

# **HERBAL PRODUCTS MARKETING IN NEPAL**

**A Case Study of Ashmi Herbal Industry**

**Mid-Baneshwor, Kathmandu**

**A Thesis**

**Submitted to:**

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# **RECOMMENDATION**

**This is to Certify that the Thesis:**

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**HERBAL PRODUCTS MARKETING IN NEPAL**

**(A Case Study of Ashmi Herbal Industry Mid-Baneshwor, Kathmandu)**

has been presented as approved by this Department in the prescribed format of the faculty of management. This thesis is forwarded for examination.

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# **VIVA-VOCE SHEET**

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**(A Case Study of Ashmi Herbal Industry Mid-Baneshwor, Kathmandu)**

and found the thesis to be original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement of Master's Degree in Business Studies (M.B.S)

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Date: .....

## DECLARATION

I hereby declare that the thesis entitled **Herbal Products Marketing in Nepal (A Case Study of Ashmi Herbal Industry Mid-Baneshwor, Kathmandu)** is submitted to Tribhuvan University, Kirtipur, Faculty of Management, is my original work done in the form of partial fulfillment of the requirement of Masters of Business Studies (M.B.S) under the supervision of Prof. Dr. Kundan Dutta Koirala of Central Department of Management, Tribhuvan University.

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Researcher

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Date: .....

Narayan Prasad Subedi

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# CHAPTER -I

## INTRODUCTION

### 1.1 Background of the Study

Nepal is a land lock country and the country of mountain (Himalayas). It occupies 0.03 percent land of the total land of the earth .About 83 percent of the total land of Nepal is occupied by mountainous and Himalayan region and remaining 17% is occupied Tarai region. It is also a agricultural country. About 80 percent of people are engaged in agriculture. Agriculture contributes 35 percent in total G.D.P.

Nepal is rich in natural beauty. The most proud fact is it covers 12.5 percent of total biodiversity in the world. About 750 types of herbal plants (Jadibuti) are available here which is higher than Europe and Africa. Many natural resources like “Jal, Jangle, Jamin, Janasadhan and Jadibuti” can find here .We can be rich by optimal utilizing them. They can be exported to other countries and gained economic prosperity. Unfortunately these valuable medicinal herbs and resources are exited valuelessly. In other side, the resources worth million are being destroyed by forest fire and decay every year. Neither we recognized them nor use. They have became “Shade under the lamp” Being unconscious all of us use and consume imported (foreign) products, specially herbal products.

Human needs are the starting point marketing. Needs are basic human requirement products that give value to customers satisfy needs. Wants are specific satisfiers of needs. Products satisfy wants. Customer satisfaction is the focus of marketing. It works for customers' satisfaction. This is the age of marketing. Marketing activities are part of everyday life. All types of organizations need marketing to achieve their objectives. Marketing has gained a great deal of importance for the success of modern organizations. To the

general public, marketing is selling products. However, selling represents only part of marketing. Marketing consists of creating, promoting and delivering products to satisfy customer needs. It creates value for customers. It delivers satisfaction to customers. It deals with customers.

Marketing is demand management. It stimulates demand for products. It helps organization to understand what their customers want. It also helps to decide what products should be offered to satisfy their wants. Marketing is concerned not only with attracting customers but also with retaining customers. Value attracts customers retains customers marketing is carried on long after the customer has bought the products. It aims to develop long term relationship to keep the customers satisfied and loyal.

According to American marketing Association “Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational goods”

There is great potentiality of herbal products production and marketing in Nepal. Because human health is badly affected by chemical mixed products so it is essential to avoid and get rid of those effects. The great epics of Hindus (Vedas) have details about medicinal plants and their use in different ways. It is said that this age is the age of human health and beauty so human is more conscious of his/her health and beauty. Pure herbal products may care their choice.

Many herbal industries are effort into production and marketing of herbal products in Nepal. All industries mainly producing edible and cosmetic herbal products like tea, hair oil, soap etc. They are facing some difficulties in marketing of their products. So every herbal industry has to emphasis on

marketing mix component. This study is mainly based on the marketing mix pattern of herbal products specially Ashmi Herbal Industry in Nepal.

Nowadays herbal products have proved that in improving health, to protect skin, hair, face and every parts of the body. So it is essential to communicate and promote the products to every customer by applying marketing mix tools.

## **1.2 Focus of the Study**

This study is entirely based on herbal products marketing practice followed by Ashmi herbal industry. Herb is very useful to human being. In the ancient age people had depended on medicinal herbs to treat all kinds of disease. They enjoyed with natural products made by herbs and enhanced long life. Nowadays people are affected by chemical mixed products and shorten life. Thus, slowly people are interested in using of herbal products as well as Yoga.

Nepalese herbal plants have been well known in the regional and overseas markets. Different conventional oils such as, Pulmmarasa, Citronella, Lemongrass etc and newly introduced unconventional items like oil of Anthropogenic, Jatamasi, wintergreen, Juniper demand Is increasing from foreign customers. The future of the essential oil industry seems encouraging and promising as the foreign companies are entering in Nepal for the herbal based products such as cosmetics, soaps, detergents etc. consumption of herbs and herbal products with in the country is vary limited but majority of them is exported to the different countries. The percentage of annual consumption of Nepalese herbal products in domestic market and international markets is as follows:

- a) Domestic Market 33%
- b) International Market 67%

Thus, it is clearly shows the bright prospects of herbal products in the international market. Marketing of herbal products is challenging task in the context of Nepal because of geographical structure, inadequate communication mix, uneducated consumer etc. although the demand of herbal products is increasing day by day, it should managed and modernized. Based on past report marketing of herbal products is explored. The promotion of these products need detail survey, studies and bench mark of resources for systematic planning and Implementation of marketing activities.

There were some effort done before However the needs And problem were not studied in depth. Therefore this study is fully concentrated to all marketing mix components.

### **1.2.1 Industry Profile**

Ashmi herbal industry was established at 2065 by Anshu Dhungel. It produces and sells cosmetic and herbal health hygiene products. “Prerana Group Nepal” a social group has supported in its marketing activities. Its products are gaining popularity both regional and national market. The crucial fact is there Ashmi herbal collects crude herbal plants (Raw material) from national resources. It has a plan to encourage farmers cultivating medicinal plants the lists of products producing by Ashmi herbal are as follows:

1. Ashmi Chiuree Neem Soap
2. Ashmi Herbal Shampoo
3. Ashmi Herbal Hair Oil
4. Ashmi Herbal Mehendi
5. Ashmi Herbal Tea
6. Ashmi Herbal Tooth Powder
7. Ashmi Herbal Sun-Rose Cream
8. Ashmi Herbal Face pack

9. Ashmi herbal Rose Cream
10. Ashmi herbal Cream
11. Ashmi herbal Peppermint
12. Ashmi herbal Di-Ras tea
13. Ashmi Herbal Clinic
14. Ashmi Herbal Wrinkle Cream

### **1.3 Statement of the Problem**

Nepal is rich in biodiversity, these is a good opportunity for production and marketing of herbal products. Different medicinal plants are the important resources of the country. That can be used to produce medicines and to export them in crude or in processed form generating income. In Nepal these plants are still collected from unprotected areas or government-controlled forests by rural people. Most of them either do not have knowledge of cultivating the herbal plants and harvesting them in proper way. Moreover in order to reap quick economic benefits, over and un-time harvesting become a serious constraint due to poor administration and monitoring system in remote districts such practices have threatened the survival of some of the valuable herbal plants of the country in this way this affects the herbal products production and marketing.

Marketing activities are generally consumer oriented. But the objectives of such activities are to increase sales, attract new customer and launch new product in the market. Here the study focuses to answer the following raising questions with reference to Ashmi herbal.

- ❖ Has Ashmi herbal managed product mix property?
- ❖ What should be the place mix?
- ❖ How is Ashmi herbal promoted it's products in the marketplace?
- ❖ Is Ashmi herbal conscious with price mix?

## **1.4 Objectives of the Study**

The general objective of the proposed study is to assess and examine the production and marketing of herbal products in Nepal. However the specific objectives are as follows:

- ❖ To examine the production and marketing (4Ps) practices in Ashmi herbal industry
- ❖ To recommend policy measures to utilize the natural herbal plants more effectively.
- ❖ To identify the marketing situation in urban markets.
- ❖ To identify the overall constraints and problems associated marketing.

## **1.5 Importance of the Study**

This study will be helpful to those who want to know about herbal marketing practices in Nepal. The following points support the importance of the study.

- ❖ Whatever the Ashmi herbal industry is a demand based industry or not?
- ❖ What is people's view about it?
- ❖ What types of supports are getting it from the government or institutions?
- ❖ How is the transaction of the products in the market?
- ❖ What to do to operate it in long term?
- ❖ How the consumers respond about the quality of products.

## **1.6 Limitation of the Study**

This study is primarily conducted for the partial fulfillment for the master degree in Management from Tribhuvan University of Nepal. So this is an academic work and the researcher is a student, who does not have previous experiences of such kind of researches. Other limitations of the study are listed below:

- ❖ The study has time and budgetary Limitations
- ❖ The researcher not being a professional one might suffer some weakness.
- ❖ This analysis is qualitative as well as quantitative.
- ❖ The study has not cover the scientific analysis of herbal plants.
- ❖ This study is concerned only with the marketing mix aspects of herbal products.
- ❖ It is a macro level study.

### **1.7 Organization of the Study**

The research study is structured in to five chapters.

The first chapter includes introducing general background, statement of problem, focus of the study, objectives of the study, importance of the study, Limitation of the study structure of the study.

The second chapter covers the brief review of literature associated with the study.

The third chapter provides research methodology.

The forth chapter focus on data presentation, analysis and major findings.

The fifth chapter gives summary, conclusion & recommendation.

Appendices and Bibliographies are presented rear pages.

## **CHAPTER-II**

### **LITERATURE REVIEW**

In this section, it is focused the historical facts about the use of plants, introduction of some species in the country, different stages of development of plants selected activities in national level are studied.

#### **2.1 The Genesis of the Use of Plants**

Review of literature is the available literature in own filed of study. This provides the researcher with the knowledge of the status of their filed of research. The library is rich storage for all kinds of published materials including thesis, dissertations, business reports, and government publications. The purpose of literature review is to find out what research studies have been conducted in owns chooser filed of study and what remains to be done. It provides the foundation for developing a comprehensive theoretical framework from which hypothesis can be developed for testing. The literature survey also minimizes the risk of pursuing the deal ends of research.

In this study, attempts have been made towards the review of literature regarding herbs. Review of dissertation; Articles and magazines are done for the study of herbal products.

In his long struggle to achieve mastery over powerful forces of nature, man has always turned to plants for help. This is especially, So, when he was struck with, both physical and mental. Nearly all cultures, both ancient and recent have used plants as source of medicine. We would never be able to say how exactly the ancient discovered the medical prosperities of herbs. Probably, it started with ancient belief, Myths got involved with astrology and other occult practices, developed into folk medicine and herbalism and finally gave rise to traditional systems of herbal items.

After a period of disregard and decline these traditional system of "green herbs" are once again back to be center stage of our health programmes. There has been a steady increases in demand for such. So called nature medicines, and these system have now regained respectability among the scientific community, the world over. This view found importance and enthusiasm have given impacts to most systems.

The herbal plants is an English terminology of Jadibuti of Nepalese expression that represents the herbs containing medicinal values Jadibuti can be disintegrated as 'Jar' means root and 'Buti' means plants. Likewise, Herbs having medicinal value are referred as herbal plants. The herbal plants claimed a unique place from time immemorial due to their therapeutic values in the prevention and cure of diseases. The treatment of diseases from the herbal plants in rural areas is still prevalent. At present, the use of herbal plants has equally been popular among the urban people as well.

It is now behind that use of antibiotic and other drugs available in the market for treatment of various diseases have side effects besides their prompt action. People are therefore, slowly turning back to the herbal health items both for preventive and curative purposes. This tendency is observed not only in the eastern parts of the world but also western societies as well.

Ayurveda, science of life based on 'Vedas' is known as Aryan System of medicine was practiced in ancient time in Indian sub-continent. It was developed systematically more than 3000 years ago. It is perhaps the earliest medicinal science that emphasizes health system that blends physical, mental, social and spiritual development. Among four Vedas (The great Hindus Epics) the description of medicine is found in 'Reigveda'. In spite of antiquity, Ayurvedic medicine is still practiced in India, Nepal, Pakistan, Bhutan, Bangladesh Sri-Lanka and many neighboring countries. The Ayurvedic

medicines are based mainly on indigenous herbs and plants. Most of the traditional medical practitioners are family owned profession passed from one generation to next and prepare their respective medicines using available herbal plants. Therefore, the commercial use of the herbal plants have significant role in Nepal from ancient time.

As already been mentioned, people knew the curative properties of plants since Vedic period, but the knowledge was limited to Rishis and Munis and the medical practitioners as Vaidyas and Kabiraj. They the persons who use plants collected from the wild sources to use in medicine. In Nepal, the knowledge of plants is inherited from father to sons as medical practitioners. They collect plants from collectors from villages especially from mountain region of the country. Their observation and records are not well recorded in Nepal. It was only in the late 19<sup>th</sup> century, then prime minister. Bir Samsher, Jung Bahadur Rana initiated to develop traditional medical system based mainly on Ayurveda in Nepal. He wanted to familiarize and standardize the names of the useful herbal plants of Nepal to update and improve traditional medical system prevalent in the country. This prestigious responsibility was assigned to late Pandit Kabiraj Shree Ghananath Devkota. He started to prepare 'Nighantu', a herbal pharmacopoeia of medicinal value plants and it was named Bir Nighantu. This interesting and valuable document not be completed during the region of Bir Samsher. Later Chandra Samsher, who succeeded him as prime minister wanted to change its name into Chandra Nighantu after completion. These values wait for publication, now under the supervision of Singh Darbar Vaidya Khana. These documents are now being displayed as objects of our cultural and intellectual heritages. This Nighantu is a herbal encyclopedia consisting of 11 volumes, of which 8 volumes are botanical, 1 zoological, 1 minerals and the last volume serves as a subject index. They are written in Nepali with Sanskrit verses explaining medicinal uses and properties of the plants. Equivalent names

of the plants are also given in the English Newari, Persian Arabic, Tibetan and also Latin names along with many Indian names. This Bir or Chandra Nighantu includes 40 color plates, 750 plants and 90 animals and explanation and uses of them are covered in about 100 pages (Malla 2000 : 35).

**Dr. Nirmal Kumar Bhattarai (2000)** in his article "Medicinal and Aromatic plants of Nepal" has given an account of wild herbal plants in use of processing and sales of herbal plants and the companies involved there in, information on trade of major medicinal plants. This article also make us well acquainted with the local use of and threats to medicinal plants resources. Research and development activities being carried on wild medical plants have also been well covered. His article makes us aware of the importance of community training and capacity building for bio-diversity and economic development.

**Rana Bahadur Rawal (2005)** in his article "Status of commercialization of medicinal and Aromatic plants of Nepal" has presented concisely an introduction, present status, market structure and sustainability and constraints of commercialization in Nepal.

Regarding the demand of herbal products, he says "Essential oils from Nepal have been well received in regional and European markets. The conventional oils such as palmarosa, citronella, lemongrass, tagetes have a growing demand from foreign customers". The market structure, margins and factors affecting them are vastly different in different regions of Nepal and those aspects have hardly been investigated. So a picture of how market of herbal product is functioning is really blurred.

**C.S. Olsen (2003)** in his article "Medicinal plants markets and margins implications for development in Nepal Himalaya", has studied medicinal plants market, margins in Gorkha district. He here has studied the products and values

traded, market chains, marketing costs, and margins, and he has made an analysis of various data. He has identified various problems and has inferred many implications for development. The main readings of Oslen can give an insight to contemplate the situation of Nepal through the generalizations of the findings.

## **2.2 Research and Development of Medicinal and Aromatic Herbs**

Through Government of Nepal started survey and research work on plant resources since 1937 (1994 B.S.) through its Banaspati Phant and Banaspati Goshwara early 1960s was the period of the scientific realization of domestication research and development of medicinal and Aromatic plants along with the establishment of the department of medicinal plants in 1960 in Kathmandu, followed by establishment of National Herbarium, plant laboratories and Royal Botanical garden in Godawari, Lalitpur and herbal farms in different ecological regions of the country as shown below:

1. Khaptad Herbal farm (2032 B.S.) in Doti District.
2. Manichur Herbal farm (2022 B.S.) in Kathmandu.
3. Daman and Tistung farm in Makawanpur
4. Shivapuri farm (1994 B.S.) in Kathmandu.
5. Vraindavan herbal farm (2019) in Makawanpur
6. Tamagadhi (2030 B.S.) in Bara
7. Tarahara (2022 B.S.) in Sunsari
8. Balbari farm (2049) in Morang

Rana B. Rawal Bigyan Archarya and Bhishma P. Subedi (2008, Environment & Forest Enterprise Activity "EFEA")

Nepal's geographical, altitudinal & climatological conditions, taken together with various local factors, account for high species richness. Nature has

endowed this relatively small Himalayan kingdom with more than 700 species of medicinal and aromatic plants, of which 250 species are endemic to the country. However, Nepal has not been able to adequately utilize them.

In their article, they focus on marketing and policy issues in regard to these plants and plant products. General lack of sustainable production practices, inappropriate harvesting and post harvesting practices, product adulteration, poorly organized marketing and lack of international recognition of Nepali products are major challenges to maximize economic returns. Appropriate policies and regulations for promoting marketing as well as development market information system and support for establishing association need to be development and implemented to overcome the present challenges.

The present trading practices in Nepal have recognized about 100 species of herbs as commercially important .The commercial values of the remaining ones i.e. 600 species are yet to be known. Out of 75 districts of Nepal, 58 districts have been generating revenue from (Jaributi) herbal plants. The country exports about 10,000-15,000 tones of Jaributi per annum with established value of more than US \$ 8 million. About 90% of the total export of Jaribut is still in the form of raw material local processing is limited because of the insufficient knowledge on modern technology and world market exploration for the potential processed products.

In order to operate its business successfully, a herbal company needs information on:

- ❖ Demand for the produced commodity.
- ❖ Supply of goods & services needed for production such as capital, technology, manpower and entrepreneurship.
- ❖ Market mechanism and policy related arrangements.

In Nepal, the demand for most of the Joributis is from the foreign countries. Jaributies are used in Nepal at the household level in nominal quantities. Some Jaributies, particularly herbs, reach India as well as to other foreign countries after minor processing. In recent years, foreign countries are showing their increasing interest in herbal medicines and natural products. The trend for the export-price of Nepalese herbs is on rise. Nepal annually exports Jaributires worth about one million rupees. (Source National workshop on Non timber forest products: Jaribuit, Feb 22, 2001, Kathmandu.)

### **2.3 Commercial Cultivation and Processing of Herbs**

The department of plant resources helped to generate human resources in this filed and the relevant work and research went on. This department mainly focused its activities on research, development and management of plant resources in the country. It has continued the implementation of it's primary functions of conducting detail surveys and collecting flora of Nepal for the preservation of dead specimens, maintaining botanical gardens including conservations for both ex-situ and in-situ conservation of plant species in different climate zones and providing training and information for the conversation of bio-diversity, particularly plant species. Effectives, implementation of various targets of the then department of plant resources, led to the survivable of all Herbal industries in Nepal. Thus under the platform of Department of plant resources the birth of Herbal industries took place. After the emergence of herbal industries, commercial cultivation of plants has formally been initiated in Nepal.

### **2.4 Major Herbal Industries in Nepal**

<b>Name of Industry</b>		<b>Consumption of Herbs</b>	<b>Products</b>	<b>Status</b>
Singh	Durbar	Medicinal Plants	Ayurvedic	Manufactures

Viadyakhana, Singh Durbar Kathmandu		Medicines	and Seller
Herbs Production and Processing Co. Ltd. Kathmandu	Medicinal & Aromatic Plants	Essential Oils Herbbal Extracts, Herbal Care Rosin and Turpentipe Oil	Manufactures and Distributors
Royal Drugs Ltd., Kathmandu	Essentials Oils medicinal extracts of medicinal & Aromatic Plants	Allopathic Medicines	Manufactures and Distributors
Shree Krishna Aushadhalaya Kathmandu	Medicinal Plants	Ayurvedic Medicines	Manufactures and Distributors
Unani Aushadhalaya Kathmandu	Medicinal & Aromatic Plants	Unani Medicines	Manufactures Practitioners
Natural Products Industries, Krishna Nagar	Medicinal & Aromatic Plants	Essentials Oils & Extracts	Manufactures & Exporters
Himalayan Zinger Factory Tanahu	Medicinal & Aromatic Plants	Essentials Oils	Manufactures & Exporters
Gorkha Ayurved Co. Kathmandu	Medicinal Plants	Ayurvedic Medicines	Manufactures & Exporters
Kufen Aushadhalya Kathmandu	Medicinal Plants	Tibetan Medicines	Manufactures & Practitioners
Dabar Nepal Ltd. Kathmandu	Medicinal & Aromatic Plants	Herbal Medicines & cosmetics	Manufactures & Exporters

Nepal Lever Ltd. Kathmandu	Aromatic Plants	Cosmetics	Manufactures & Exporters
Cosmos Herbal Pvt. Ltd, Kathmandu	Medcinal & Aromatic Plants	Herbal Medicine & cosmetics	Manufactures & Exporters
Community Based Local Processing Units in Jumla, Dolpa, Dolakha & Lalitpur (14 units)	Madicinal & Aromatic Plants	Massage	Practitioners
Vaidas, Dhamis & Jhankris	Madicinal & Aromatic	Tradtional Ayurvedic Preparation	Practitioners
Nepal Rosin & Turpentine Co. Ltd. Dhangadhi	Pine tress	Rosin & Turpentine Oils	Manufactures & Exporters
Laxmi Rosin & Turpentine Pvt. Ltd. Nepalgunj	Pine tress	Rosin & Turpentine Oils	Manufactures & Exporters
Acme Rosin & Turpentine Co.	Pine tress	Rosin & Turpentine Oils	Manufactures & Exporters
Surya Rosin & Turpentime Co.	Pine tress	Rosin & Turpentine Oils	Manufactures & Exporters
Unique Herbal Industry Ltd. Kathmandu	Aromatic Plants	Herbal Health Care	Manufactures & Exporters
Ashmi Herbal Industry Kathmandu	Aromatic Plants	Health Hygiene & Cosmetics	Manufactures

Kalika Aayurved & Herbal Industry Kathmandu	Aromatic Plants	Health Hygiene & Cosmetics	Manufactures
Sagarmatha Herbal & Ayurved Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
Kankai Herbo Home Pvt. Ltd. Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
Panas Herbal Industry Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
Dhaulagiri Herbal Co. Ltd.	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
Dantakali Ayurvedic Aushadhi Udhog Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
Dhaulagiri Ayurvedic Aushadhi Udhog, Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
M.S. Asian Herbal Products Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures
Cosmic Herbal Udhog Kathmandu	Medicinal & Aromatic Plants	Herbal Medicine & Cosmetics	Manufactures

Source:-NEHHPA

(Note- NEHHPA;-Nepal Herbs and Herbal Products Association)

## **CHAPTER-III**

### **METHDOLGOGY**

Methodology is the analysis and systematic application of procedures used in scientific investigation or in particular research methodology is the systematic process and steps for problem.

The research methodology is a wide systematic study of the problem. The research methodology considers the logic behind the methods used in the context of research study explains why particulars methods or technique is used. It also highlights about how the research problem has been defined what data have been collected, what particular methods has been adopted, why the hypothesis has been formulated etc.

A research methodology refers to the behavior and instruments used in performing research operations like observation, rewording data etc. research method are used by researcher during the course of studying research problem.

#### **3.1 Selection of the Topic**

Nepal is rich in bio-diversity thousands of plants species, which have great potentiality of multipurpose are grown in Kingdom of Nepal. Although. Nepal has not been able to utilize them. Marketing & policies issues in regards to these plants and plants products is a challenging task. General lack of sustainable production practices, product adulteration, lack of international recognition of Nepali herbal products are major challenges to maximize economic prosperity. Besides, too many herbal industries are established by supporting both the government as well as private sectors. This has resulted the production of herbal items is not only demanded in the local market but is also exported to the foreign countries. Because of this, I have selected this topic for my research work.

### **3.2 Research Design**

To conceptualize the problem basically descriptive research will has been utilized. Analytical approach has been followed to analyze the relationship between selected variables.

### **3.3 Nature and Source of Data**

This study base the primary as well as secondary data. Primary data has been collected from the questionnaire, direct observation and interview. The relevant secondary data has been obtained from the secondary data sources i.e. Books, Journals, Government source etc.

### **3.4 Population and Sampling**

Convenience sampling, Judgment sampling and purposive sampling technique has been applied in this study wherever needed. For consumer survey on product mix Kathmandu metropolitan city ward no 14 has been selected. According population census 2068 B.S., there are 15772 Households whereas total population is 58495 among them 30942 are male and 27553 are female.

For detail study, 140 households consist of 478 members have been selected purposively where the structured questionnaire is deployed. To the study on place, price and promotion mix, the direct interview with structured questionnaire has been administrated for Ashmi herbal and retail store.

### **3.5 Methods of Data Collection**

The primary data is collected by structured questionnaire in the related filed. The researcher also discussed with related persons, industries and consultants.

### **3.6 Data Analysis**

The data obtained from filed survey then has been tabulated in the organized manner. Besides data are presented in chart and diagrams as required. Different relevant statistical tools has been used to find out the best appropriate results.

## **CHAPTER-IV**

### **DATA PRESENTATION & ANALYSIS**

This chapter has incorporated presentation and analysis of data. The data and information related to Ashmi Herbal Industry are collected from consumer, retailer and related persons, and presented, analyzed and interpreted in this chapter for attaining the stated objectives of the study. Different statistical tools are applied for the data analysis. The four marketing mix components product mix, place mix, promotion mix and price mix are analyzed in this chapter.

#### **4.1 Study of the Products Mix**

Product means goods and services combination the company offers to the target market. We define a product as anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. Products include more than just tangible objects as well as intangible. Product is a key element in the overall 'market offering'. Marketing mix begins with building an offering that brings value to target customers. This offering becomes the basis upon which the company builds profitable customer relationships. Thus, Ashmi Herbal Industry produces and sells cosmetics and health care products such as, Ashmi Herbal Churee Neem Soap, Ashmi Herbal Shampoo, Ashmi Herbal Hair-oil, Ashmi Herbal Mehndi, tea, tooth powder, sun rose cream, face pack, rose cream, peppermint, cream, Ashmi Herbal Clinic.

##### **4.1.1 Brand Product Matrix**

The brand product matrix is a graphical representation of all the brands and products sold by a firm. Product extension, depth, breadth, and consistency are mainly important for product mix.

Table 4.1  
Brand Product Matrix

	Breadth			
	Health Care Products	Hair Care Aesthetic Products	Skin Care Aesthetic Products	Service Products
Depth	1. Ashmi Churee Neem Soap 2. Ashmi Herbal Tea 3. Ashmi Herbal Tooth Powder 4. Ashmi Herbal Cream 5. Herbal Di-Ras tea	1. Ashmi Herbal Shampoo 2. Ashmi Herbal Mehndi 3. Ashmi Herbal Hair-oil	1. Ashmi Herbal Sun-rose Cream 2. Ashmi Herbal Face-pack 3. Ashmi Herbal Wrinkle Cream 4. Ashmi Herbal Rose Cream 5. Ashmi Herbal Peppermint	1. Ashmi Herbal Clinic

From above table, we know that Ashmi Herbal Industry is producing four types of products under product mix strategy. It shows product line = 4, Average depth =  $\frac{5+3+5+1}{4} = 3.5$  and length =  $5+3+5+1 = 14$ .

The four lines health care products, skin care aesthetic products, hair care aesthetic products and service product refer to product line in the above matrix, so, in this case product mix breadth is four. The company has been offering four items on health care aesthetic products, three items on hair care products, five items on skin care aesthetic products and one item on service product. So, average depth of product matrix is  $(5+3+5+1)/4 = 3.5$ , Although there are different product lines in the product mix, all items are related to each other because they are all associated with human health care and hygiene. It indicates consistency of product mix.

#### 4.1.2 Consumer Survey on Herbal Products

Consumer survey have been conducted with structured questionnaire. One hundred and forty household respondents in Kuleshwor area have been taken for the study. Out of 140 household, 128 have knowledge about herbal products.

Table 4.2

##### Knowledge about Herbal Products

Response	No. of Respondent (Households)	No. of Member	Percent
Yes	128	436	91.43
No	12	42	8.57
Total	140	478	100

Source: Field Survey November 23, 2012

The above table shows that households response towards the knowledge about herbal products. In the response, 91.43% households responded 'Yes' they have knowledge of herbal products.

Table 4.3

##### Knowledge about Herbal Items

Items	No. of Households	Total No.	Percent
Hair Oil	57	140	40.71
shampoo	97	140	69.29
Tea	50	140	35.71
Medicinal Oil	102	140	72.86
Medicinal Powder	98	140	70
Cosmetics	122	140	87.14
Soap	48	140	34.29
Others	26	140	18.57

Source: Field Survey November 23, 2012

The above table presents consumer knowledge towards herbal items. Different consumers have different knowledge of herbal items. Most of the consumers (87.14%) have known cosmetics herbal items, 72.86% consumers have knowledge about medicinal oil and 70% consumers have knowledge of medicinal powder.

Table 4.4  
Users of Herbal Products

Response	No. of Households	Percent
Yes	103	73.57
No	37	26.43
Total	140	100

Source: Field Survey November 23, 2012

The above table shows that households response towards users or non-users of herbal products. Where 73.57% are users of herbal products and 26.43% are non-users.

Table 4.5  
Herbal Items that Most Use

Items	No. of Households	Total No.	Percent
cosmetics	84	140	60
Hair Oil	23	140	16.43
Soap	67	140	47.86
Shampoo	59	140	42.14
Medicinal Oil	76	140	54.29
Medicinal Powder	28	140	20
Tea	19	140	13.57
Toothpaste	44	140	31.43
Others	26	140	18.57

Source: Field Survey November 23, 2012

By analyzing the above table, it seems that most of the consumers i.e. 60% use cosmetics items, 54.29% use medicinal oil, 47.86% use herbal soap, 42.14% use shampoo. Therefore the most using herbal items are cosmetics, medicinal oil, soap and shampoo.

#### 4.1.3 Consumer Survey on Ashmi Herbal Products

The survey have been conducted among 140 households selected at Kuleshwar area. Out of 140 households (including 478 members), 29 households are users of Ashmi herbal products. These 29 households consist of 84 users and 25 households (non-users) have knowledge about Ashmi herbal industry.

Table 4.6

##### Knowledge about Ashmi Herbal Industry

Response	No. of Households	Percent
Yes	54	38.57
No	85	61.43
Total	140	100

Source: Field Survey November 23, 2012

By above table, 38.57% households have knowledge of Ashmi herbal items or industry and 61.43% are unknown to Ashmi herbal products and industry.

Table 4.7

##### Users of Ashmi Herbal Products

Response	No. of Households	No. of Users	Percent
Yes	29	84	20.71
No	111	394	79.29
Total	140	478	100

Source: Field Survey November 23, 2012

By analyzing 29 households response 'Yes' or indicate that they are users of Ashmi Herbal items and 79.29% Response 'No' for Non users of Ashmi Herbal products. This percent of Ashmi Herbal items users indicate there is high potentiality of users.

Table 4.8  
Users of Different Aged People

People	No. of Users	Percent
Adults	38	45.24
Young	34	40.48
Children	12	14.28
Total	84	100

Source: Field Survey November 23, 2012

The above table shows, out of 84 users, 45.24% are Adults, 40.48% are young and 14.28% are children.

Table 4.9  
Users of Ashmi Herbal Items

Items	No. of Households	Percent
Chiuree Neem Soap	16	11%
Shampoo	8	5.71%
Hair Oil	11	7.86%
Face Pack	9	6.43%
Rose Cream	8	5.71%
Pippermint	2	1.43%
Herbal Cream	3	2.14%
Face Soap	10	7.14%
Mehendi	9	6.43%
Massage Cream	1	0.71%
Tea	4	2.86%
Toothpowder	-	-
Sun-Rose Cream	7	5
Ashmi Herbal Clinic	-	-

Source: Field Survey November 23, 2012, Base: 140 households

The above table shows the Chiuree Neem Soap is most used item among all items of Ashmi Herbal products. Sixteen household i.e. 11% consumers use this Brand. Hair Oil, Soap, Mehendi, face pack, Rose Cream, shampoo are used by average of 9 households. Likewise, 1.43% of households use Peppermint, 2.14% use herbal cream, 0.71% use Massage cream, 2.86% use tea. 5% of households use sun rose cream. Toothpowder and Ashmi herbal clinic are not being used by consumers.

Table 4.10

Present and Ex-users of Ashmi Herbal Items

Status	No. of Households	No. of Customer	Percent
Present uses	21	58	15
Ex-users	8	26	5.71
Non-users	111	394	79.29

Source: Field Survey

Base: 140 Households

From above table 21 households consist of 58 consumers who are present users, 8 households consist 26 consumers are ex-users and 111 households consist 394 consumer are Non users of Ashmi herbal brands. So 15% consumers are present users, 5.71% are ex-users and 79.29% consumers are Non users of Ashmi herbal.

Out of 29 households of Ashmi herbal, 8 households have switched the brands because of different reasons.

Table 4.11  
Reason for Brand Switching

Factors	No. of Households	No. of Users	Percent
Availability	4		13.79
Quality	3		10.34
Price	6		20.69
Convenient	2		6.9
Packaging	-		-
Others	6		20.69

Source: Field Survey, Base : 29 households

Among 29 households of Ashmi users (20.71%), 4 households (13.79%) switched the brand due to availability factor, 3 households (10.34%) due to quality, 6 households (20.69%) due to price factor, 2 households (6.9%) due to convenient factor and 6 households (20.69%) due to other factors.

The present users of 21 households have been using the brands for different time periods which are categorized as follows:

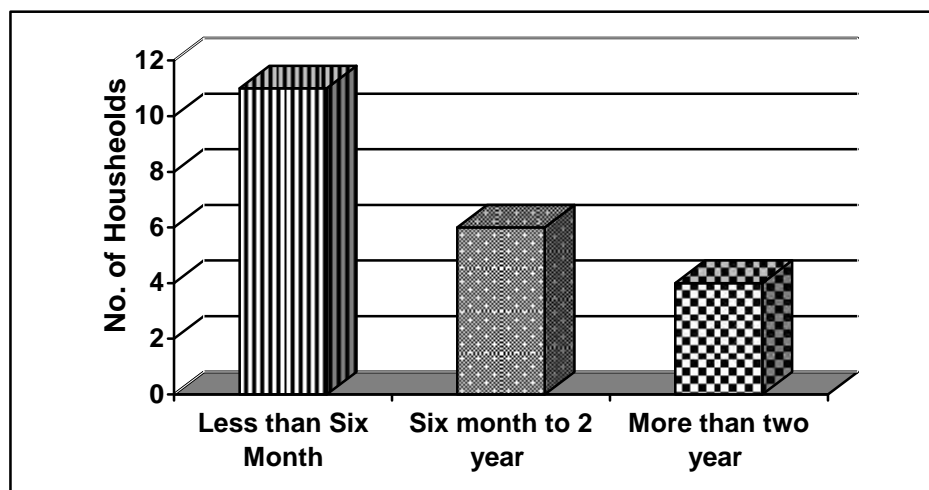
Table 4.12  
Usage Time

Time	No. of Households	No. of Users	Percent
Less than six month	11	34	52.38
Six Month to 2 year	6	17	28.57
More than 2 year	4	7	19.05
Total	21	58	100

Source: Field Survey, Base: 21 households

Figure 4.1

No. of Households Using Ashmi Herbal Under Different Time Period Categories



From the above table (figure 4.1), 52.38% of present users have been using Ashmi herbal items for less than six months, and 28.57% of users have been using Ashmi herbal items for 2 years, while 19.05% of present users lie at time category of more than two years. The consumers, who have used Ashmi herbal items, they got different feelings about the brands.

Table 4.13

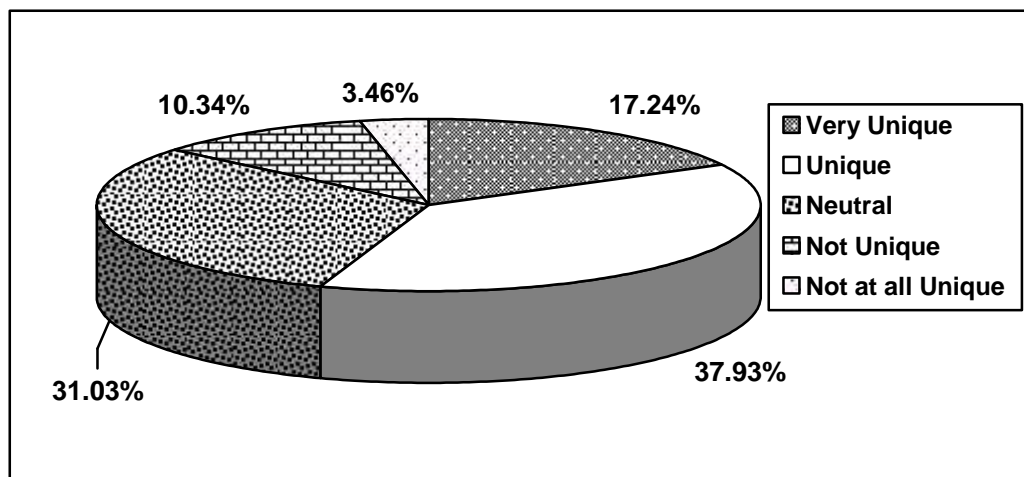
Consumers Feelings about Ashmi Herbal Product

Feelings	No. of Households	No. of Customers	Percent
Very Unique	5	17	17.24
Unique	11	13	37.93
Neutral	9	23	31.03
Not Unique	3	10	10.34
Not at all Unique	1	3	3.46
Total	29	84	100

Source: Field Survey November 23, 2012, Base : 29 households

By analyzing above table, 37.93% of Ashmi herbal users express their feelings that the brand is unique, 31.03% are neutral, 17.24% users feel very unique, 10.34% users feel not unique, and 3.46% users indicate not at all unique.

Figure 4.2  
Consumers Feelings about Ashmi Herbal Product



#### 4.2 Study on Price Mix

Price is the amount of money charged for a product or service. More broadly, price is the sum of all the values that customers give up in order to gain the benefits of having or using a product or service. Historically, price has been the major factor affecting buyer choice. In recent decades, non price factors have gained increasing importance. However, price still remains one of the most important element determining a firm's market share and profitability. Price is the only element in the marketing mix that products revenue, all other elements represent costs. Price is also one of the most flexible marketing mix elements. Unlike product features and channel commitments, prices can be changed quickly. At the same time, pricing is the number one problem facing many marketing executives and many companies do not handle well.

#### 4.2.1 List of Price of Ashmi Herbal Products

Different products, produced by Ashmi herbal industry have list price according to their categories. Which is clearly shown by following table.

Table 4.14  
List Price of Asmi Herbal Products

Items	List Price Per Item (Rs.)	Consumer Price (if Directly buy from Industry Showroom (Rs.))
Chiuree Neem Soap	100	85
Ashim Herbal Face Soap	50	45
Herbal Shampoo	240	230
Hair Oil	170	150
Massage Cream	200	190
Fat-control Tea	250	250
Herbal Di-Ras Tea	270	270
Tooth Powder	70	65
Sun Rose Cream	250	250
Face Pack	250	250
Rose Cream	250	240
Peppermint	250	200
Herbal Cream	250	240
Asmi Herbal Clinic (Facial)	300	300

Source: Field Survey November 23, 2012

Ashmi herbal allow product-wise discounts if users buy the items directly from industry showroom (office) which is situated in Mid- Baneshwor, Kathmandu. So the discount offered by industry has attracted customer to buy

the products. Although, customers who buy from retail store or retailer don't have discount facility. They have to pay list price tagged on product label.

The product Chiuree Neem Soap has list price Rs. 100 and consumer price is Rs. 85, So users can enjoy 15% discount on it. Likewise the discount  $\left(\frac{50-45}{50}\right)$  5% on Ashmi face soap,  $\left(\frac{240-230}{240}\right)$  4.17% on Ashmi herbal Shampoo,  $\left(\frac{170-150}{170}\right)$  11.76% on Hair Oil,  $\left(\frac{200-190}{200}\right)$  5% on massage cream,  $\left(\frac{70-65}{70}\right)$  7.14% on tooth powder,  $\left(\frac{250-240}{250}\right)$  4% on Herbal cream can be enjoyed. The other products fat control tea, Sun-Rose cream, face pack, peppermint and Ashmi herbal clinic (facial) have no discounts.

#### 4.2.2 Discount to Middlemen

Ashmi herbal industry has adjusted it's basic price to reward customers or middlemen for certain responses, such as early payment of bills & volume purchase. These price adjustments called discounts. Such discounts provide an incentive to the buyer to buy more from one given seller, rather than from many different sources.

Ashmi herbal has provided 20% to 30% product wise cash discount to it's Middlemen. Which is shown below:

Table 4.15  
Discount to Middlemen

Items (Products)	Discount % (Industry to dealer)	Discount % (Dealer to retailer)
---------------------	------------------------------------	------------------------------------

Ashmi Herbal Chieree Neem Soap	30	15
Ashmi Face Soap	20	10
Ashmi Herbal Shampoo	20	10
Hair Oil	25	10
Herbal Mehendi	20	10
Massage Cream	25	15
Fat-control Tea	30	15
Di-Ras Tea	20	10
Tooth Powders	25	12
Sun-Rose Cream	25	15
Herbal Face Pack	20	10
Herbal Cream	30	15
Pippermint	25	15

Source: Field Survey November 23, 2012

#### 4.2.3 Discount on Volume Purchase

Ashmi herbal has different discount schemes for large volume purchaser. It is a useful idea to sell products in large quantity. This offer is a sufficient incentive to large scale buyers. The discount schemes are shown below.

Table 4.16

#### Discount on Volume Purchase

Purchase Amount (Rs.)	Discount Percent
100000-200000	Regular Dis +2%
200000-300000	3%

300000-400000	4%
400000-500000	5%

The above table shows that the buyers who buy, the Ashmi herbal products amounted Rs. 10,0000-200000 can get Regular discount above 2%, Likewise Rs. 400000-500000 can get regular discount above 5% (Note:- Regular discount means, the discount given to normal buyers on regular basis.)

#### **4.2.4 Credit Facilities**

The buyers of Ashmi herbal have credit facilities of one to three months. In which, they can't receive goods until payments of former bills. There is no discount to early payers and no late charges to late payers.

#### **4.2.5 Taxes on Income**

Ashmi herbal has been paying taxes on income (VAT) according to tax rules. It is a registered private company and has liability to pay taxes. According to PAN it has been paying 13% taxes on income annually.

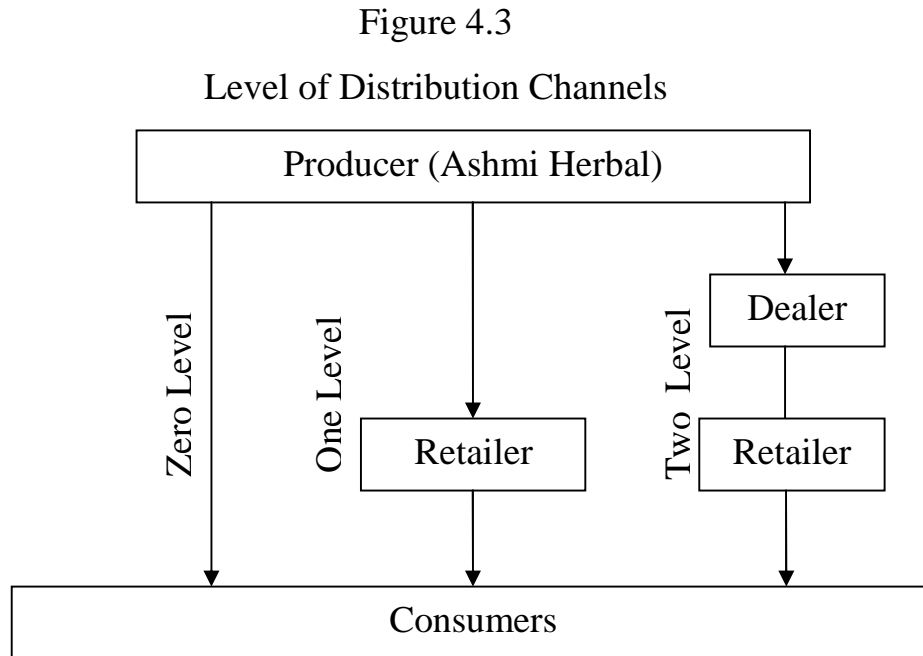
### **4.3 Study on Place Mix**

Ashmi herbal has used zero-level, one-level and two level channel of distribution. It consists of Producer, dealer, retailer and consumer. The company has it's own sales office in Mid-Baneshor, Kathmandu. It has more than 25 dealers all over the Nepal. There are regional and national sales territories in different districts. The company itself transports the products from sales office to dealers for this purpose, it uses its own fleet of transport plus private carriers.

#### **4.3.1 Levels of Distribution Channels**

Producer can use different distribution channels to deliver goods to its customers. Few producers sell their products directly to the final users. Instead,

most use intermediaries to bring their products to market. Here Ashmi herbal has practiced zero to two level distribution channels. Which are shown in figure below.



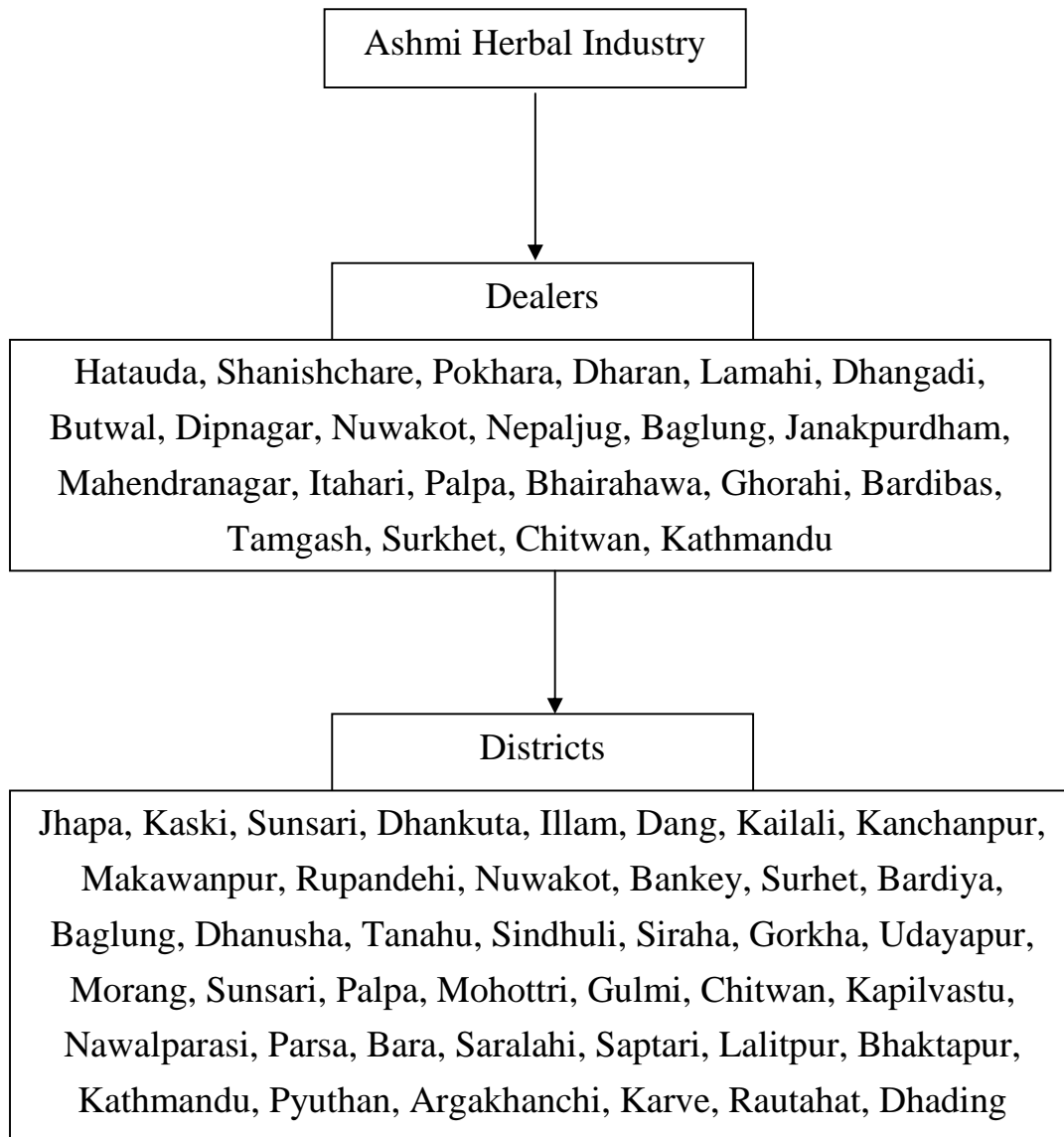
By above figure Ashmi herbal has been selling products directly to consumers. It indicates zero level channel, producers to consumer. Likewise, It has been adding the middlemen Retailer and Dealer on one and two level channels of distribution.

Table 4.17  
Levels of Channels

Zero Level - Ashmi Herbal → Consumer
One Level - Ashmi Herbal → Retailer → Consumer
Two Level - Ashmi Herbal → Dealer → Retailer → Consumer

This chart shows the names of district and dealers where Ashmi herbal is supplying products.

Chart 4.1  
Distribution



Source: Field Survey

#### 4.4 Study on Promotion Mix

Promotion is persuasive communication. It is a highly visible component in the marketing mix. It tells the target customers about product; price and place. It is also known as marketing communication.

Ashmi herbal does not give much attention to promotion of the products. Recently it has started use of magazines and television for advertising 'word of mouth' promotion by satisfied customers has also been an important tool of promotion.

#### 4.4.1 Personal Selling

Personal selling is personal communication with customers to persuade them to buy products. Ashmi herbal has appointed some sales persons in Kathmandu valley. They interact and build relationship with customers and provide feedback about the market, competitions and customers to the company.

#### 4.4.2 Advertising

Advertising is any form of non personal communication by an identified sponsor to promote products. By administering questionnaire in Kuleshor area 54 households have knowledge about Ashmi herbal. They know first about the Ashmi herbal by different advertising media which are clearly shown in the following table No. 4.13

Table 4.18

Medium of Advertisement of Ashmi Herbal Product

Medium	No. of Households	Percent
Television	41	74.65
Radio	3	5.56
Newspaper	-	-
Outdoors hordings	-	-
Magazines	7	12.56
Others	3	5.56

The above table shows, 74.65% households know about Ashmi herbal first by television, 5.56% know by Radio, 12.96% know by magazines and 5.56% households know by others medium such as friends, fairs etc. Others medium of advertisement are not being used except television, radio and magazines.

#### **4.4.3 Sales Promotion**

Sales promotion refers to short term incentives to stimulate demand. Ashmi herbal sometimes exhibits and demonstrate it's products in Trade fairs to persuade consumers for purchase. The other sales promotional tools have not been adopted and has not lunched any sales promotion campaign.

The promotional tools publicity and public relation have not been practiced so the competitors of herbal products are engaged in aggressive promotion.

### **5. Major Findings**

This study is carried out to assess and examine the production and marketing of herbal products in Nepal and 4ps practices in Ashmi herbal industry Kathmandu. The major findings are listed below:

- ❖ The Ashmi herbal company is a private company registered in 'Office of the company register'.
- ❖ The Industry has offered its products in four lines such as Health care products, Hair Care aesthetic product, skin care aesthetic products and service product.
- ❖ The industry has four products lines with average depth of 3.5 items and length is 14 items.
- ❖ The product mix strategy is associated with Human health care and Hygiene products. It refers to consistency of products mix.

- ❖ Most of the people have knowledge about herbal products. According to table no. 2, 91.43% households are familiar to herbal product and 87.14% households have knowledge of cosmetic items. Medicinal oil, medicinal powder and shampoo are known by maximum customers.
- ❖ The Herbal items cosmetics, medicinal oil, medicinal powder, soap and shampoo are used by large number of households or consumers in Nepal.
- ❖ Out of 140 households, 54 households are familiar to Ashmi herbal and 29 households use the brand of Ashmi herbal. In which 20.71% are consumers of Ashmi herbal in total population.
- ❖ The Ashmi herbal products are mostly used by adults and young consumers, on which 45.24% consumers are adults and 40.48% consumers are young and 14.28% consumer are children.
- ❖ The Ashmi herbal brand 'Chiuree neem' soap is most popular among consumers and hair oil, face soap and face pack are also liked by huge users group.
- ❖ From 29 households of Ashmi herbal users 8 households had switched the brand because of availability, quality, price, convenient and other factors. Most of users (20.69%) have switched the brand because of price factor 13.79% have switched due to availability factor.
- ❖ Out of 21 households 52.38% users are very short term users, 28.57% users are middle time users and only 19.05% users are long term users.
- ❖ Most of the consumers of Ashmi herbal feel the product unique than other products. About 37.03% users feel unique and 3.46% feel not at all unique. This means the products of Ashmi herbal have positively marketed to consumers.
- ❖ The price of the products is set in relation to the competitors price. Cost and demand are not considered.

- ❖ Discount incentives are given to middle men a range of 20% to 30% and credit facilities are also provided upto three months.
- ❖ Zero level, one level and two level channels of distribution are followed by Ashmi herbal industry.
- ❖ The tools of promotion mix personal selling, Advertising and sales promotion are adopted to communicate products for users.
- ❖ Brand product matrix has clearly shown product extension, depth, breadth and consistency of Ashmi herbal products.

## **CHAPTER-V**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

Nepal is rich in natural beauty. About 750 types of herbal plants (Jaributi) grow here, convening 12.5% of total biodiversity in the world. It is valuable fact of the country of gain economic prosperity. Under this base, many herbal companies are established. Using local herbal plants, they have produced different kinds of cosmetics and health care herbal products in Nepal. But lack of proper management of them, not being conscious to marketing, non of them have achieved their objectives.

Marketing is started from human needs and wants. Products satisfied the wants so the manufactures should be careful to the needs of the target consumers. For systematic planning and implementation of marketing activities, it needs detail survey. It is a challenging task in Nepal because of geographical structure, inadequate communication mix uneducated consumer etc. It seem the foreign companies giving interest to enter in Nepal for the herbal based products such as cosmetics, soaps, detergents, oils etc. Consumption of herbl products within the country is vary and limited but majority of them is exported to the different countries.

The use of antibiotic and other drugs have side effects. People are therefore, slowly turning back to the herbal health items both the preventive and curative purposes. The great Hindus Epic, Reigveda has described medicinal plants. Most of the traditional medicine practiceners prepare their medicines using available herbal plants. Therefore, the commercial use of the herbal plants have significant role in Nepal from ancient time.

General lack of sustainable production practices, inappropriate harvesting and post harvesting practices, product adulteration, poorly organized marketing and lack of international recognition of Nepali herbal products are major challenges to the herbal industries. "The Department of Plant Resource" has provided facilities on research, development and management of plant resources in Nepal. Under the platform of the department of plant resources, the birth of sever herbal companies has taken place. After the emergence of herbal industries, commercial cultivation of herbal plants has formally been initiated in Nepal.

In this study the research methodology is a wide systematic study of the problem from selection of topic to summary and conclusion. The data are from both primary and secondary sources. Structured questionnaire are conducted on customers and discussed with related persons of Ashmi herbal and other herbal industries and consultants. Here 140 households have been taken for sampling of this study. Besides data have presented in chart, diagrams and tables.

## **5.2 Conclusion**

The Brand product matrix shows a graphical representation of all the Ashmi herbal brands. On which.

Product line = 4

Average depth = 3.5

Product length = 14

The Ashmi herbal industry has produced cosmetics and Hygiene health care products. It supplies the products about 41 districts through 25 dealers. It uses or practices zero level to two level channels of distribution. The competition has taken place on pricing, Advertising and quality along with local herbal production. It has mostly used television and magazines for advertising the products. The major problems faced by the Ashmi herbal are as follows:

- a) Shortage of raw materials
- b) Price fluctuation of raw materials
- c) Close competition
- d) Lack of quality control lab
- e) Less support from government
- f) Seasonal fluctuation of demand
- e) Geographical structure for distribution

### **5.3 Recommendations**

A company must create and manage an effective marketing mix that satisfies customer needs in a target market. Changing environmental forces provide opportunity and threats to marketing. Increasing competition resulting from liberalization and globalization become more complicated. Nepal's herbal industries operate in an intense competitive environment. There is no entry barriers into the market. The major foreign competitors are Indian companies that have free access to Nepalese market.

Most of the herbal products manufacture do not have sufficient knowledge about production and marketing. Nepalese market is flooded by low quality products. The current scenario of herbal products users is high so marketing opportunities and threats must be considered. Consumers have the sovereign identity in modern marketing. It is the age of science, technology and competition. The producer, who manufactures the products should be careful to the needs and wants of the targeted customers. The following recommendations are made on the basis of findings of the study.

- ❖ Consumers are highly aware of herbal products. But they have not used properly so they are recommended that herbal products may be essential for our health.

- ❖ Most of the herbal producers have been given priority to cosmetics items so they also turn to other items.
- ❖ Ashmi Herbal Industry is recommend to stretch service product line by research & development service or others.
- ❖ The herbal items Chiuree Neem Soap, face pack and cream are highly used by users so the market and promotion should be increased.
- ❖ Most of the consumers are found price conscious. The company should retain them.
- ❖ Product or brands should be unique which helps to promote the brands. It will be helpful to differentiate the products from competitors.
- ❖ The information about Ashmi herbal are not access to its costumer, so detail product information and using menu should be placed in website.
- ❖ The promotion should be stretched national-wide.
- ❖ The company has been practiced zero to two level channel of distribution on which it is suggested that TV marketing, telemarketing and on line marketing channels also use.
- ❖ The consumers are found very little conscious of the research work. They found unaware of the fact that a research work is beneficial not only for the researcher but for the country as a whole. So they do not respond elegantly to the questionnaire. So the consumers also should perceive the research work as a good work.
- ❖ Government should support and promote the herbal industry to gain economic growth.

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### **Web pages**

[http://www.facebook.com/pages/ashmi herbal.164398380295669](http://www.facebook.com/pages/ashmi%20herbal.164398380295669)

<http://www.nepalherb.org/> [2012-12-12]

<http://www.ashmiherbal@gmail.com>

**APPENDIX-I**  
**QUESTIONNAIRE-I**  
**For Industry**

You are requested to reply to the following questions. This questionnaire intends to seek answers about the production and marketing of herbal products by Ashmi Herbal Industry. Please tick one or more brackets and fill in the blanks as per requirement.

Name of respondent:

Post:

- A) Name of Industry:
- B) Address:
- C) Date of establishment:
- D) Number of employee:
- E) Number of branch office:

1. What kind of product are you producing?

- a) Cosmetics ( )      b) Hygiene health care ( )

2. How many items do you produce?

.....

3. Where do you supply your products? Please specify the districts name only.

- a).....      b).....      c).....
- d).....      e) .....      f) .....
- g) .....      h) .....

4. Where are your branch-offices situated?

- a).....      b).....      c).....
- d).....      e) .....      f) .....
- g) .....      h) .....

5. Do you export your product to the foreign countries?  
 Yes ( ) No ( )
- i) If yes, Please specify the name of the countries.
- a)..... b)..... c)..... d).....  
 e) ..... f) .....  
 g) ..... h) .....
6. Where do you get raw materials from?
- a) From local market ( )  
 b) From other districts ( )  
 c) From other countries ( )  
 d) From own cultivated farm ( )  
 e) All of them ( )
7. Which materials are not available easily?
- a)..... b)..... c)..... d).....  
 e) ..... f) .....  
 g) ..... h) .....
8. Which types of distribution channels are you practicing?
- a) Direct to customers ( )  
 b) By dealers ( )  
 c) By branch offices ( )  
 d) All of above ( )  
 e) Others ( )
9. What is your plan about distribution?
- a) Same as now ( )  
 b) By increasing branch offices ( )  
 c) By improving administration ( )  
 d) Others ( )

10. Who are your competitors?
- a) Local producers (     )
  - b) Producers of other districts (     )
  - c) Producers of other countries (     )
  - d) All of them (     )
11. In which dimension the competition takes place?
- a) Pricing (     )
  - b) Advertisement (     )
  - c) Quality (     )
  - d) Distribution Channels (     )
  - e) Others (     )
12. Are you advertising your products?
- Yes (     )     No (     )
- If yes, which kind of media are you using?
- a) Radio (     )                      b) Magazines (     )
  - c) Television (     )               d) Poster (     )
  - e) Bill board (     )               f) Distribution Channels (     )
13. How much money do you spend on advertisement per year?
- .....
14. Do customers complain about quality of products?
- Yes (     )     No (     )
15. How do you maintain the quality of your products?
- a) By own industry lab (     )     b) By outsider technicians (     )
  - c) Others (     )
16. What are the reasons of increasing number of herbal industries?
- .....
- .....

17. Enumerate the various problems which have to be faced by your company?
- a) Shortage of raw materials ( )
  - b) Price fluctuation of raw materials ( )
  - c) Close Competition ( )
  - d) Lack of quality control lab ( )
  - e) Less support from government ( )
  - f) Lack of efficient personnel ( )
  - g) Storage problem of product ( )
  - h) Others

18. What do you think about future of herbal industry?

.....  
.....

**“Thank you for your cooperation”**

## QUESTIONNAIRE-II

### For Consumer Survey

You are requested to reply to the following questions. This questionnaire intends to seek answers about the production and marketing of herbal products by Ashmi Herbal Industry. Please tick one or more brackets and fill in the blanks as per requirement.

Name of respondent:

Address:

Age:

Sex:

Education:

Occupation:

Number of family members:

1. Do you have any knowledge about herbal product?

Yes ( )                      No ( )

i) If yes, of which herbal item do you have knowledge?

a) Hair oil ( )      b) Shampoo ( )      c) Tea ( )

d) Medicinal oil ( )      e) medicinal powder ( )

f) Cosmetic ( )      g) Others ( )

2. Are you using herbal products?

Yes ( )      No ( )

i) If yes, which herbal item are you using?

a).....      b).....      c).....

d).....      e) .....      f) .....

3. Who are the producers of the products you are using?

a).....      b).....      c).....

d).....      e) .....      f) .....

4. Do you know about Ashmi Herbal Industry?  
Yes ( ) No ( )
5. Have you ever used products of Ashmi Herbal Industry?  
Yes ( ) No ( )
- If yes,
- i) Who have used? a) Adults ( ) b) Young ( )  
c) Children ( )
- ii) Please tick one. a) Before ( ) b) Now ( )
- iii) If now, which product are you using?  
a)..... b)..... c).....  
d)..... e) ..... f) .....
- iv) How long have you been using?  
a) Less than six month ( ) b) Six month to two year ( )  
c) More than two years ( )
- v) If before, what is the reason for brand switching?  
a) Availability ( ) b) Quality ( ) c) Price ( )  
d) Convenient ( ) e) Taste ( ) f) Packaging ( )  
g) Others ( )
6. From which medium did you know about Ashmi Herbal first?  
a) Newspaper( ) b) Radio ( ) c) Television ( )  
b) d) Outdoor hoarding ( ) e) Magazine ( )  
f) Others ( )
7. What is your perception about Ashmi Herbal Products which you use?  
a) Very unique ( ) b) Unique( ) c) Neutral ( )  
d) Not unique ( ) e) Not at all unique

**“Thank you for your cooperation”**

## QUESTIONNAIRE-III

### For Retailer Survey

You are requested to reply to the following questions. This questionnaire intends to seek answers about the production and marketing of herbal products by Ashmi Herbal Industry. Please tick one or more brackets and fill in the blanks as per requirement.

Name:

Proprietor:

Name of respondent:

Address:

Age:

Sex:

Starting date:

1. How many herbal items do you sell?

.....

2. Name the herbal companies of herbal items that you have sold?

a)..... b)..... c)..... d).....

e) ..... f) .....

3. Which items of Ashmi Herbal do you sell?

a)..... b)..... c).....

d)..... e) ..... f) .....

4. Which items of Ashmi Herbal are frequently asked for by customer?

a)..... b)..... c).....

d)..... e) ..... f) .....

5. Which distribution channels are used to ship you by Ashmi Herbal?

- a) Direct from industry ( )
  - b) By dealers ( )
  - c) By branch offices ( )
  - d) All of above ( )
  - e) Others ( )
6. Do you sell the products on commission or allowance base?  
 Yes ( ) No ( )  
 If yes, how much percent on sale?  
 .....
7. What discount on price do you get from Ashmi Herbal?  
 .....
8. Is there credit facility?  
 Yes ( ) No ( )  
 If yes, what is the credit term?  
 a) Fifteen days ( ) b) One month ( )  
 c) Three months ( ) d) Six months ( ) e) Others ( )
9. Do you have any effort to promote the products of Ashmi Herbal?  
 Yes ( ) No ( )  
 If yes, which types of promotional tools have you used?  
 a) Personal selling ( ) b) Discount offer ( )  
 c) Advertising ( ) d) Publicity ( )  
 e) Poster and hoarding ( ) f) Others ( )
10. How much items of Ashmi herbal products do you sell on average in  
 a day?  
 .....

**“Thank you for your cooperation”**

## APPENDIX-II

### Dealers of Ashmi Herbal Industry

S.N.	Dealer's Name	Phone No.
1.	Jhapa, Shanishre Road	0-23-540932
2.	Pokhara, New Road, Kaski	0-61-532188
3.	Acharyaline Dharan, Sunsari	9852047036
4.	Lamahi, Dang	9857832230
5.	Dhangadhi Chauraha, Kailai	0-91-523474
6.	Hetauda	057-621389
7.	Amarpath, Butwal	9857026826
8.	Dipnagar, Butwal	9847045950
9.	Deepak Rimal, Nuwakot	10-680488
10.	Surkhetroad, Nepalgununj	9848022521
11.	Keshab Pharmcy, Baglung	9846058101
12.	Janakpur Dham, Dhanusha	9854021640
13.	Riju Herbal, Damauli	9846093577
14.	Gaurab Interprises, Mahendranagar	099-522578
15.	Jungrai Giri, Itahari	0-25-584412
16.	Arogya Homio Pharmacy, Pokhara	9856026750
17.	Silkhan, Palpa	9847043725
18.	Srinagar, Store, Ghorahi Dang	082-521422
19.	Bardibas, Mohottari	044-550342
20.	Megha Herbal, Tamghas	059-521069
21.	Isor Pahadi, Surkhet	98481933541
22.	Muskan Herbal, Chitwan	056-521930
23.	Prajuwal Acharya, Biratnagar	021-525708
24.	Lucky Beatuy Parlor, Sindhuli	9844041717
25.	Dr. Ramprabadha Chaudhary, Gaighat	9842838811
26.	Manakamana, Golbazar Siraha	9842870340

APPENDIX-III

### अशिम हर्बल चॉया फेस प्याक



- अशुहारको कार्ब, राग, इण्डिफोरे, पोले हुपाउनको निमित्त अति नै प्रभावकारी
- यसको प्रयोगले अशुहारलाई प्राकृतिक घटक दिई सुन्दर र आकर्षक पार्छ ।

### अशिम हर्बल फेस प्याक (चाउरीपनाको लागि)

- यसको प्रयोगले अशुहारलाई प्राकृतिक घटक दिई सुन्दर र आकर्षक पार्छ ।
- यसको प्रयोगले सुहाउमा हुने चाउरीपना हुटाउँछ ।



### अशिम हर्बल रोज क्रिम (रुखी सुहाउको निमित्त)



- बैजिक प्रयोगको निमित्त अति नै उपयोगी
- यसको प्रयोगले धामबाट समेत लोपन गर्छ ।
- प्रदुषणबाट समेत अशुहारलाई नोसार्छ, जसले गर्दा सुहाउको स्वरुपलाई जोरोपना, सुसंगम र चमकदार पार्छ ।

### अशिम हर्बल पिपरमेन्ट

- यो पिपरमेन्ट अशिम हर्बल फेस प्याकको सहयोगी उत्पादन हो । विशेष गरि इण्डिफोरेली लागि लक्षित गरि लयार तरिको को पिपरमेन्ट अशुहारलाई चिकिलो राख्न रूच मद्दत गर्छ ।



### अशिम हर्बल क्रिम



- यसको प्रयोगले धरला सफरती रोग जस्तै धाग, चिलाउने, सटिरा, एलर्जि आदि समस्याबाट मुक्त गराउँछ ।

यो उत्पादनको अनुसन्धान रोग विज्ञान, रसायन विज्ञान, र प्रयोगशाला, बसिन्धुवा इन्टर युर्स र एलिया विद्या भवन, काठमाडौं ।

### Ashmi Herbal Clinic



सुहाउको प्राकृतिक सुन्दरताको गन्तव्य अशिम हर्बल क्लिनिक



### Contact Address

**ASHMI HERBAL INDUSTRIES**  
 Tel: 977-1-4465016 / 4473726  
 Mobile: 977-9841216342  
 Email: ashmiherbal@gmail.com  
[www.ashmiherbal.com](http://www.ashmiherbal.com)

सौन्दर्यका लागि पूर्ण विश्वासीको



## HERBAL ASHMI

**ASHMI HERBAL INDUSTRIES**  
 Mla-Baneshwar, Kathmandu  
 ESTD: 2065



## अशिम हर्बल उद्योग

मानव स्वास्थ्यमाथि रसायनको प्रयोगबाट भइरहेको हानी तथा भविष्यमा हुने क्षातिसमेतलाई मध्यनजर राखि रसायन प्रयोग भएका उपयोग्य वस्तुको विकल्पमा यस अशिम हर्बल उद्योगद्वारा विभिन्न विशेषताहरूको राय/सुभाषको आधारमा रसायनरहित विभिन्न उपयोग्य वस्तुहरू, सिङ्गारका सामानहरू तथा घाला रोग समेतलाई मध्यनजर राखी विभिन्न उत्पादनहरू बजारमा ल्याएको छ ।

### अशिम च्युरी निम साबुन

१. असुहादको घासो, पीरो, दाग, इरिडफोर हुटाई गोरोपना र चमकिलो पाईन्छ ।

२. कपालको घासोको लागि पनि अति नै लाभदायक ।

३. Skin Allergy को लागि पनि उपयोगी ।

४. शरिरमा हुने घाउ आदिबाको लागि पनि अति नै प्रभावकारी ।

५. शरिरमा हुने दुर्गन्ध हुटाउने समेत

यसको प्रयोग गर्न सकिन्छ । (यस साबुनको

दैनिक प्रयोगले शरिरलाई स्वस्थ र किटाणुबाट सुरक्षित राख्दछ साथै यसको प्रयोग बच्चा देखि बृद्ध, सबै उमेर वराले प्रयोग गर्न सकिन्छ ।)



### अशिम हर्बल फेस सोप



जुनसुकै किसिमको घालामा यसको प्रयोग गर्न सकिन्छ जसले मुहारलाई गोरो, मुलायम दाग रहित पारी घाउरीपना समेत हुटाई मुहारलाई चमकिलो पाईन्छ ।



### अशिम हर्बल स्याम्पो (कपालको प्राकृतिक स्याहारको निमित्त)

यसको प्रयोगले कपाल लागो, बाक्लो, मुलायम तथा कपालमा प्राकृतिक चमक साथै कपाल गर्भो, घासो पर्ने समस्याबाट मुक्ति दिलाउँछ ।

### अशिम हर्बल केश तेल

रुको कपाललाई पोषण प्रदान गरी कपाललाई स्वस्थ, मुलायम, बाक्लो र अर्लबाट रोक्दछ । फुल्लो समस्याबाट पनि मुक्ति दिलाउनको साथै घासिसमेत निर्मूल पाईन्छ ।



### अशिम हर्बल मेहेन्डि



यस मेहेन्डिमा रङ्गको मिश्रणहरू :  
- जमला, मेथी, पिल, शिकाफाइ आदि जहिरुटिले मेहेन्डिलाई जस्त बढि गुणस्तरिय बनाएको छ ।  
- यसको प्रयोगले कपाललाई प्राकृतिक रंगदिई कपाललाई स्वस्थ र बाक्लो पाईन्छ ।

### अशिम हर्बल मसाज क्रिम

यसको मालिसले शरिरको दुखाई कम गर्नुको साथै घालाको रसो पनालाई समेत निर्मूल पाईन्छ । साथै दाड, कम्मर दुखेकोमा, मासपेशी दुखेकोमा, हात खुट्टा दुखेको, गर्को सुनिपको, जोनी दुखेकोमा अति उपयोगी हुन्छ ।

