is more value and greater efficiency in building a brand image for the company itself. The company's diverse products if they learn to have a high regard for the company.

Many advertisers prefer image advertising. It is the type of advertising in which the advertisers seek to give a product a personality that is unique, appealing and appropriate so that the consumers are persuaded to choose it over similar products that might fulfill the same need. This type of personality is created more by the words and pictures of the advertisements associate with the product than the product's design and packaging. This personality is known as brand image the brand image often leads consumers to select one brand over another or instead of a less expensive generic product. It is specially important for commodities such as detergents, jeans, hamburgers and soft drinks as with in these product categories there are few, if any major difference.

Cooperative advertising is an arrangement between manufacturer and retailers. In this arrangement, manufacturer offer credits to their retail costumers for advertising. This credits or advertising allowances are normally based on the amount of product the retailer purchases. For example, if the retailer purchases Rs.10000.00worth product from a manufacturer, the manufacturer's cooperative advertising program may allot a 1 percent credit towards the cost of purchasing as an ad which will features the produce. In addition, some manufacturers may share cost of the ad and match the amount that the retailer spends. Cooperative advertising is a form of local advertising as it directs consumers to local retail outlets.

Informational advertising seeks to promote an idea or influence behavior. Some times known as public service advertising, it may try to

encourage people to adopt safer, healthier lifestyles or it may try to discourage young people from using illicit drugs or tobacco.

## **2.6 Method of Advertising:**

Medium is the instrument or the way through which the advertisement are put before the public. It is the vehicle that carries the message to the right readers, viewers, listeners or passers by. In advertising agencies there are media planners and media buyers who are highly experienced experts. The media owner exploits the advantages of their media in order to sell airtime, space or sites.

One of the functions of advertising is to select media from among the available alternatives that will maximize the number of people reached and the frequency with which they are reached. The advertisers must first set the target market they want to reach and then they must decide;

- a. The desired frequency of the message exposure in order to effect the change in behavior that will affect the sales of their brand.
- b. The maximum number of people in the target market that can be reached with the desired frequency. The greater the frequency desired, the smaller the reach obtainable with a given budget.

The media selection is a complicated process because not only is it necessary to choose among major media types, such as television, Radio ,FM, newspaper, but also specific selection must be made within each general type. For instance, if magazines are chosen, specific magazines and even issues must be selected .Similarly, in case of Radio ,FM and television, there is not only the question of what networks or station, but what programs, what day or days of the week time etc. one to be considered as well.

The classification of different media into different from Author to Author. The eastern concept and the western concept of classification are different; for example, author Chunnawala with other four authors in their

book advertising theory and practices leave classified advertising media as broadcast and non-broadcast media. Broadcast media include radio, FM and television whereas the non-broadcast media include videos, cable, network, cinemas etc. Besides these media, there is print media which includes newspapers and magazines. These three media are called the mass media or technological media. In addition to these three media, they have explained the outdoor media like hoarding board, posters, transit media etc. For the simplicity, the media can be classified as:

### **1. Print Media**

- a. Newspaper
- b. Magazines
- c. Other paper and prints

### **2. Electronic Media**

- a. Radio
- b. Frequency Modulation
- c. Television
- d. Video
- e. Cinema
- f. Electronic signs
- g. sky-writing

### **3. Direct Advertising Media**

- a. Envelope enclosure
- b. Catalogue and booklets
- c. Sales letter
- d. Gift novelties

## 2.7 Advertising Media

The term 'Media' can be defined as a transmission service for delivery the message to the target audience. Advertising messages travel through the various Media. Advertising media likewise is a vehicle for carrying the sales message of an advertiser to the prospects. The advertising media carries the advertising message of the company that manufactures a product & services to the customers who wish to buy it. Advertising message plays a vital connection among the manufacturer and advertiser and the ultimate user of the product.

Advertisement message travels through various Medias. The forms of media can be drawn as:<sup>30</sup>

1. Indoor Media
2. Outdoor Media
3. Display
4. Direct Media

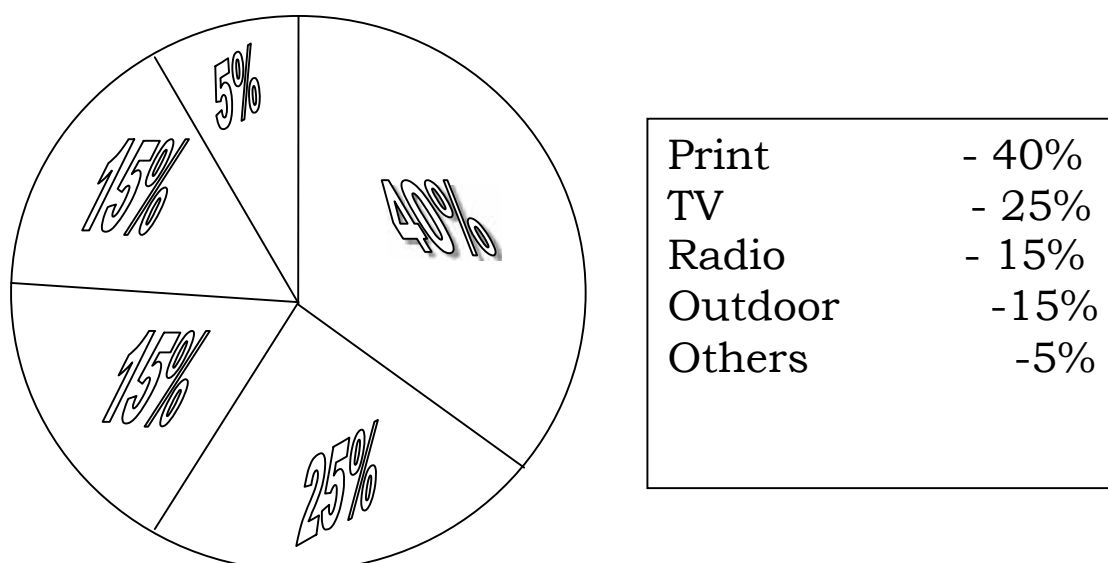
In the present situation, every media has spacious space and time for delivering the advertisements through their newspaper, magazines and TV channels. The Medias are found advertising themselves to promote the sales of their advertising space & time.

Advertising media now has been playing a major role in the growth of the industries through the promotional activities. Since there exist various media vehicle in the market, print media has the dominant position which is followed by the electronic media i.e. TV, radio. The increasing tendency of establishing the new TV channels stations and FM stations has also added the territory to the advertising media.

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<sup>30</sup> Kenneth E. Clow and Donald Back, *Integrated Advertising, Promotion and Marketing Communication*, Pearson Publication, New Delhi 2002, P.p.266-281

### Market share of different media<sup>31</sup>



In Nepal, the media sector has progressed a lot after the restoration of democracy in 1990. After this the dozens of newspapers, magazines, many FM stations and TV channels mushroomed in the country. They are not only established but also played a major role in the sector of communication like wise with the development of media the advertising has also boomed. The present status of various media available in Nepal is analyzed below:-

#### **2.7.1 Print Media**

Most probably, print media is the oldest and the largest media for advertising. In the context of our country advertising spends huge amount of money on newspapers and magazines. Tentatively 40% of the expenditure goes to the print media. There are numerous publications and each publication has its own area. They have got their brand image due to which the news paper is bombarded with the advertisement. In any national publications more than the news, advertisements are found. Among various publications, newspapers and magazines are the popular form of print media which is presented below.

<sup>31</sup> S.B Rai "Advertising Impact on Brand Choice & Brand Loyalty" Masters Degree Desertation submitted to Central Department of Management T.U.2005 P.42

## 2.7. 2 The Newspapers

The newspapers have an inevitable part of life. Without newspaper, the modern life can't be imagined. Newspaper is the most cheap and easily available means of communications which one can go through in any situation at any place at home, early in the morning with the cup of tea, school, shop, campus, library, bank, and departmental store offices. The newspapers are a mass medium that is read by almost everybody and everyday. As an advertising medium, newspapers are flexible and timely. Advertisement can be inserted or cancelled on very short notice and can vary in size spreading from small classified to multiple pages.

“Newspaper is one that gives news, views, ideas, interpretation, opinion, comments, explanations regarding the social, economical, political, educational, moral, cultural, ecological, methodological, development & the like”<sup>32</sup>

In among all Medias newspapers are considered as the backbone of advertising program. There are several types of newspaper such as daily, weeks, morning newspaper, evening newspaper and advertising bulletins. These types of newspapers can also be classified in terms of coverage frequency and languages. Coverage may be of geographical or subject matter newspaper. Newspaper may be of national level, regional and local level too. In Nepal the national daily newspaper are “The Kantipur”, The Samacharpatra, The Kathmandu post, The Gorkhapatra, The Rising Nepal, The Rajdhani, The Annapurna post, The Space Times, The Hindustan Times. The weekly newspapers are “The Nepali Times”,

The Jag Astha, Bimarsha, Dristhi, Punarjagaran, Saptahik, Samakalin etc.

Similarly Prabhatkalin and Sandhyakalin newspaper are also available.

### **Number of newspapers in Nepal**<sup>33</sup>

<b><u>Frequency</u></b>	<b><u>Number</u></b>
Daily	298
Half yearly	9
Weekly	1414

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<sup>32</sup> Sontakhi, Op.Cit. P.140

<sup>33</sup> S.B.Rai Op.Cit.P.52

Fortnightly	276
Monthly	1231
Bi-Monthly	259
Quarterly	407
Four Monthly	22
Half yearly	60
Yearly	73

Number of Registered news paper by Development Regions<sup>34</sup>

Development Regions	Daily	Half Weekly	Weekly	Fort Nightly	Monthly	Two Months	Three months	Quarterly	Half Yearly	Yearly
Eastern	52	2	172	35	38	9	17	1	4	-
Central	155	6	931	207	1031	227	339	20	50	60
Western	29	2	105	24	40	13	16	-	2	4
Mid Western	8	3	57	1	9	2	11	-	2	1
Far	7	1	39	-	4	3	1	-	-	1
Total	251	14	1304	267	1122	254	384	21	58	66

### 2.7.3 The Magazines

Magazines are the mediums to use while high quality printing and color are desired in an advertisement. Magazines can reach a national market as a relatively low cost per reader. Through special interest magazines or regional editions of general interest, magazines an advertiser can reach to selected audience<sup>35</sup>

With least of wasted circulation, Magazines are usually read in a leisure time in contrast to the haste in which other print media are read. This feature is especially valuable to the advertiser with a lengthy or complicated message. Magazines have relatively long life anywhere from a week to a month and a high pass along readership.

With less flexible production schedules than newspapers, magazines require advertisement to be submitted several weeks before publications. So, in selecting the

<sup>34</sup> *Statistical Pocket Book Nepal*, Central Bureau of Statistics Kathmandu, 2004, P.164

<sup>35</sup> Stanton, Etzel and Walker, Op.Cit. P.513

magazines for advertising the media buyer must consider the publications circulating its readership cost and mechanical requirements.

#### **i. Electronic Media**

Electronic Media is the most widely used and popular media in 21<sup>st</sup> century. It is mostly preferable media for advertising by the advertiser with the development of civilization the electronic media such as Radio, TV and Computer are penetrating to more and more homes every moment. In Nepal about 40% of advertising expenditure goes to the electronic media. Though only two Radio and TV are the means of electronic media, the number of FM Stations and TV channels has been increasing rapidly.

#### **2.7.5 Radio Broadcasting**

After radio has come into existence, it has become the powerful communication for all radio is widely listened throughout the entire world. Over the past decade radio has enjoyed the rebirth as an advertising and cultural medium.

When interest in TV increases, radio audiences seems to be declined in the recent decade but during 19<sup>th</sup> century 1200 new radio stations including 75% FM stations were established and about 80% of the Americans listen the radio daily.<sup>36</sup>

The history of radio broadcasting in Nepal was started in the year 1950. Initially radio broadcast was made to the public from the presence of Biratnagar jute mills in Biratnagar, Later Radio Nepal was established and broadcasted from Katmandu. Now 48 FM Stations are in operations throughout the Nations.

The radio broadcasting is cheapest and quickest means of mass communications in Nepal. Due to geographical diversity in nation, radio broadcasting has proved a very effective medium in disseminating the information and educating the people of remote area. There are thousands of people who can't read the newspaper where radio has proved its efficiency by creating awareness through audio method.

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<sup>36</sup> Ibid.

## ii. The FM Broadcasting

Frequency modulation program is the most happening radio program today. In its history “Radio Nepal launched the test transmission of the first FM channel in Nepal on 16<sup>th</sup> November 1995. The FM channel airs program on 20M<sub>HZ</sub> on the FM band through a 1 KW transmitter installed in Katmandu. A state of art studio with stereo with stereo facilities has been established at singhadarbar with sufficient facilities to broadcast program on live.”<sup>37</sup>

In the initial phase FM transition began a short period program as an experienced basis and with a view to get popularity went on six hours long regular programming from 15<sup>th</sup> Poush 2052. In the beginning the FM stations are confined only in Kathmandu or in urban areas but due to the government liberal policy on media, FM stations are mushrooming in the country.

Now FM stations are established outside the Kathmandu valley and in remote area too. Now days above 4 dozens of FM broadcasting are heard throughout the nation.

Now a days FM stations are the effective and efficient media for advertising. Since FM channels are based on local territory, the advertiser can select the FM stations according to the territory covered by them to advertise their product.

### 2.7.6 Television:

Television is believed to be the most authoritative, influential and exciting medium. It is often said that television is the ideal medium for advertising because of its ability to combine visual images, sound, motion and color. Products can be demonstrated as well as described on TV. It offers wide geographical coverage and flexibility.

Now cable is also changing TV as an advertising media. Nearly 50% of the American homes have cable with an average of 20% broadcast station per house hold.

The history of Television broadcasting in Nepal has not been so long. It was started on August 13, 1985 with the view to cover Kathmandu valley. Now there are

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<sup>37</sup> Brochure of Radio Nepal, 17<sup>th</sup> July 1995

six Nepalese TV channels in existence and few more are in process to be broadcasted. Television plays significant role in delivering the advertisements and the advertisement broadcasted by the Television has high impact on brand choice of convenience products to the general public as the TV ads are more attractive and convincing in comparison to Newspaper ads and the radio ads.

The dominant TV channel through out the nation is Nepal Television in terms of the geographical coverage but in recent days other Television channels are also emerging and doing their best in their respective field. Besides Nepal Television, Five other channels are in operation such as Channel Nepal, Kantipur TV, Image TV, NTV Metro, Nepal One TV and other few channels are in the process to join as Sagarmatha TV, Avenue TV and TV Nepal.

Increasing TV channels create competitive situation in advertising business and improving the quality of advertisement. Now TV channels are generating huge amount of revenue for advertising. The consumers basically the children are highly attracted and impressed by the TV ads, through which the producers and sellers are able to penetrate their products to the market.

### **2.7.7 Outdoor Media Advertising**

Outdoor advertising represents the oldest medium while studying the historical background it has been observed that outdoors advertising existed as early as 5000 years ago in Babylon, Greece & Egypt. During this era, signs were used to mark the location of mercantile establishments. Traders in these days used signs outside their buildings and along the routes as a means of mass communication.

Outdoor advertising is usually used as supportive medium by most national advertising and includes billboards, hoardings, posters, wall pickings, transit advertising. “Outdoor advertising can generate considerable reach & frequency levels at a fraction of the cost of mainstream media and is most successful when it is used to accomplish narrowly defined communicative objectives.”<sup>38</sup>

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<sup>38</sup> Kazmi & Batra Op Cit P.249.

Outdoor advertising is the major advertising media offer the lowest cost per message delivered. In addition the medium offers other attractive features that include instant broad coverage very high frequency great flexibility and impact too. Outdoor Advertising makes traveling of millions of people entertaining in the road every moment.

In the beginning, only the movies and convenience items like toothpaste, soap, and cigarette were advertised through the outdoor media has penetrated to the variety of products, services and social awareness.

### **b. Effective Advertising**

Effective Advertising refers to informing the public about the right product at the right time through the right medium. Delivering the right message through a wrong medium at wrong time would be a definite wastage of time, money and resources. So effective advertising is based on the selection of proper media. Media selection decision refers to the selection of specific medium of advertising such as newspaper, TV, radio and outdoor media. According to the nature of the product or services the media selection is to be done for effective Advertising. The objective and strategy of the advertising is to be determined. The size and the characteristics of the audience is to be measured geographical coverage of the media is to be analyzed. The effectiveness of the particular media in the particular area is to be measured, similarly the cost benefit analysis to be calculated for the advertising effectiveness.

## **2.9. The Advertising Agency**

“Advertising agency is an independent organization of creative people and business people who specialize in the development and presentation of advertising plans, advertisements and other promotional tools. The agency also arranges or contracts for the purchase of advertising space and time in the various media. It does all this on behalf of different sellers, who are referred to as its clients in an effort to find customers for their goods and services.”<sup>39</sup>

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<sup>39</sup> Bovee & William F Arens, Op.Cit 1986 P.83.

Advertising Agency is a team of experts appointed by clients to plan, produce and place advertising campaigns in the media. A modern advertising agency is the fountainhead from which most of the advertisements can be heard through national and regional media. An agency represents the core of advertising profession.

The modern advertising agency of today has advanced a long way from the space salesman of century ago to the extent that some felt it would be more appropriate to call it a marketing agency. Though the advertising agencies are booming in the country it would be incorrect to assume that the agency could substitute for firms own marketing department. Advertising is that organization which provides the specialized knowledge, skills and experience needed to produce effective advertising.<sup>40</sup>

#### **Some heard Advertising Agencies of Nepal:**

- 1) Media Hub Pvt. Ltd.
- 2) Advertising Avenues Nepal
- 3) Synchro Media Pvt. Ltd
- 4) Key Advertising Agency
- 5) Thompson Nepal
- 6) Eco Advertising
- 7) World vision Advertising
- 8) Media Times Pvt. Ltd
- 9) Media Home Pvt. Ltd
- 10) Sakambari Production
- 11) Deena Advertising Service
- 12) Media vision Pvt. Ltd
- 13) Prisma Advertising
- 14) Time Media Service
- 15) Zeal Advertising co. Pvt. Ltd.

Besides this there are numerous Advertising agencies in the country.

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<sup>40</sup> Sontaki Op.Cit. P.348.

All the advertising agencies are under the umbrella of The Association of Advertising Agencies of Nepal (AAAN). So, advertising Agency is an independent organization which develops and executes advertising campaigns according to the requirements of the clients and places them to the media.

## **2.10 Evolution of Advertising in Nepal**

The history of Nepalese Advertising is short in comparison to the history of Advertising in the world itself. In the developed countries, though in the primitive way, advertising entered long before the advent of Rana Regime in Nepal but In Nepal concept of advertising has come up in the Rana Regime .The first advertisement appeared in 1919 about the fourth coming book of Krishna Giri on the cover of the book ‘Mokshashiddhi’ and later the advertisement of Gorkha Bharat Jeevan and sudhasagar newspaper appeared respectively.

After the emergence of Gorkhapatra in 1958 it published the rate of advertisement on its first issue, which motivated the businessman, business houses, and Traders to advertise their goods. During that time, public announcement and notices were in the form of Advertisement.

In 1984, when the notice opening of Petrol Shop in kathmandu was published in Gorkhapatra, it also motivated others to join the newspaper for advertising. This might be the first commercial; advertising of Nepal.

From that particular day onwards the advertisements started publishing in Gorkhapatra.

After the newspaper advertisement, Radio advertisement was heard in Magh 2007, a Pre-democracy announcement on Prajatantra Nepal Radio (Democracy Nepal Radio) established at the surrounding of Biratnagar Jute Mills Biratnagar. Later a kind of agreement was made that the government should provide the advertisement to the newspaper and radio.

“The first advertising agency “Nepal Advertisers” was established in 2017 B.S. Then only the advertising business got the path of development. The advertisers were very far at that period. The advertisements were only about the official notices and

information. Advertising was seldom done in private newspaper. Radio and newspaper did not feel the advertising agencies necessarily. The Nepal advertiser established in 2017 had only limited service area. It provides press cutting service instead of artistic and attractive advertising in newspaper and magazine.”<sup>41</sup>

In 2020 ‘Nepal Printing and Advertising’ another Advertising Agency has been established. This agency started the advertising service to Nepal Bank Ltd. RNAC, Janakpur Cigarette factory, others government and non-government offices. This agency provides the both services of Printing and Advertising.

After the establishment of Nepal Television, Nepal Bank Ltd, Sajha yatayat, Nepal Brewery started the advertising by highlighting the image of the product. They felt that advertisements are to generate the brand image.

In the course of industrial and technological development the advertising has also been developing day by day. Now the advertising agencies have been emerging day by day and are actively participating in the field of advertising. After the restoration of democracy, Advertising had made immense progress because of liberal economic policy expanded market, & mostly the increasing of the media sector.

At Present we have various TV channels, FM stations, Radio broadcasting & various newspapers through which the advertisements are being bombarded. The number of readers, viewers and listeners has been increasing that provides the better option for the development of the advertising in Nepal.

## **2.11 Legal Provision for Governing Advertising in Nepal**

There is no specific law relating advertising in Nepal but a few Provisions under various acts deals to advertising.

The following legal acts carry provisions under various acts relate to advertising in Nepal.

- i. National code, 1963 misrepresentation in the conduct of trade considered as cheating.
- ii. The food grains Act 1966, protection from hazards of adulterated & misbranded food articles.

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<sup>41</sup> Dahal Mitrasen, *Nepalma Bigyapan Byabasaya*, Smarika 2049 (AAAN) P.249.

- iii. The contract Act 1966 contract made on misrepresentation is viable
- iv. The standard of weight and measure Act 1967, maintains uniformity in weights & measure through government stamps.
- v. The public Nuisance Act 1970 prohibits absence advertisements.
- vi. The penal code 1973, Prohibits misinterpretation of quality and type of goods restricts nudity in advertisement.
- vii. The Black Marketing & certain other offences and punishment Act 1975, curbs black marketing, profiteering, hoarding adulteration and fraudulent marketing practices.
- viii. The Drugs Act 1978 restricts faults & confusing advertisement of drugs.
- ix. The Nepalese standard (certifications marks) Act 1980, Certifies quality standard through NS mark.
- x. The National broadcasting Act 1992, limits advertisement time on TV, Radio prohibits obscenity and terror in advertisement.
- xi. The consumer protection Act, 1998 (implemented in 2000) protection health and rights of consumers, consumers grievances redressed bodies provided; provides right of information to consumers.

**Besides above other important acts are as follows:-**

- i. Constitution of Nepal; Right to freedom of thought and expression.
- ii. Consumer protection Act.

- iii. Medicine Act.
- iv. Copyright Act.
- v. Patent Design and Trademark
- vi. Deformation & label Act.
- vii. Press & Publication Act.
- viii. Law of contract.
- ix. Taxation laws, especially income tax Act, Vat Act.

Income tax laws allow 5% of total sales for advertising as deduction for assuring tax liability.

# **CHAPTER – THREE**

## **RESEARCH METHODOLOGY**

### **3.1. Research Design**

Descriptive and analytical research design has been used to accomplish this study.

### **3.2. Sources of Data**

The data used in this study has been collected from the various collages and schools of Itahari so the data is completely based on the primary data. The collected primary data are presented with the help of two way and multiple tables.

### **3.3 Population**

The population for this study comprised all the consumers of 14 or more than 14 years of age exposed to advertisement of toothpaste brand through different media such as Television, Radio, FM, Newspaper, and Hoarding Boards.

This study has taken only the literate consumers with different academic background, which ranges from the school level students to the post graduate level students. Mostly the respondents represent the residence of Itahari.

### **3.4 Selection of Samrile for the Study**

Since the population for this study is very large it seems difficult to study the entire population. Therefore out of this population only 140 consumers are judgmentally taken for the research study including both male and female. The respondents of the sample were selected from the several places of Itahari viz. Janta Multiple Collage itahari, Vishwa Adarsa Collage, Susma engineering Campus, Kasturi Campus, Gorkha Department Stores, Private Offices, Banks, Hotel and Restaurants.

### **3.5 The Data Collection Procedure**

A set of structured questionnaire was designed for the purpose of collecting the required data. The questionnaires contain the closed end including Yes / No type, multiple choice questions as well as ranking type of questions to validate the questionnaire and the responses. For the collection of the data personal interview has also been conducted. The total 100 objective type questions with multiple choice answers were asked to the respondents.

### **3.6. The Data Analysis Procedure:**

#### **3.6.1. Arithmetic Mean**

By the help of arithmetic mean and weighted mean factors considered in buying the toothpaste had been obtained. The weighted mean of quality has been found smaller which shows that the quality is the most important factor while buying the dettol hand soap

#### **3.6.2. Median**

By the help of median the mid value has been calculated in the research study for finding out the believability of handwash brand according to various factors.

#### **3.6.3. Chi-Square Test**

Chi-Square test has been used to test the hypothesis by comparing the computed value with the tabulated value of  $\chi^2$  to accept or to reject the null hypothesis to measure the message of advertisement of toothpaste on various frequencies.

#### **3.6.4 Hypothesis Tested**

The following hypotheses are tested in this study.

$H_0$ : There is no significant difference among frequencies of advertising messages of handwashbrand.

H<sub>1</sub>: There is significant difference among the frequencies of advertising messages of handwash brand (dettol).

H<sub>0</sub>: There is no significant difference between the impacts of advertising and the brand choice of convenience products.

H<sub>1</sub>: There is significant difference between the impact of advertising and the brand choice of convenience products.

H<sub>0</sub>: Brand choice by consumers as 1<sup>st</sup> choice and 2<sup>nd</sup> choice of handwash are not significantly different.

H<sub>1</sub>: Brand choice by consumers as 1<sup>st</sup> choice and 2<sup>nd</sup> choice of handwash are significantly different.

# CHAPTER – FOUR

## Analysis and Interpretation of Data

Advertising is a function of marketing that pushes the product in the market for bigger sales. Thus, every successful organization needs to use advertising. Advertising has become a large complex diversified industry involving many types of specialized functions.

There may be a person in charge of advertising in each organization. That person is known as advertising manager. He performs all the administrative, planning, budgeting, and coordinating functions related to advertisement. He buys and supervises advertising for his organization. The role of advertising manager can be described as follows.

- ) Administering advertising department
- ) Preparing the advertising budget
- ) Determining advertising effort
- ) Hiring the advertising agency
- ) Evaluating the advertising results
- ) Engaging in creative thinking<sup>21</sup>

Advertising manager is responsible for the overall management of the department. As a departmental head he is to staff and organize by spelling out the departmental routine and the pattern of work to be carried out. He has to coordinate the activities of the staffs in each section and between departmental arrangements. He is to motivate and control the staffs under his command.

An advertising budget is a plan to finance the advertising operations. He prepares a total advertising budget by defining and estimating the costs

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<sup>21</sup> Shrestha Kulnarsing, Fundamentals Of Advertising, Raj Offset Press, Tahachal Kathmandu, 2063 pp.36

of each advertising task. The advertising budget and appropriations are the outcome of the regular of meetings among the advertising manger.

Representing of top management and the advertising agency. The advertising manager is responsible for preparing estimates and presents them to top management for approval.

Advertising manager is expected to design advertising efforts of the organization. He is responsible for preparing the total advertising efforts for the current year. He decides on major expects of an effort such as how much effort should be on product advertising and how much of the total funds should be appropriated to various media? He has to balance between contradicting and competing forces of advertising efforts.

Advertising manager has to decide whether to prepare advertisement copy and adverting programs himself or hire advertising agency .if an agency is hired he has to approve the advertisement copy and advertising program prepared by advertising agency.

Advertising manager has to evaluate the results of the advertising program so implemented. It is essential to know what response the organization got for its efforts, time, and money put in the advertising. Evaluation helps in avoiding wastes and in efficiency of the advertising program and helps to improve future advertising programs. Sound evaluation of the past is the eye opener for the future course of actions.

A successful advertising manager is one who engages himself in creative thinking. He has to search and design new ideas and themes for the advertisements. Essentially he a dreamer. Visualize, and adviser to give new thoughts. Ideas, themes, and illustrations to be distinct from others. All major advertisers maintain an advertising department.

are interested in sports, 6.25% people are prefer News whereas 2.5% people prefer all types of advertisement I.e., musical The advertising business in Nepal if flourishing day by day, which passes through an appropriate medium like Television, Radio, Press and Fm. The FM

advertising is not ordinary communication but marketing communication. Communication is an integral part of modern marketing without which is unimaginable in present days. FM advertising relays the message of different products in the easy way of common people. The analysis covers Itahari city and glance upon the behavior of different consumers.

**Table No. 1**

Age – Wise preference of different types of FM advertisement.

Age	Musical		sports		News		All Types		Total
	No.	%	No.	%	No.	%	No.	%	
Below 15	7	8.75	2	2.5	5	6.25	2	2.5	16
16 – 25	10	12.5	3	3.75	2	2.5	1	1.25	16
26 – 35	5	6.25	3	3.75	4	5	4	5	16
36 – 45	1	1.25	2	2.5	8	10	5	6.25	16
Above 45	2	2.5	5	6.25	7	8.15	2	2.5	16
Total	25	31.25	15	18.75	26	32.5	14	17.5	80

Source: Field Survey 2011.

The sample population of the study is 80 percent of the Itahari belonging to different age groups. The major objectives of the study are to analyze the view of different people regarding FM advertisement. The views of people are analyzed according to the above table as follows:

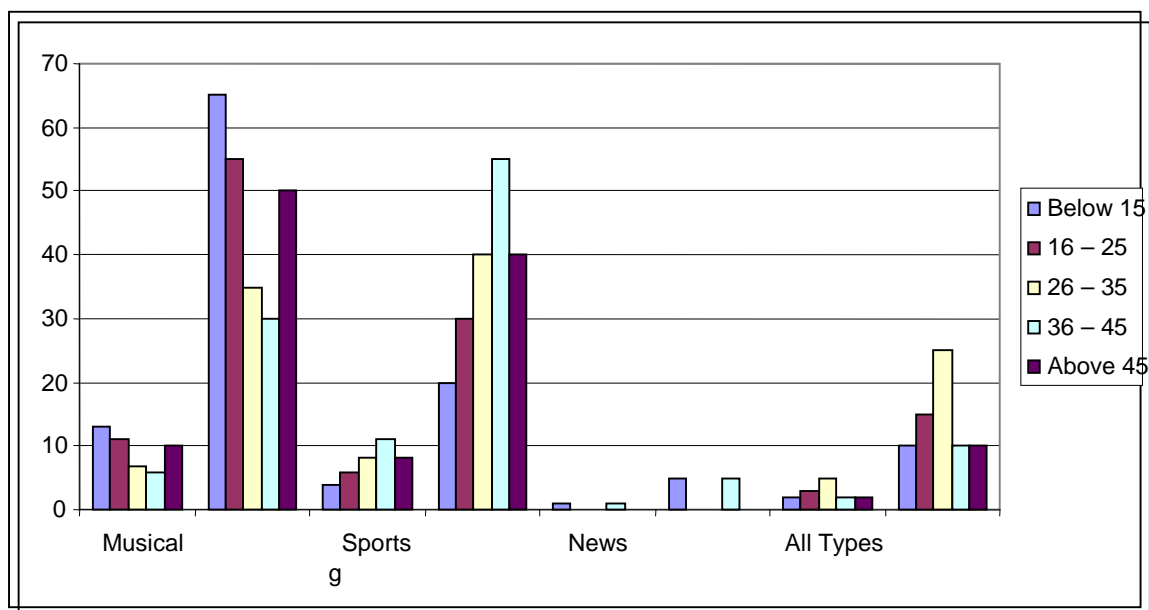
The above table presents the age level and preference of advertisement according to it. The sample size used for the survey is 80 people. They are divided into five groups i.e., below 15, 16-25, 26-35, 36-45 and above 45. Each group consists of 20 people. Under the first group of below 15 years, majority of 8.75% of the people prefer musical advertisement, 2.5% people good wording and simple under 16-25 age level, majority of people, 12.5% prefer musical advertisement. Then 3.75% of people prefer sports advertisement and 2.5% of people prefer news and 1.25% prefer all types of

advertisement. . Unlike the age group below 15 and 16-25 under the age group of 26-35, the majority of people, i.e., 18.75% people prefer musical advertisement. 7.5% and 7.5% of people like sports and News advertisement respectively. Like in the age group of 16-25, on one from this group of 36-45 are as follows: 1.25% like musical 2,5% like sports, 10% like News and 6.25% like all types of advertisement.

Lastly under the group of above 45 years old, majority of people i.e., 2.5% prefer musical advertisement, 6.25% of people prefer Sportsadvertisement and 8.15% prefer News, 2.5% prefer all types of advertisement where as no one prefer simple advertisement.

**Figure No. 1**

**Preference of FM Advertisement**



**Table No. 2**

**Education wise preference of Difference types of FM Advertisement**

Type of Adv. / Educational Level	Musical		sports		News		All Types		Total
	No.	%	No.	%	No.	%	No.	%	
Below SLC	6	8	1	1	1	1	2	3	10
S.L.C.	10	13	10	13	5	6	5	6	30
Graduate	5	6	3	4	1	1	1	1	10
Above Graduate	2	2.75	6	7.25	7	9	5	6	20
Uneducated	5	6	1	1	1	1	3	4	10
<b>Total</b>	<b>28</b>	<b>36</b>	<b>21</b>	<b>26</b>	<b>15</b>	<b>18</b>	<b>16</b>	<b>20</b>	<b>80</b>

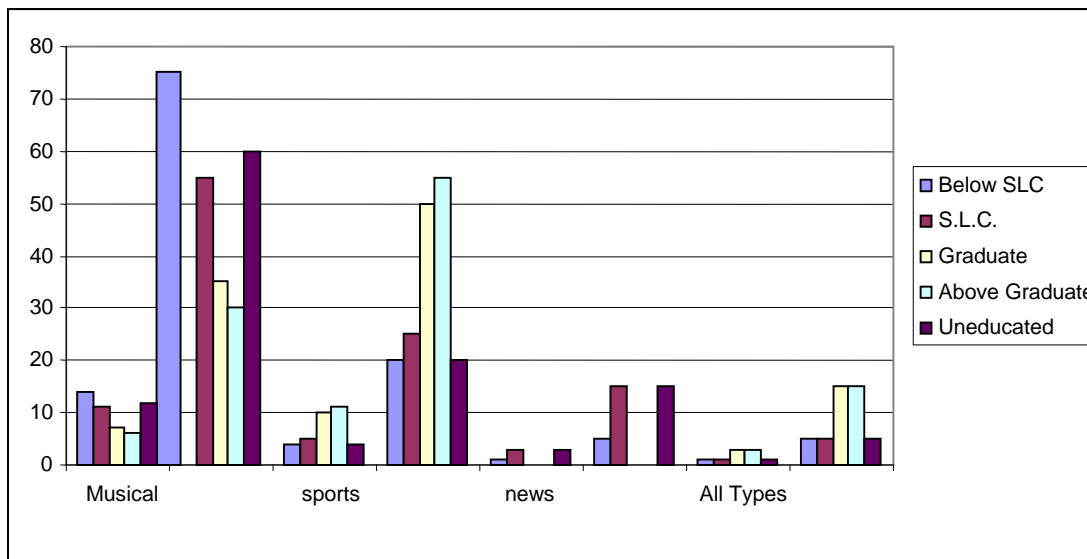
Source: Field Survey 2011.

The above table shows that the people below S.L.C. level prefer musical advertisement more than other types of advertisement i.e., 8 % of people them prefer musical advertisement where as 1% prefer sports advertisement, 1% people prefer News advertisement and the remaining other 3% of people prefer all types of advertisement. Among the sample size of 30 Respondent of S.L.C. majorities of 13% of them likes musical advertisement, 13% of them likes sports advertisement. 6% like's News advertisement, and 6 % likes all types of advertisement. The graduate level of students prefers. 6% of them prefer musical, 4% prefer sports advertisement. And 1 % prefer News and 1% all types for advertisement. Alike , above graduate level also give first priority to musical, sports, newspaper advertisement and all type of advertising i.e., 2.15% of them like music advertisement 7.5% like sports advertisement and 9% newspaper and 6% prefer all types of News paper advertisement. The majority of uneducated people i.e., 6% prefer musical advertisement, 1% prefers sports, 1% prefer News advertisement and 4% prefer all types of advertisement.

The above information can be understood more clearly with the help of the following bar diagram which is as follows:

**Figure No 2**

**Preference of FM Advertisement Education Wise**



**Table no. 3**

**Preference of Listening and Non Listening F.M. Sex wise**

Habit \ Sex	Listening		Not Listening		Total
	No.	%	No.	%	
Male	20	25	20	25	40
Female	35	43.7	5	6.2	40
Total	55	68.7	25	31.2	80

Source: Field Survey 2011

The above table presents the habit of listening FM among people living in Itahari city briefly and clearly the sample size of the survey is 80 people, out of which 40 are female and male. Listening FM are remaining 68.7% i.e., 25 people are not habitual to listen FM. The percentage of male listening FM is 25% where as that of female is 43.7%. In other words, the percentage of female listening Fm is higher by 180% than that of male listening FM. The above statistics can present in multiple bar diagram as follows:

**Table no.4**

Sex wise Preference of Different types of FM Advertisement

<b>Type of Adv.</b> <b>Educational Sex</b>	<b>Musical</b>		<b>sports</b>		<b>News</b>		<b>All Types</b>		<b>Total</b>
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	
Male	10	12.5	10	12.5	10	13	10	13	40
Female	20	24.5	5	5.5	10	13	5	6	40
Total	30	37	15	18	20	26	15	19	80

Source: Field Survey 2011

**Table No 5****Status level to FM Advertisement**

<b>FM Ad.</b> <b>Status Level</b>	<b>Curious About the Ad</b>		<b>Switch off the FM or Change the station</b>		<b>Simple</b>		<b>Total</b>
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	
student	10	12.5	10	12.5	0	0	20
Business men	30	37.5	5	6.2	5	6.2	40
Political leader	2	2.5	2	2.5	1	1.25	5
Diplomatic	2	2.5	2	2.5	1	1.25	5
House wife	5	6.2	2	2.5	3	3.75	10
Total	49	61.2	21	26.2	10	12.45	80

Source: Field Survey 2011

The above table reveals the difference in the opinion about the FM advertisement among the different status level. When the respondent of student are asked about reaction to the advertisement, 12.5% of them reply that they get curious about the advertisement and try to know what does it mean, 12.5% reply that they either switch off FM change the station when advertisement appears on FM whereas 0% of the respondents are found to be passive FM audiences.

They just listen the advertisement and don't reaction to it at all. Like wise, among the respondents belonging to the business men majority of them are highly inquisitive about the advertisement and listen it attentively, 6.2% of them do not listen advertisement and 37.5% and 6.2% are found to be just mere listeners. The political leader consists of 2.5% of people who are excited about the advertisement and try to understand the meaning of it, 2.5% of people either switch off the FM or station. The station in search of other interesting program at the time of advertisement without any interest. In the House wife, 6.2% respondents are found to be highly curious about the advertisement. 2.5% switch off the FM because of advertisement whereas 3.75% of them are only dull listeners.

In sum, 49 of respondents are found to be interested and curious about the advertisement, only few are non listeners. Of advertisement and 26.2% are found to be not at all interested in advertisement.

To have quick understanding of all the above information, the following multiple bar diagram can be helpful.

**Table No. 6**

The Degree of influence of FM Ad. on Consumers

Description	No. of Respondent	Percentage
Highly Inclined	20	25
Inclined	20	25
Indifferent	20	25
Fully Indifferent	20	25
Total	80	100

Source: Field Survey 2011.

The main aim of advertisement is to persuade the consumers to buy the product. The data presented in above table enlightens how far the FM ad is successful in inclining consumers to buy the product. Out of the 80 population in the survey, majority of 20 people respondents that they are highly inclined to buy the advertised product to a certain extent. 20 people are totally indifferent to the advertised product., 20 people are fully in different by the advertisement and they ended up buying the product. The remaining 20 people are inclined to the FM advertisement.

Figure No. 3

Consumer preference of Advertisement according to inclined rate

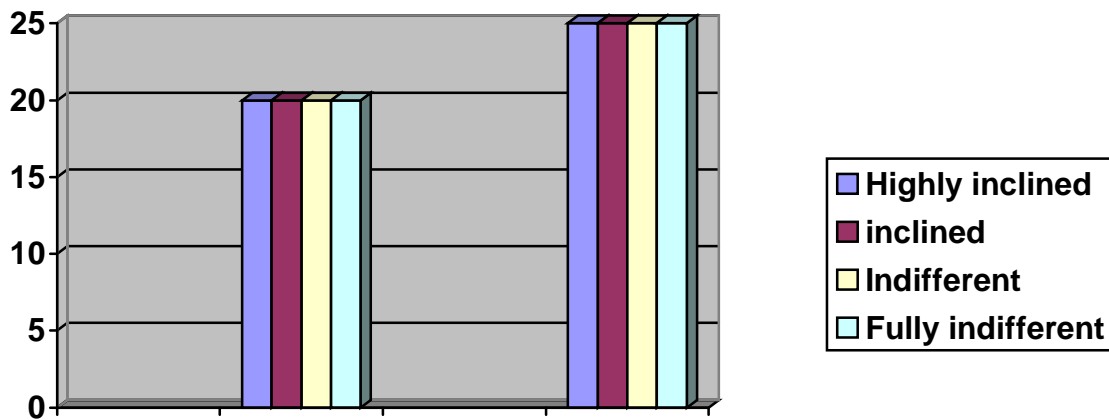


Table No 7

Consumers Preference of Advertisement & Not Advertisement Product

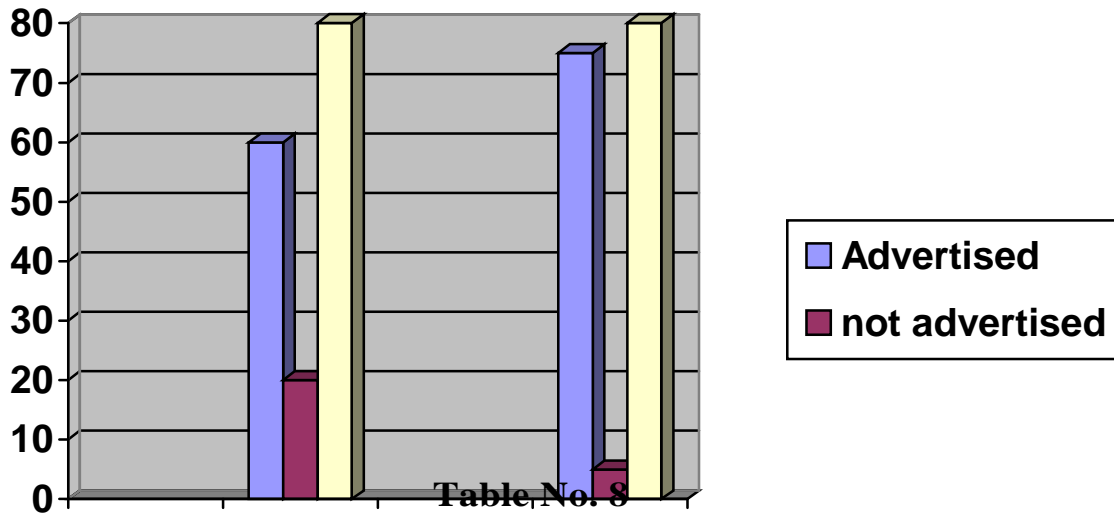
Description	No. of Respondent	Percentage
Advertised	60	75
Not Advertised	20	5
Total	80	80

Source: Field Survey 2011

The above table shows the difference between the preference levels of consumers. The advertised and not advertised product having the same price and quality, 60 people of the respond ended prefer product which is advertised whereas only 20 of the respondents prefer the product which is not advertised. Thus, advertised product is mostly preferred by the consumers.

Figure No. 4

Consumers Preference of Advertisement & Not Advertisement Product



Consumers Curiosity Towards FM Advertisements

Response	No. of Respondent	Percentage
Yes	60	75
No	20	25
Total	80	100

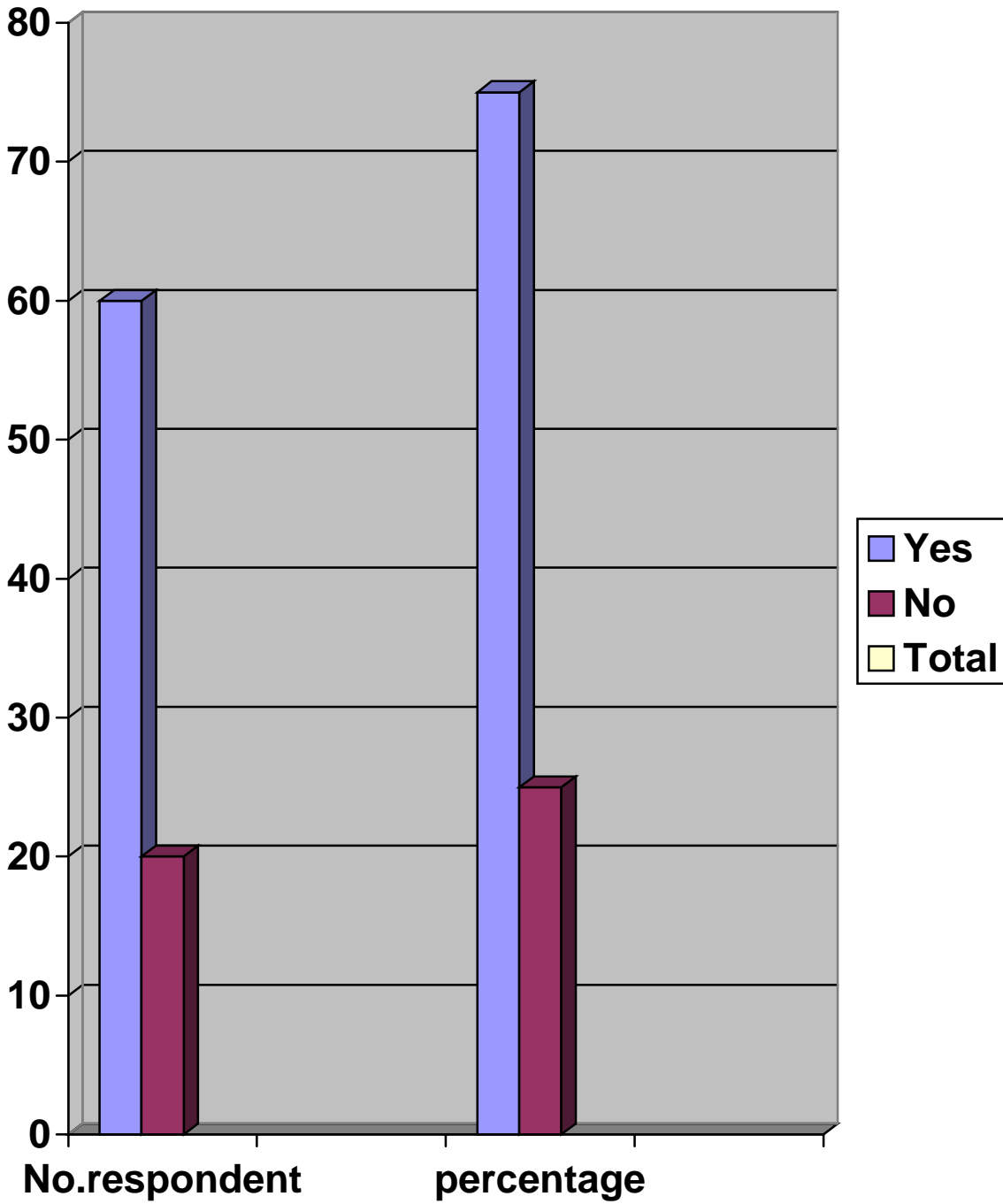
Source: Field Survey 2011

The above table shows whether the advertisement creates curiosity among the consumers or not. It is observed that 75% of the respondents become very curious about the product advertised through FM. Only the remaining 25% of the respondents are not curious about FM advertisement. They just see the advertisement and forget about it quickly.

About the product advertised through FM. Only the remaining 25% of the respondents are not curious about FM advertisement. They just see the advertisement and forget about it quickly.

**Figure no.5**

curiosity towards f m



**Table No. 9**

Does the FM Ad. Persuade the Consumer to buy the product

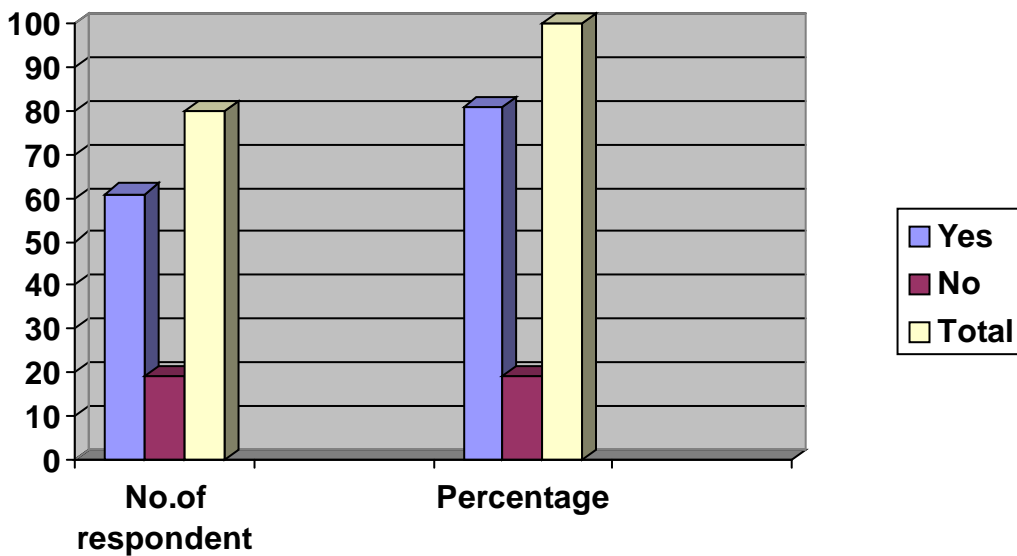
Response	No. of Respondent	Percentage
Yes	61	81
No	19	19
Total	80	100

Source: Field Survey 2011

The above table shows the impact of FM ad on 80 different viewers 81% of the respondents admit that the FM ad to lead them to the store to buy the product. Because of the good impression created by the ad towards the product, the viewers buy it. The other 19% of respondents are not affected by the FM ad. Hence, the do not buy the advertised product.

**Figure no.6**

Does the FM Ad. Persuade the Consumer to buy the product



**Table No. 10**

Advertisement & the increment in the price of the Advertised product

Description	No. of Respondent	Percentage
Yes	35	43.75
No	20	25
Don't	25	31.25
Total	80	100

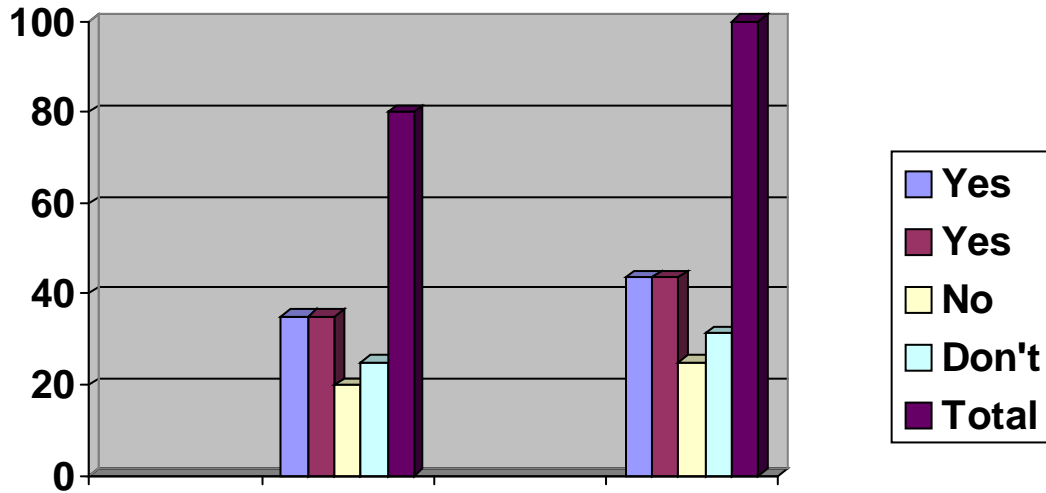
Source: Field Survey 2011

The above table presents the response of the 80 respondents to the question regarding whether or not the FM ad result in the increment price of the product. 41% of the respondents have the opinion that the ad directly increases the price of the product. Some are wise enough to give the reason that the ad cost is added to the price of the product. Other blames the manufacturer for increasing the price with the rise in the demand result by advertisement. 43.75% of the respondents think that the increment in price of the product has nothing to do with the ad. They say that they find the price of the product unchanged before and after the ad. Some even give the example of the ads announcing the discount and decrease in the prices of the product and said that ad, in fact, increases the price of product. The remaining 31.25% are ignorant about the topic.

This data can be more precisely understood with the help of the figure given below.

Figure No.7

Advertisement & the increment in the price of the Advertised product



### Major findings of the study

- ) Among all other types' advertisements, majority of people prefer musical advertisement with good wording.
- ) Mostly people below 25 years of age and above 45 years of age prefer musical advertisements than other types of advertisements.
- ) Many people between the age of 25 years old and 45 years old seem to be more intellectuals and prefer the advertisements with good wordings.
- ) Education wise many people below S.L.C. level, S.L.C. level and uneducated prefer musical advertisement than other types of advertisements.
- ) The more the education level of people, the more their choice lies in good wording advertisement. The highly educated people, i.e. graduate level and above graduate level prefer good wording advertisement then other types of advertisements.
- ) Majority of male and female population prefer musical advertisement than other types of advertisement.

- ) Male prefers good wording advertisements more than female does.
- ) Female hears FM more than male does.
- ) Kids below 15 years old and adults above 36 years old are just mere listeners of FM advertisement. They are not curious about the advertisements. The changing of the stations or switching off the FM to avoid advertisements is more practiced by them. Hence, it is very hard to influence the buying behavior of this group of customers. The advertisements need to be really effective.
- ) Majority of the listeners between the age group of 16-35 years old, are more curious about the FM advertisements. They are more attentive listeners.
- ) Education-wise, mostly people below S.L.C. and S.L.C. level hear the advertisements without proper attention. They are dull listeners.
- ) Majority of graduate and above graduate people are curious about the advertisements and try to get more information from the advertisements.
- ) Females are more likely to go through the depth of meaning of advertisements than male.
- ) Many males are likely to listen FM advertisements without any interest than females.
- ) Majority of people buy the product when they need it.
- ) Few people even buy the product only being influenced by FM advertisements without being followed by need.
- ) Similarly, there are also many people who buy the product being induced by both the advertisements and need to acquire the products.
- ) People are more likely to buy the product which is frequently advertised than the product which is not advertised, other things remain the same.

By other thing remaining the same, we mean that the quality and price of the product are same.

- ) FM is the one of the popular media of advertising.
- ) The other media which are popular are TV, newspaper, magazines and pamphlets.
- ) No one under the study prefer cinema medium of advertising. This means that the advertising through this medium is a mere wastage.
- ) Repetition of FM advertisements attracts consumer's attention. Consumers are more likely to remember the advertised products if the advertisement is repeated more often.
- ) The people think that the advertisement deceives them. The advertisements should reveal the true aspects of product only without deceiving the consumer to retain them in the long run.
- ) The present FM advertisements are not full within all the information as demanded by the people. Hence, most have to seek additional information about the advertised product.
- ) Most of the people find FM advertisements satisfactory only. Hence, they demand more attractive and genuine advertisements.
- ) The quality of FM advertisement today is improving. Most of the FM advertisements transmitted through various stations are capable of persuading the consumers to buy the advertised products.
- ) FM advertisements arouse curiosity among the people, which in turn persuade them to buy the product.
- ) FM advertisements are successful in creating good impression of products among the consumers.
- ) FM advertisement helps consumers to recall the brand name.
- ) FM advertisements help consumers in their buying decision.

) There is no relation between and the increment in the price of the advertised product.

# CHAPTER – FIVE

## SUMMARY, CONCLUSION AND RECOMMENDATION

### 5.1 Summary

Advertising is the most widely used promotional tool for modern marketing. Marketing is a primary and essential function of every business houses, without marketing and advertising no success can be achieved. Advertising here can be summarized in a view of communication. Communication is a process of transferring message and meaning from one to another. It involves the flow of information and understanding between the sender and the receiver must understand the meaning of message being received.

Since marketing is essential for promoting goods and services in the market the marketers are found developing various promotional tools to assist their jobs. Among all, advertising is the mostly preferred functions for the promotional activities. Since the very beginning of the marketing, advertising has been treated as an effective promotional tool.

The major task of the advertising is to sell ideas, the product, services, to inform to aware about the product, services or ideas etc. Most of the companies, banks, business houses, colleagues, and schools are using advertising to increase sales, customers and students in their respective field.

Through advertising business companies try to create the favorable attitudes towards the product brands and motivate the consumers to purchase it and to be loyal on the product and brand through advertising. Advertising can create the positive response in the mind of the consumers but too ascertain the certain task or to achieve the goal, advertiser must employ the advertising camp again. Before launching the advertising, the advertiser must be aware about the product, market, competitors' product, advertisement of the competitors' product, channel to be used for the advertisement and the target market so as to achieve the targeted goal. Advertiser must

study the target area, target customer and other various factors so that the objective of the advertising would be fulfilled.

In a developing country like Nepal, everything is a progressive phase Nepalese market is maturity day by day and there seem high competition in among the similar type of business area. We can take example toothpaste, noodles and other various convenience products which are mushrooming day by day. In the situations the marketer must recognize the essence of advertising in developing country too. In the case of developed countries, the market is possible only through the advertising. Without advertising no market can be imagined and the large expenditure is made on advertising. In comparison to this we are far behind in the field of advertising. Advertising is an economic tool that helps to boost the economic growth of a country.

The population of this study is the consumers of advertisement who are involved in various Medias. The sample of the study comprised of 80% of listener's in Itahari city. A judgmental sample method is used so that the large scale of population can easily be represented. A set of questionnaire is used for the collection of information. The respondent fills questionnaire and in many cases the answers are achieved verbally. The questionnaire is served collected and tabulated for analysis purpose.

The above study of advertising for example "impact on brand choice of consumer's goods" shows that advertising is the major source of information and key of success in business enterprise as well as service sector organization. Advertising basically persuades the consumers than motivate them towards their products and brand. Advertising supports motivates and excites consumers on their decision making process. A confused consumer is highly guided by the advertisement influence the consumers to choose the particular brand and to create the positive attitude towards the brand and finally helps to create the brand loyalty through media advertising. To sum up advertising Medias plays a significant role.

## **5.2 Conclusions**

MEDIAS has been found as important promotional tools for consumer's product like hand wash product like dettol soap, through this they got knowledge about different products used in our daily life. Without advertising, there is no business at all; Most of the business houses, trading companies spend the huge amount of money in advertising so that they can make the consumer aware about the product and the services.

In the study presented above the consumers are aware about the available brands and consider different factors while purchasing the brand. Among all, the quality is the main reason. Most of the respondents believed that the advertising has the high degree of believability that means advertising is responsible for brand choice of brands. It has also been found that the advertising displayed through the televisions, f.m is much more important than the other medias. Most of the respondents are highly motivated by the advertisement of television followed by radio newspaper and other Medias.

In case of the advertisement of various brand. Mostly the respondents prefer the advertisement of useful brands and sometimes those brands are used which are not advertised though they are also seems to be high in rank with certain age group. Though advertising played important role to make consumer brand preferred, Quality is the main reason for brand switching, The study has shown that none of the respondents are ready to compromise for the quality. After quality comes Advertising, Price, availability, taste, sales scheme and so on respectively.

## **5.3 Recommendation**

Advertising is the heart of any business for providing the commodity information for the people and to the people. Advertising has become the part of life of any commodity business which is essential for the daily use people in their life. For the purpose of informing the consumers regarding the various aspects of the products such as durability and popularity advertising plays a vital role.

Today the world has been the world of communication Medias are mushrooming and they have played much role in making the products familiar through promotion and presentation. As a whole advertising believability is found satisfactory and somewhere advertising tells people about the facts related with products and services. Consumers. The consumers mostly like better quality when the consumers are already familiar about product. At this time the marketers are suggested to telecast entering types of advertisement by which advertising frequency will be more and ultimately it creates positive image towards the brand.

. Advertising is the only tool that reaches to the mass economically through the televisions along with Radio/FM and Newspaper.

As a whole advertising tells people about the facts related with products and services. So to make advertising more believable and effective, it should be primarily concentrated towards the well-being of the product by providing truthful and acceptable message. After advertising quality, place, product, price, promotion comes simultaneously.

The success of any firm or a company depends upon the post purchase behavior of the consumers and it is largely determined by the satisfaction received from consumption.

Advertising is the blood circulation system of modern marketing, especially in course of promotion. It is not just a charity but also a strategic promotional tool of modern marketing but to make advertising more effective, the advertisement should be more creative and unique in design or style with factual information.

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## Appendix - I

Arithmetic mean ( $\bar{X}$ ) =  $X_1 + X_2 + X_3 + \dots + X_n$

Or  $\frac{\sum X}{N}$

Where  $(\bar{X})$  = Arithmetic mean

$X_1, X_2, \dots, X_n$  are Value of variables

$N$  = Total number of observations

$\sum X$  = sum of the variables

Mathematically, let  $W_1, W_2, W_3, \dots, W_n$  be the weights given to the variate values  $X_1, X_2, X_3, \dots, X_n$  respectively then their weighted arithmetic mean is denoted by  $\bar{X}_W$  is defined by

$$\bar{X}_W = \frac{W_1 X_1 + W_2 X_2 + \dots + W_n X_n}{W_1 + W_2 + \dots + W_n}$$

$$= \frac{\sum WX}{\sum W}$$

### Chi- Square Test

The steps for the computation of Chi- Square test:

Step 1: Formulate the null and alternative hypothesis.

Step 2: Compute  $E_1, E_2, \dots, E_n$  corresponding to  $O_1, O_2, \dots, O_n$

Step 3: Under  $H_0$ , compute the test statistic.

Step 4: write down the critical or tabulated value of  $\chi^2$  at a certain level of significance (usually = 0.05 or 0.01) for degree of freedom.

Step 5: Make Decision if the computed value of  $\chi^2$  is less than its tabulated value,  $H_0$  is accepted. If the computed value of  $\chi^2$  is greater than its tabulated value,  $H_0$  is rejected (i.e.  $H_1$  is accepted)

## Appendix - II

### "IMPACT OF RADIO/ TELEVISION ADVERTISING"

Hello! My name is Bandana Pokhrel. I am student of MBS on Post Graduate Campus, Biratnagar under Tribhuvan University and I am conducting a survey to measure the "IMPACT OF RADIO/ TELEVISION ADVERTISING ON CONSUMER BEHAVIOR" as a part of MBS course. Would you give me a few minutes to answer some questions? I assure you that your answer will be kept completely confidential.

1. Do you generally listen the fm radio advertising?
  - A. Yes
  - B. No
2. What is your reaction when advertisement comes from the fm?
  - A. Curious about the advertisement
  - B. Switch off the FM
  - C. Change the station
  - D. Just listen the advertisement
3. Do you buy a product because.....
  - A. Advertisement induces you to buy
  - B. You need to it
  - C. Both of them
4. Which product do you prefer to buy?
  - A. Frequently advertise
  - B. Non advertise
5. Does repetition of an advertisement attract your attention?
  - A. Yes
  - B. No
6. Has an advertisement ever deceived you?
  - A. Yes
  - B. No
7. Does FM advertisements generate curiosity about the product?
  - A. Yes
  - B. No

8. If an advertisement interests you what do you do?  
A .You looks for more information  
B .What you received in enough.
9. What kind of advertising you prefer on fm radio generally?  
A. Musical  
B. Good wording  
C. Simple  
D. All of the above  
B. Attractive  
C. Satisfactory  
D. Boring
10. Do you feels inclined to buy when you listen an advertisement?  
A. Highly inclined  
B. Inclined  
C. Indifferent  
D. Fully in different
11. If there are some kinds of product in market inters of quality and price;  
which one do you prefer?  
A. Advertised one  
B. Non advertised  
12
12. Have you brought and product after getting information from  
advertisement?  
A. Yes  
B. No
13. Does advertisement help you to remember brand name?  
A. Yes  
B. No
14. Do you think that the price of advertised goods will be higher than the  
price of non advertised goods?  
A Yes  
B. No

**THANKS RESPONDENT FOR PARTICIPATING\*\*\***