

CHAPTER- I

INTRODUCTION

1.1. Background of the Study

Today's Market is very different from the market that we use to see and this has changed into a very complex one and it is now growing rapidly. Different goods and services are being introduced in the market which has got a very similar use. In the competitive market, only a low pricing does not help to survive in the market because the customers are enough conscious towards the benefit they are suppose to get from the product they plan to buy. It would worthwhile to communicate the customers about product and its benefits to make them buy the product. Therefore Promotion is all about company's communication about product with customers. It performs the major role of communicating to the ultimate customers about the product to make them do the decision of purchase.

The market in the past was limited and transportation and communication net was not developed. But today's marketing scenario has changed dramatically. Together with civilization and development in the different field so has the development taken place in the market. Because of globalization, the world market has been turned into a small market. There have been introduction of privatization, liberalization polices in Nepal. As a result of it, the business has been quite competitive. To survive in such circumstance, promotion is one of the most effective tools for business organization to cope with competition and to achieve the goal targeted by the company.

Following are the various promotional elements that are used for Promotion of the product.

1. Advertisement
2. Sales Promotion
3. Personal Selling
4. Public Relation
5. Direct Marketing

Promotional activities may represent any from of above listed elements.

Those promotional tools provide valuable information to buyers about the product, its availability, prices, utilities, and benefits that help them to make a choice decision that favors the organization and its product. Company may use any one or more of above elements depending upon the nature of goods and type of market. Right promotional activities should be chosen to survive on the competitive business world for longer period of time. A promotional technique used on product varies from country to country. It depends upon the countries economical, political, social, demographical, cultural, technological and so forth for the use of appropriate promotion.

There have been more or less eight different authorized dealers in Nepalese Photocopy market for the distribution of different branded photocopy machine and using different promotional tools to survive as well as to build brand image in the competitive business world.

1.1.1. Story of Xerography

Xerography (Photocopy) was invented by Chester Carlson. He was born in Seattle on February 8, 1906 and died in 1968 at age of 62. While he was student of graphic Arts and Chemistry, he got a job at local printers and started to thinking about duplicating process. He believed that there should be easy and competitive for business.

After graduation from the Institute of Technology California, he applied for a job at different companies. Due to economic depression that time, he hardly got response for his applications. After several attempts, he got a job at one of the telephone laboratory. His income was very poor which forced him to do some innovative work that would be fruitful to him and for entire world. He had in his mind about easy duplication process so he chooses the area for innovation. It took ten years for him to prove his innovation as a useful product. Haloid.Co. Xerox acquired the patent of an untried innovation, xerography. The company assumed an enormous potential with his work which others took it as a hazardous. The company took a challenge and promised to make xerography. The company invested much of earnings and time to develop the first Xerographic Product. Haloid Co launched Historic 914 Photocopier in 1959 for the first time. It was the first convenient office copier using xerographic which make copier quickly at the touch of a bottom on plane paper.

Today Xerox later changed the name from Haloid Co. has been one of the best companies in terms of finance and human resources. A success of Xerography is more remarkable because initially there was little hope of its survival. Today the whole world has been using it as one of the effective Photocopy Machines. The credit for the product goes to Chester Carlson and Xerox Company.

1.1.2. History of Photocopier in Nepal

In Nepal we have more than 30 years of photocopier History. Mita is the first copier that was introduced in the copier business. Few businessman brought Photocopier in Nepal for Photocopy center. In the beginning they charged high price for photocopying. Even ordinary people and the business organization could not think to possess it due to unaffordable price. Customers had to pay around NRs 10 per copy charge for copying job.

Mita 90D was the first Photocopy model that was placed at Photocopy center for commercial purpose and its technology was of thermal, not plane paper type. The copier was of Maximum A4 size and it required thermal roll paper instead of Normal plain paper. Mita MC 20 was the first A3 size thermal copier which was heavy and has more facilities. When the Mita DC 15 was introduced at Nepalese market it brought revolution in the photocopy history. It was the first A3 size normal plain paper copier and didn't require and thermal paper which was itself old technology and very expensive. After launching of Mita DC 15, people easily could afford the cost of copying job.

Mercantile Traders is pioneer business house for the photocopier line. It was established for more than 29 years ago at New Road. They started selling photocopy machines in Nepalese Market for both individual and institutional users. CBC was the first client of the traders who bought Mita DC 131.

As the time passed, photocopier marked was growing rapidly. Then Xerox entered into the business. Market was already competitive when Canon, Sharp, Ricoh, Minolta, Toshiba appeared in the competition. Toshiba is newest arrival in this business. These days photocopy has been a part of any organization and people without it cannot think of this modern world of technology. Now a day's photocopier turns

into digital multifunctional technology where we can use as Photocopier, Network Printer, Network Scan, Fax etc.

1.1.3. Market of Photocopy Machines in Nepal

Nepal has a very small market for Photocopy machines. In compare with other office automation products it is required in different sectors in very few numbers. Even then, there is still competition among different brands. Altogether there has been eight different Photocopy machine Brands in the market. They are as follows:

Photocopier Brands

Authorized Distributors

Kyocera	Mita Marcantile Traders
Canon	International Electronics Concern Pvt Ltd
Toshiba	World Distribution Nepal Pvt Ltd
Sharp	Pacific Commercial Company Pvt Ltd
Minolta	Trade Link International
Ricoh	Peekay Impex Enterprises
Nashua Tec	Shrestha Amrit Traders
Xerox	Arpan Trading Pvt Ltd

1.2 Statement of the Problems

The business of photocopy can be said as one of the oldest business in the history of Nepal. If we consider the oldest brand then we can take this business to thirty years back. Till the brand Mita was the only in this market it did not have any problem since it has a monopoly. But as the other brand came the market did not go well. When the Xerox entered the market it has to go through the competition with the oldest brand in the market and later with the entering new brands. Since the market was very small the competition was tough and without proper communication of the product the product could not survive in the market. The entire brand then did use the promotional tools to market its product.

As this business was doing good the other brand did get attracted to this market and in no time came the other brands like Canon, Toshiba, Sharp, Nashuatec, Minolta, Rico and Gastetner. These created very difficult to survive in the market and different promotional tools needed to be used to capture or survive in the market.

Though Xerox had its market share it needs to maintain it or to grow in this fierce competition. It has to build the image of its brand in the market if it has to survive.

Following are the problem of the study:-

-) Which promotional activities can be the most effective in building the brand image of Xerox?
-) What are the promotional activities used by Arpan Trading Pvt. Ltd to meet the competition?

1.3. Objectives of the Study

Here we study how the promotional activities play its role in building the brand image of Xerox. The study focus on the promotional activities followed by Arpan Trading Pvt. Ltd and its effectiveness in compare with the company profit and sales.

1. To examine the role of the promotional activities in building the brand image of Xerox.
2. To measure the impact of promotional activities to build the brand Xerox.
3. To analyze the best promotional activities used by Arpan Trading Pvt.Ltd.
4. To evaluate the effectiveness of the promotional activities used by Arpan Trading Pvt. Ltd in generating sales of Xerox.

1.4 Importance of the Study

Every organization has set a target whether it is short term or a long term target. With out setting a target no organization can achieve success in order to flourish and survive the up coming competition. So every organization set a target that is appropriate for them in order to achieve it. This is the world of globalization and no organization can survive if it does not follow the right kind of promotional tools because the competition is very fierce.

Nepal has entered the World Trade Organization few years ago and since this is a liberal policy we are very aware of the market situation. Many organizations have entered in the market with the same range of product but with the different brand. Here the customer has the different brand of product to choose from and they will surely choose the best according to the information they get about the product. This

information is given by the business houses in a different form to attract its potential customer so that they make a decision in their favor.

This research is important to those who want to get their business to survive and to prosperous as well and of course to the one who wants to enter the market with the similar product. This study research is of course important for the Arpan Trading Pvt Ltd and the promoter of the company and also to those who has been looking for promotional activities and the role for brand promotion.

The study is important in the following ways.

-) This study informs us about the condition of the photocopy market in Nepal.
-) This study informs us about the promotional activities that are available for the photocopier business in the Nepalese market.
-) The study informs us about the promotional activities that Arpan Trading Pvt Ltd is so far using.
-) The study informs us about the correlation between the sales of the product and the expenses in the promotional activities.
-) The study suggests us about the best and the most effective promotional tools that Arpan Trading Pvt Ltd should follow.

1.5 Focus of the Study

There are few studies that had been conducted about “Role of Promotion in Building Brand Image of Xerox Photocopier.”But little effort has been made to find the Role of Promotion in Building Brand Image of Xerox Photocopier. The main focus of this study is to find out the role of promotion in building brand image of Xerox Photocopier. Nepalese market is very small in relation to the international market. However, in this small periphery there seems to regular outflow and inflow of product in the dynamic environment. Competition is rising; similarly marketing activities are regularly interacting with the so called targeted group in trying to maintain their position. Promotion is the means that introduce the product among consumers and it is one of the most effective ways of introducing product in the market and maintaining product position.

Many important decisions have to be made before undertaking the Promotion program. It is certainly one of the most important and complex decision; business executives faces. Major decision areas in developing sales promotion program include setting the advertising objectives and deciding on the advertising effectiveness. Human behavior is very complex process. Behavior is the sum total of observable human activities. No two people always behave in the same way. Sales promotion must understand the customer's behavior and must present the advertisement in such a way that persuades the people to buy the particular product.

In this study the researcher's prime aim is to study the role of promotion in building brand image of Xerox Photocopier through advertising and relationship on consumers' attitudes, credibility towards advertising and its subsequent effect on consumers' buying behaviors.

1.6. Limitations of the Study

Though the study has been helpful in the different above given ways but still there are some limitations.

-) The study has been made on the respondent of the Valley people.
-) The study has focused only on the Xerox brand.
-) The analysis is based on the primary data through different questionnaire.
-) As the study covers only the Xerox brand the findings of the study is only helpful to Arpan Trading Pvt. Ltd but the other brand of Copier can to certain extend use this finding.

1.7. Organization of the Study

This study has been organized in the following manner:

Chapter I: Introduction

This is the introductory chapter, which has covered background of the study, focus of the study, statement of the problem, objectives of the study, significance of the study etc.

Chapter II: Review of Literature

This chapter has included review of different journals, Role of promotion, Promotion and Brand Image, Importance of Promotional activities, Promotion Mix, Factors Affecting Determination of Promotional Activities, Promotion Decision in Nepal, Research Stream on promotion in Nepal i.e. theoretical analysis and review of related different studies. In this chapter has been also considered that how this present studies are different from previous studies.

Chapter III: Research Methodology

This chapter has dealt with the research design, population and sample, sources of data, data collection techniques and data analysis tools and methods of analysis and presentations, data analysis procedure and setting Hypothesis of the study.

Chapter IV: Presentation and Analysis of Data

This chapter describes the research methodology employed in the study. Data analysis and presentation, Promotional activities adopted by Arpan Trading Pvt. Ltd and it's impact on Building Brand Image and Test of Hypothesis. Hence, it will include primary data presentation, data analysis, interpretation and major finding.

Chapter V: Summary, Conclusion and Recommendations

The last chapter states the summaries, conclusion of the whole study and recommendations. This chapter deals with summary Promotional activities adopted by Arpan Trading Pvt. Ltd and its impact on Building Brand Image whether the objectives are fulfilled or not conclusions are drawn and recommended on the basis of major findings.

The exhibits bibliography and appendixes are incorporated at the end of the study.

CHAPTER - II

REVIEW OF LITERATURE

2.1 Introduction

This research is based on the field of marketing. Promotion is main point of the research and there is no doubt promotion is the key part of Marketing Mix.

In this research, there will be discussion how promotional activities are essential and how they play its role for brand promotion. Different published articles, books, previous studies related to the subject had been taken as reference to make this research more reliable and broader. Several libraries and book stores visits had been made to collect the books, articles and previous studies. While reviewing different books and literatures, some basic points related with promotion are highlighted in this research. Furthermore, previous studies have been collected and analyzed to support the research.

2.1.1 Role of Promotion

In this stage of millennium, marketing has shaped into new dimension, a dimension of complexity. Many new products have been introduced in the market that led stiff competition. Only production and selling concept is not adequate. Once customers want and need are put in the product, marketer should communicate about the product, price and availability. Marketer should always communicate customers that why their products have been different from others. There should be various programme of promotion that drags customer's attention towards their product. Otherwise company may not be able to survive to competition.

Edward I. Brink and William T. Kelly view that "The aim of most promotional efforts in marketing is to influence potential customers positively towards the organization and its products so that they will purchase those products" (Edward and William; 1963).

In the past, limited goods and services were available and market is not so complex. Company usually applied only advertising to capture market share. These days

competition forces the company to apply heterogeneous of promotion activities besides advertising to communicate with customers.

According to American Marketing Association “Promotion refers to the ways in which a firm communicates with customers. It includes both direct and indirect communication and encompasses personal selling, advertising, publicity and public relations and sales promotion” (Agrawal; 2009).

Promotion is combination of various promotional activities like personal selling, advertising, publicity and public relation, sales promotion and direct selling. Company may use one or more combined promotional activities to inform and persuade the customers.

William J. Pride and OC Ferrel describe “Promotion is to communicate with individuals, groups and organization to directly or indirectly facilitate exchanges by informing and persuading one or more of the audiences to accept the organization’s products” (William and Ferrel; 1994).

Promotion activities disseminate the product details to the target market direct or indirectly and influence them to buy the product.

According to Professor Philip Kotler “Promotion includes all the activities the company under takes to communicate and promote to the target market.”(Kotler; 2004)

According to Dr. Govinda Ram Agrawal “Promotional consists of activities that facilitate exchange with target customer through persuasive communication to stimulate demand” (Agrawal; 2009).

Similarly Jonathan Groucutt, Peter Legadley and Patrick Fosyth express that “promotion as communicating information between the seller and potential buyers or others in the channel to influence attitudes and behavior.”(Groucutt, Legadley &Fosyth; 2004)

Adrian palmer writes, “Promotion Mix comprises these activities that a company uses to promote its product and its corporate image to customers, potential customers, and the key stakeholder group.”(Palmer;2004).

Hence promotion is encompasses of different promotional activities which are used for persuasive communication and stimulate the customer to buy the products.

2.1.2. Promotional And Brand Image

Altogether there are four elements in Marketing Mix. They are Product, Promotion, Price and Place. Promotion is an element of the Marketing Mix. In other hand, Product is a vital element of the Mix which is considered as first component without which marketing activities hardly exist. So without any product and service, there is no meaning of other marketing activities.

Generally brand is term of identity of goods which differentiate one from another. The identity may be as name, term, sign, symbol, or design or combination of all of these.

According to Philip Kotler, “Brand is term which has direct association with product. Basically it is the term used to define product in general.” Brand can be defined as name, term, sign, symbol, or design, or a combination of all these intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors.”(Kotler; 2004)

There are lots of products available in the market. There should be special identity of the product. Otherwise product will loose its identity in competitive market.

American Marketing Association defines” A brand is name: term, symbol and or a special design that is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors”(Agrawal;2009).

Adrian also writes about the brand as “A brand is essentially a way of giving a product a unique identity which differentiates it from its near competitors.”

A brand has several components such as Brand name, Brand mark and Trademark. Brand name is that part of brand that can be vocalized and consists of letters, words and numbers. A brand mark is that part of brand that appears in the form of symbol, design or distinctive coloring or lettering and can not be vocalized. A trademark is the legal designation that the owner has exclusive right to use the brand name and brand mark and others are prohibited by law from using it.

It is very much essential for the product to develop and retain prestigious image in the market to be a successful one. This image is what we can call brand image of a product. This is the image of the product that has been projected in the consumer or people's mind. In general it is concerned with the positive image. It can be said as the way consumer has accepted the product.

Promotional activities induce the customers to be favorable to the brand by communication information about product benefits, availability, merit etc or by associating certain highly valued feeling with the brand. Promotional activities help to develop and retain brand image of a product. It is quality important to develop brand image of new product and retain the brand image of those product and service which have already set its image in the market.

2.1.3 Importance of Promotion

The major objective of promotions is to inform, convince, remind and assure the customer about the product.

William J Stanton opinion as "Promotion is the element in the marketing mix that serves to inform , persuade and remind the market of a product and / or organization selling it, in the hope of influencing the recipients feeling ,beliefs or behavior"(William;1994).

Informing

Informing is primary task of promotion. Company informs customers about the product, price, availability, benefits etc using promotion activities. It develops awareness to the customer about the product, features and benefits.

Persuading

It is a process of convincing the customers about product benefits, attributes and stimulates the demands. Customers have so many alternatives and it makes purchase decision in favor of the products and company. Persuasive communication influences customer's attitude beliefs towards the products.

Reminding

Customers have short lived memory. They have limited capacity to store the information about the products. They can not remember the products properly unless they are not reminded constantly about it.

Reassuring

Promotion plays vital role on the stage of post purchase. It reassures the customers on the products, benefits and attributes that lead the customers free from the feeling of anxiety. Reassuring communication provides the customers additional satisfaction on the use of the products.

2.2 Promotion Mix

The promotion mix is a combination of promotional activities such as advertising, personal selling, public relation, sales promotion and direct marketing. Marketers need to examine and decide what kind of promotional activities are useful and effective to promote its products.

2.2.1. Advertising

Advertisement involves various cost that are paid by the sponsor to promote the products, advertising is communicated through words, sign, and symbols of illustrated that intends to reach numerous customers with low cost. Even though so many people may involve in preparation of advertisement it doesn't inquire the physical appearance of person to communicate contains.

Philip Kotler expresses Advertising is any paid form of non- personal presentation of goods, services or ideas for action, openly paid for by an identified sponsor.

Advertising uses various media to disseminate information that are categorized into four broad groups.

i. Print Media:-

Communicate to the target audience through printed materials that includes newspapers, magazines, booklets, journals, catalog, broacher and directory etc.

ii. Visual Media:-

Communicate to the target audience outside their residence or workplace. It includes hoarding board, electric signs and display on automobiles or wall etc

iii. Audio Media:-

It intends to reach target audience through radio, audiotape, telephone etc.

iv. Audio Visual Media:-

It intends to drags customer's attention. Television, film, cinema, videotape are examples of audio visual media.

2.2.2. Publicity (Public Relation)

Publicity is communication through media about an organization, its policies and products. It communicates to general public through the mass media and it doesn't involve open cost.

Publicity is coverage by press conferences and speeches, news, feature articles, publication. It is beneficial to build favorable relationships with key stockholder such as media, government, society and customers.

Regarding to publicity, William J Stanton opinions Publicity is any communication about an organization, its products or policies through the media that is not paid for by the organization (William; 1994).

Generally public relation is made through public service activities sponsorship of events (sports, culture, education etc) Exhibition and display, lobbying, announce of new products or policies etc.

2.2.3. Personal Selling

Personal selling involves a communication between buyer and seller. The seller aims to inform buyer about product's attributes, merits and persuades him to buy the products. Hence there are two promotional goals, they are informing and persuading.

According to William J Station. The personal communication of information to persuade somebody to buy something.

William M Pride and O.C. Ferrel also define Personal Selling is a process of informing customers and persuading them to purchase products through personal communication in an exchange transaction (Koirala; 2004).

Different kinds of Personal selling can be used which are to be selected as per products type and its customers.

Retail selling

Retail selling involves selling to consumers through the retail outlet or door to door.

Trade selling

Trade selling means selling to wholesaler and retailer.

Missionary selling

Missionary selling indicates indirect selling by sales representatives. They motivate the customer to buy the products from distributor or wholesaler.

Direct selling

It is challenging selling technique. Sales representative are involves to sale the products directly to customers.

Industrial selling

Industrial selling involves selling capital goods like office equipment to industries.

2.2.4. Sales Promotion

Sales promotion refers to short term incentive that tends to encourage purchase of a product. It stimulates to purchase greater volume in short span of time.

According to Philip Kotler Sales promotion consists of a diverse collection of incentive tools. Mostly short term, designed to stimulate quicker and greater purchase of particular products by consumers or the trade (Agrawal;2009).

Different type of incentive tools company may use:

Incentive tools for Consumer Promotion: Sample, Coupons, Rebates, Premiums, Contests, Price off and Display.

Incentive tools for Channels Promotion:- Free goods, Discount, Allowances, Print off, Gifts, Sales contest and Credit facilities.

Incentive tools for Sales Force promotion:-Sales contests, Trade Show, Gift items, Promotional Kits, Bonus and Commissions.

2.2.5. Direct Marketing

Direct Marketing refers to direct informing and Persuasion by manufacturer to specific customers. The tools such as mail, catalogue marketing, telemarketing, on-time marketing, and face to face selling are used for direct marketing.

All Promotional activities have its own objectives and features. Marketers should select the appropriate activities and combine them as per requirement which are purposeful. An effectiveness of the promotional activities may vary as per situation, selection and implementation criteria. SO K D Koirala says” The design and selection of the promotion mix are critical issues in marketing. Creation of the right promotion blend is highly essential for successful marketing (Koirala;2004).

2.3. Factors Affecting Determination of Promotional Activities

The determination of the promotion activities is critical task in marketing. Several factors affect the selection of those activities. These factors can be summarized below.

2.3.1. Promotion Objective

Promotion objective of the organization determines the design of the promotion mix.

-) If the objective is to build awareness level among the buyers the promotion mix is dominated by advertising and Publicity.
-) If buyers are already aware of the product but do not exhibit favorable attitude preference and conviction for the brand the marketer needs to put more emphasis on personal selling which is more persuasive than advertisements.
-) If buyers have favorable attitude toward the brand but do not show clear purchase intentions sales promotions may provide incentives to undertake immediate actions. In this stage buyers can be better remanded by display advertisements.

2.3.2. Size of the Promotion Budget

The size of the promotion budget determines the selection of the promotion mix. Advertising requires heavy expenses as it has to be launched for a longer time period. Similarly maintaining large sales force for aggressive personal selling campaign is suitable for financially strong firms. Firms with small promotion budget prefer to use a combination for dealer promotions on the spot displays pamphlets etc.

2.3.3. Nature of the Market

The structure of the market, particularly its geographical coverage affects the design of the promotion mix.

-) In a small market personal selling. Consumer promotions and local level advertising is a good promotional blend.
-) In large markets a blend of advertising, dealer promotions and consumer promotions are more effective.
-) Trade customers such as wholesalers and retailers are better approached with personal selling and trade promotion.
-) In industrial and institutional markets personal selling and sales promotional are more effective.

2.3.4. Nature of the Product

-) Low cost and convenience products require more emphasis on national level advertisement and sales promotion.

-) High cost shopping products require emphasis on personal selling and local advertising.
-) Especially goods and services are mostly sold through personal selling and good public relations.
-) Industrial products require emphasis on personal selling.
-) Items that are a relatively small part of the organization budget or the buyer's budget do not require salesperson to pursue and close the sale. If the product is expensive technically complex and requires after sales services personal selling is more suitable and productive.

2.3.5. Product Life Cycle

Promotion blend changes as the product moves from one stage to another stage of the product life cycle.

-) In the introduction stage needs emphasis on advertising and publicity followed by personal selling to persuade middlemen.
-) During the growth stage, personal selling has little use while advertising is continued with a change in its focus from awareness creation to building conviction among buyers.
-) In the maturity stage, sales promotion plays the dominant role and advertising is used only to support the sales promotion campaigns.
-) During decline stage, all forms of promotion become irrelevant.

2.3.6. Push vs. Pull Strategy

The promotion mix is also affected by whether the organization adopts a push strategy or a pull strategy.

Under push strategy the promotion is directed at the marketing intermediaries. The manufacturer persuades wholesalers to carry the products, while wholesalers convince retailers to sell the product to consumers. The retailer again 'pushes the product to consumers through word of mouth supported by point-of-purchase displays. Thus push strategy need a heavy close of personal selling and dealer promotions.

Under pull strategy the manufactures build consumer awareness and conviction through mass advertising. When consumers begin demanding the production retailers place orders for the products to the wholesalers and wholesalers to the manufacture. Pull strategy during the maturity stage of the product life cycle is implemented through consumer promotion.

2.4. Promotion Decision in Nepal

Promotion decision in Nepal is gradually maturing and becoming more purposeful and objective. Companies are gradually realizing the importance of promotion in marketing operations. The major points are summarized in the followings.

Promotion has appeared as an important element of marketing mix in Nepal. Its role has been growing (Pandey ,2005).

2.4.1. Promotion Objectives

Many companies in Nepal feel that every rupee spent on promotion should give immediate results in increased sales. Thus promotion is launched with the goal of achieving immediate sales. Promotion campaigns are heavily supported by advertisements mainly because it gives back immediate results. Promotional activities are generally targeted at information and awareness creation on the product and service offers in the market. Most of the companies with foreign connections use brand enforcement as their major promotion objective.

2.4.2. Promotion Mix

Advertising

Nepalese firms today use advertising very frequently. The size of advertising business has expanded in the market. The advertising market in 2012 reached to around Rs 3 billion (AAAN, 2012). There are more than 200 advertising agencies in Nepal. The Advertising Agency Association of Nepal with a membership of 178 agencies has been active in enlarging the size of the advertising market in the last decade.

Print Media

The market offers several print media choices for advertisers. There are more than 100 newspapers with a total circulation of about one million copies. Newspaper

readership has increased rapidly in the urban areas. Kantipur, Nagarik, Himalaya Times, Gorkhapatra etc are popular national dailies for advertising. There are also several quality magazines in circulation such as Himala, Nepal. The Nation Weekly, Boss, New Business Age, PC INFO etc give good exposure to advertisements.

Electronic Media

Electronic media is gaining popularity for advertisers in the country. There are more than 10 channels in Nepal like Nepal Television, Kantipur, Avinews, News24, Image, Sagarmatha, NTV Plus, Himalayan, Nepal 1, Mountain etc are available for advertisers. Nepal Television has the widest coverage media and is the most expensive for advertisers. The market also offers wide choice of radio media for advertisers. Radio Nepal has nationwide coverage and is popular among the advertisers. There are FM stations in most of the territories in the country who offer very cheap rates for advertisers.

Display Media

Display advertisement in the form of illuminated hoardings, plug banners and posters are adequately used in major cities. Point of purchase materials such as danglers and mobiles are popular display media in the country. Kathmandu, Lalitpur, Narayanghat, Biratnagar, Birgunj, Nepalgunj and Pokhara have most of the hoardings. Quality of hoardings has been improving in recent years with good illumination technology. Neon signs are limited to only some core market areas of Kathmandu city. Banners and public posters are discouraged by the municipal authorities and have lost its importance.

Sales Promotion

The Nepalese market has become sales promotion oriented. Sales promotion that boosts immediate sales is launched by most of the organizations selling FMCG products motorcycle, television sets. Consumer contests, cash prize price off and premiums are the most popular promotional schemes. Most of the instant noodles are sold through sales promotion schemes. Cold drinks and beer have off season and festival promotion schemes. Mayos achieved huge market share gain through its car and diamond necklace schemes. Sales promotion targeted for the resellers are limited to free goods, price off and small premiums such as calculators, wall clocks and

plastic buckets. Retailers also participate in display contest organized by manufacturers.

Personal Selling

Most of the medium and large firms also maintain their sale force that directly approaches the marketing channel members. The personal selling is also used for market monitoring, market intelligence and relationship building with the channel members and most important of all for push selling. The sales personnel are not well trained and lack personal communication and public relations skills. There is a very high turnover of sales staff in most of the companies who jump from one firm to the other for small salary raise and fringe benefits Retaining goods sales staff has become a major challenge for many companies.

Publicity and Public Relations

Publicity is slowly catching up with regular publication of corporate and new product reports in newspapers and magazines, Sponsorship programs such as Shikhar Saanjh and Gorkha Brewery's SLC top 10 awards are regularly held. Surya Nepal has been sponsoring many sports events to promote Khukuri cigarettes. Manufacturers of hard drinks have also become active in sponsoring musical and sports events. Product launching event that can give good exposure in the media is yet to pick up in the Nepalese market.

2.5 Review of Related Studies

2.5.1 Review of Journals and Articles

Askar and Keller (2008) "Studied of *Relationship between Brand Image Strategy and Financial Performance: An Analysis of the Role of Corporate Reputation*". The researchers highlights Brand image not only implies an actual brand meaning, which is set up in the beginning, and managed over time, but also is reflected by a consumer's perception of the producing company reputation. Therefore, the image of a brand is mainly determined by corporate reputation, which means that corporate reputation can influence the performance of a branded product. Therefore, this study will investigate instances where brand image strategy and performance are moderated by corporate reputation.

For many years, marketing and advertising managers and researchers have wrestled with the issue of brand image strategy applications. However, significant differences between consumers, corporate cultures, and market structures, probably justify some additional problems over brand image strategy (Park, Jaworski, and MacInnis, 1986; Roth, 1995). As stated above, brand image in consumer's mind reflects a series association of the corporation it belongs to. Thus it is important to discover brand image concepts in this study. Brand image has been acknowledged as an important area of research. The researchers findings are companies can increase their market share and growth rates by establishing a strong brand image in the minds of their customers. In this way, a good brand image can increase brand loyalty. Brand image is defined as perceptions about a brand as reflected by the brand's associations held in the consumer's memory. It is constituted by a series of pictures and ideas in people's minds that sum up their knowledge of a brand (Levy, 1987), that, taken together, imply certain expectations of the customers. However, propose brand image as a strategic device for helping the brand concept to be implemented by means of an exercise in brand management. In most previous studies, performance has usually been seen as a direct and objective phenomenon.

Parry Enamened (2009) *Promotional Products' Impact on Brand/Company Image*.

The impressions consumers have of a company extend well beyond the product or service the firm provides. Brand image is a mental image that reflects the way a brand is perceived, including all the identifying elements, the product or company personality, and the emotions and associations evoked in the consumer's mind. The study was designed to determine the impact promotional products have on recipients and its long-term effects. The control group received nothing. A post-test survey, conducted approximately a month later, asked questions to determine the groups' image of the company. The results of this study are based on a sample size of 647 completed pre-test surveys and 538 completed post-test surveys. Promotional product recipients held a more positive image of the company than the non-recipients. On a scale of 1 to 7 with 7 representing a positive image, both groups were above the neutral score of 4 for four out of five categories. Promotional Products have a positive impact on brand image. Specifically, when comparing people who receive a promotional product from a company with others who do not, this research shows that

people who receive a promotional product have a significantly more positive opinion about a business through:

-) More positive overall image
-) More positive perception of the business
-) Higher likelihood of recommending the business
-) Higher likelihood of patronization

The study did not set out to specifically measure ROI. However, after the study, the business reported:

-) 10 - 15% increase in sales
-) 5 - 10% increase in new customer group (students)
-) Opening a second location on the university campus

Levy, (2010) conducted on *Advertising, Brand Value and Consumer Psychology*. The researcher suggested that brand memories do not have specific locations and the simple network. The concept of how brand experience gets stored – i.e., as a node with tentacles – is not just simple, it's simplistic. Memory and experience are more dynamic than that. The feelings and images that attach to a brand are widely dispersed across the brain. This means that there are multiple entry points for brand evocation. Call out the name 'Coca-Cola', present someone with a picture of a Coke bottle, or walk past a McDonald's – every time that happens, tracks light up in the brain which evoke the brand 'Coke'. Each time, the tracks vary as a function of previous encounters and the entry point, whether name, bottle, or smell of Mc Donald's, etc. Some tracks get reinforced and others get dampened. The point: brands can be evoked in many ways and each time *what lights up and what gets laid down* will be modified, even if only slightly. Understanding that brand memory and experience are dynamic does not affect our core definition of brand. But it does have implications for how we model the formation of brand.

Johnson, (2010) conducted *A Fashion Goods Brand Image and it's Promotion Through Communication*. The researcher stated that fashion goods brand image denotes to what extend a consumer is willing to pay extra money to obtain the particular brand, while at the same time another product of similar quality could be

purchased at a cheaper price. As a result profit margins of fashion goods mainly depend on brand image i.e. sales promotion. For this reason it is important to manage the value of brand image carefully over time. This paper provides a quantitative framework to support this managerial decision problem. Brand image is like an asset that can be built up over time. The way to do this is not trivial. However, it is important to keep the fashion good exclusive: in the view of the "upper ten", a good is no longer worth its vertiginous price if too many others have already bought it. Hence, here consumers value the product less when more of them own it. This implies that sales should be limited to a certain extent in order to prevent the brand from becoming too common. An example related to another conspicuous product is that Ferrari promise the image a brand has cannot be understood without measuring all the potential sources of that image. Leaving out a source may lead to mistaken conclusions about what's driving image. Any brand's image isn't affected by information about that brand alone. How people feel about competitor brands directly influences how they interpret information about their own brands. Category involvement plays a critical role in terms of a person's overall disposition to consume.

The higher the involvement, the greater the likely consumption. Marketing communications are so prevalent in some categories (e.g., motor cars, beer) that even those who want to can't avoid it. What effect does it have? Hence, the researcher suggests that the effect will depend on the brand life-cycle and its promotion tools. When it comes to really well-known brands, communications can hardly have an effect on awareness because awareness of both the brands and their communications tends to be high already. In addition, unless communication is unusually creative, it's unlikely to affect brand image that much. If anything, it's in these situations that Ehrenburg's model of the 'nudging' effects of advertising may be most accurate; i.e., the ads don't increase awareness, but they may be nudge the brand closer to the front of the queue on any given day. This in turn leads to a temporary increase in purchase likelihood and accounts for the day-after lift in sales that has been found in split cable tests of TV advertising exposure.

Wendy, (2011) investigated on *Promotion Tool Through New Brand Communication* The researcher suggested that most of what's important happens beyond the light of consciousness. This is typical of the over-simplification that traps us if one doesn't

think the issue through. Without making it conscious. The problem one think is this: because consciousness is so central to our daily experience and organization of life (like the sea is to fish), we tend to take its magic for granted. Experiences that come from exposure to brand communications created by marketers; e.g., TV advertising, mobile phone communications, public relations, and so on. Marketers do this to influence our brand memories and experiences. In saying this I'm not assuming that exposures have to be explicitly noticed for brand activation to take place. All it requires is that tracks are laid down in the brain, whether they pass through focal consciousness or not. These interactions involve what one call *marketing* touch-points (Type II). Experiences that come from exposures to the brand those are not under the marketer's control. Unmanufactured word-of-mouth is the most obvious of these. Another would be un-manufactured news. These kinds of interaction are *incidental* touch-points (Type III). Marketers are increasingly realizing that our simple approaches are too simplistic. Many influences go to make up what a person ends up thinking and feeling about a brand. It's time to pull this together and spell out the implications for measurement. By this view, researcher focuses new brand communication is the major promotion tools in recent growing market.

2.5.2 Review of Thesis

The research on promotional activities has very short history in Nepal. As Nepalese socioeconomic development is slowly taking transformation from traditional to modern socioeconomic environment, professional and highly advanced marketing activities practices have also been institutionalizing slowly. However, along with gradually development in socio-economy, Nepalese business an environment is influenced by the promotional activities and marketers and business promoters have also recognized the importance of the activities. As a result, few studies have been conducted in this subject.

Pandey (1999) conducted research on *Advertising in Nepal* has made following objectives and major findings:

Objectives:

-) To examine the blends of advertising.
-) To analyze the constraints prevailing in advertising practices in Nepal.
-) To evaluate the effects of advertising through different channels.

Major findings of the study

-) The advertising is the main method of promotion practiced in the country.
-) Advertising in the company is handled by persons at the senior level, when there is a separate advertising department in the company.
-) Regarding to the services rendered by the advertising agencies, none can offer full services properly.
-) A few agencies concentrating on producing interesting advertisement from the advertisers and other specialists service such as block makers, printers, artists etc. Publication media, radio and cinema are the most used media for commercial advertising.
-) There are very few alternatives and the advertising programs are not well coordinated with the other elements of marketing and promotional strategy. The effects of advertising are generally not evaluated.

Bhatta (2002) conducted research on “*Sales Promotion And Its Effect on Sale: A Case Study of Beer Market of Nepal,*” has made following objectives and major findings:

Objectives:

-) To examine the sales promotion tools in beer marketing.
-) To study and analyze the sales promotion and its effect on sale in Nepalese beer market.
-) To find out whether sales promotion does impact on sales of Beer or not.
-) To find out the most suitable media to advertise about the sales of beers in Nepal.

Major findings of the study

-) The advertising is the main method of sales promotion practiced in the country.
-) Nepalese beer market mostly follows the Television advertisement than other advertisement tools.
-) Regarding to the services rendered by the advertising agencies, sales promotion does not meet customer awareness.
-) A few agencies concentrating on producing interesting advertisement from the advertisers and other specialists service such as block makers, printers, artists

etc. Publication media, radio and cinema are the most used media for commercial advertising of Nepalese beer market.

-) Sales of Nepalese Beer market coming year is increasing if every factor remains same. This study specially dealt with the most recent and widely used methods of sales promotion and its impact on product market.

Khanal (2006) researched on “*A Research on The Effectiveness of Promotional Tools on Sales: “A case study of bowling center”*” has following objectives and major findings:

Objectives:

-) To measure the effectiveness of promotion tools in sales.
-) To find out the impact of sales promotion on the sales of bowling game
-) To study and analyze the sales promotion and its effectiveness of bowling centre.
-) To find out whether sales promotion does impact blowing center or not.

Major findings of the study

-) Nepalese customers widely used promotional tools by bowling marketers.
-) Nepalese bowling market effect the sales promotion.
-) Newly marketers are shifted to the blowing game i.e. newly identified market.
-) Nepalese customers widely used promotional tools by bowling marketers. Likewise, Nepalese marketers evaluate the effectiveness of the promotional tools.
-) Marketers and newcomer of this business are introduced.

Poudel (2011) investigated on “*Radio Advertisement And Consumer Behaviour With Reference To Mayos Noodles*)”has following objectives and major findings;

Objectives:

-) To find the effectiveness of media advertising.
-) To study and analyze the effectiveness of media advertising among different age group, gender, etc.
-) To explore the relationship between sales and advertising expenses
-) To forecast the factors that affect consumer decision process.

Major findings of the study

The major finding of this research work has been presented below:

-) The first test was made to test the efficiency of the media. Four different kinds of media were taken in count. Among them, effectiveness of TV was found to be 30%. Likewise 32% of the sample responded for Radio/FM broadcasting. About 22% were found to be interested in Newspaper and only 16% were found to be interested in Hoarding Board.
-) From the second test, we found that 82% of the sample heard the advertisement. Among them, female listeners were found to be more than the male listeners.
-) This test was made to know the impact of advertisement. It is found that out of 100 respondent 63 people (63%) got positive impact and 22 people (22%) says that they have no impact whereas 15% says that they reacted in a negative way to the advertisement.
-) This test was made to testing the impact of frequency at product advertised. Means, the role of frequency of advertisement and it found that 81 out of 100 respondents were in favor of frequently advertised product and 19 respondents preferred product not advertised. It means that majority of people think that the frequency of advertisement made their decision easy to purchase.
-) This test was made to test what happen when consumer has two options at same price and same quality and it is found that 83% people give their preference to advertised product in spite of the substitute product with same price and quality. This shows that advertisement plays good supporting role for product.
-) From the sample test we saw that lower educated respondents preferred to musical advertisement. Regarding musical advertisement, 11 uneducated, 13 under SLC, 9 SLC, 5 Graduate and 2 Post Graduates preferred it. Regarding advertisement with good wording, 2 uneducated, 2 under SLC, 4 SLC, 9 Graduate and 7 Post Graduate preferred it. Similarly, 2 uneducated, 1 under SLC, 4 SLC, 3 Graduate and 6 Post Graduate preferred Simple advertisement whereas 5 uneducated, 4 under SLC, 3 SLC, 3 Graduate and 5 Post Graduate preferred All types of advertisement. This shows that highly educated

respondent preferred advertisement with goods wording contrary to uneducated who liked musical advertisement.

-) The sample test was made to see the preference of advertisement according to gender. Out of 50 male, 20 responded for musical advertisement, 24 preferred good wording, 5 preferred simple advertisements and 1 liked all type of advertisements. Regarding female respondents, out of 50 female 22 preferred for musical advertisement, 17 preferred good wording, 3 chose simple and 6 chose all type of advertising. This shows that majority of male listeners look for a meaningful wording in advertisement while majority of female listeners looks for good musical advertisement.
-) The research showed that Radio advertisement is much more cost effective in comparison to TV advertisement and the Radio advertisement was more effective as well.
-) This test is made to know the effect of advertisement on sales and it is found that in every year when Advertisement expenses increase sales is also increased.

Shrestha (2012) measured on “*The Effectiveness of Television Advertising For Cosmetic Products And Consumer’s Behavior: With reference to Sunsilk Shampoo*”) has following objectives and major findings:

Objectives:

-) To understand the situation of access and practice of television viewers in urban areas among women, men and youths.
-) To study and analyze the impact of television advertising on consumer of behavior.
-) To identify the familiarity with TV advertisement and types of advertisements consumer prefer.
-) To analyze the effectiveness of television advertisement and its influence on the buying habits of the consumers?
-) To explore and provide logical recommendation for an effective television advertisement suitable to Nepal’s urban and semi urban context.

Major findings of the study

-) In context to the consumers preferences to the advertise product or not advertise product majority of the respondents (81.25%) responded that they prefer the frequently advertised product. From the analysis it is found that most of the consumers give the priority or preference to the frequently advertised product than not advertise product.
-) In relation to the consumers preference to the means of television advertisement majority of respondents 78.75% responded that they prefer the television and rest of the respondents prefer Newspaper, Radio, Magazine, Pamphlets and Posters. From the above fact it is found that television advertisement seems to be the most effective means or media which plays crucial role to increase the possibility of influencing customers and enhancing the market for the goods manufactured.
-) In subject to the impact of repeated television advertisement to attract the consumers' attention most of the respondents, 68.75% were found to be attracted by the advertisements broadcast in the Television. It shows that most of the advertisements are proved to be effective and successful to influence the consumers.
-) In relation to the consumers' response to the adequacy of the advertisement, majority 85.00% respondents want some more information to be added in the advertisements which indicates that the information included in television advertisement are not sufficient to influence the consumer and they are willing to explore additional information in the advertisement so that the advertisement would be adequate enough to satisfy the need & requirement of the customers.
-) Regarding the preference of consumers to the product having same price and quality, most of the respondents (81.25%) gives preference to the advertised product as compare to non advertised product though they are similar in nature. It proves that advertised products have good preference from the consumers.
-) With respect to the effect of advertisement on different customers out of the total respondents most of the respondents 81.25% responded that advertisement could leave positive effect upon them about the product. It

proves that advertisement has played important role to leave positive impression among the majority of people towards the products.

-) With respect to the role of advertisement to attract the consumer, majority of the respondents (75%) opined that advertisement helped to the customers to recall the brands' name to a greater extent but the purchase decision does not fully depend upon the advertisement.
-) In relation to the impact of advertisement of cosmetic product, most of the respondents (95.00%) are familiar with the advertisement of cosmetic products which indicates that the advertisement is very much effective to introduce the product to the customers.
-) In relation to effectiveness of the advertisement of Sunsilk Shampoo out of the total respondents 70 respondents (90.00%) opined that they saw the advertisement of Sunsilk Shampoo and they are familiar with this product which indicates that the advertisement of Sunsilk Shampoo is very much effective to familiarize the product to the various customers in semi urban area of Kathmandu valley.
-) In relation to the factors which influence customers to buy the product majority of the respondents (62.50%) responded that they are influenced by the quality of Sunsilk Shampoo to make the purchase decision of the product. One of the amazing facts was mentioned by most of the respondents that 'Sunsilk Shampoo protects their hair from dandruff and makes soft' therefore they purchase and use this shampoo.

2.6 Research Gap

Very few studies have been done in this topic. Promotion decision in Nepal is gradually maturing and becoming more purposeful and objective. Companies are gradually realizing the importance of promotion in marketing operations.

This study is concerned not only advertisement of any marketing products and services rather the promotional tools as whole. Previous researcher is mainly done in advertising topic i.e. television advertising, radio advertising and effectiveness of advertising and so on. Under this study, Role of Promotion in Building Brand Image of Xerox Photocopier data analysis and presentation includes quantity of photocopiers

with customers, quantity of both analog and digital photocopiers of particular brand, effectiveness of marketing (Personal Selling) in terms of information about the Product Motive, behind listening, watching and reading Advertisement etc. Thus, the researcher has attempted to prepare and present this study report to fulfill the requirements of thesis in this theme.

CHAPTER-III

RESEARCH METHODOLOGY

3.1 Introduction

The basic part of the research is to find out how the promotional activities play its vital role in building its image. The study tries to show how far promotional activities are effective in terms of sales. Similarly the study also examines the most acceptable way of promotion.

The research methodology contains Research Design, Nature and Source of data, Population and sampling, Data collection, Data Processing and Data analysis technique.

3.2 Research Design

Mainly the study is aimed to find out the impact of promotional activities. Present questionnaire were distributed to randomly selected customer and interviews were also conducted to collect required data and then they were evaluated. Hence Survey Research was adopted to fulfill the study and Exploratory Research was used to check same things in two different ways.

3.3 Nature and Source of Data

The research work was based on both primary and secondary data. The held work is done to collect primary data by choosing sample randomly in Kathmandu valley. Source of primary data was different customers of Photocopiers and Arpan Trading Pvt Ltd where as secondary data was based upon research material, official records, published article, materials.

3.4 Population and Sampling

All the photocopy users of the valley are population of the study. First of all, customers are categorized into different group like INGO/NGOs, Banks, Diplomatic Missions, Pvt. Organization, Commercial Users and remaining are other category.

It is not possible to find out exact total numbers of the customers so sample of the population is taken randomly. Altogether 55 customers from different Categories are taken as sample. Out of 55 samples of the customers, 15 samples are taken from INGO/NGO, 8 from Banks where 10 samples are from Diplomatic Missions. Similarly 13, 8 and 1 samples are taken from Pvt. Organization, commercial users and Other Categories respectively. Hence randomly chosen samples of the population are taken as respondents. They are distributed present questionnaire and conducted interview too.

3.5 Data Collection

Basically data required for the research are collected from primary sources. Primary data were collected by applying different method like questionnaire, interview, discussion, observation, etc to the randomly chosen samples. Questionnaire is pre-set format which was distributed to randomly selected customers and Arpan Trading Pvt Ltd where structured interview was also conducted with particular staffs of organization, promoters of Arpan Trading Pvt Ltd and copier user at their office premises. Some required secondary data were collected from published and unpublished studies.

3.6 Data Processing

The data collected from various primary and secondary sources are gathered and forwarded for processing. These data studied carefully and only useful and necessary data for this study were computed and tabulated in different heading for the analysis purpose.

3.7 Data analysis Procedure

The collected data were arranged by using different processing procedures and then it was computed and tabulated in different headings.

Data collected from customers were analyzed through the percentile that was brought out of total. Sales and expenditure of promotional activities were analyzed by using statistical tools like correlation method to know the relation between sales volume and promotional expenses. Hence, the data are analyzed on the primary analysis through different questionnaire.

3.8 Hypothesis of the Study

H1: There is relationship between sales volume and expenditure on promotional activities.

CHAPTER -IV

DATA ANALYSIS AND PRESENTATION

4.1 Introduction

The primary objective of this study to explore available Promotional Activities by the customers. For this purpose, Customers are categorized in six different groups. They are INGO/NGOs, Banks, Diplomatic Missions, Pvt Organizations, Commercial Users and Others. They are distributed 55 pre-set questionnaires and 48 responses are received from them. Received responses are tabulated and analyzed according to the objectives.

Out of 55 questionnaires 15 were distributed to various INGO/NGOs. 13 of them responded. We got response of 5 questionnaires out of 8 from different banks. Out of 10 questionnaires to Diplomatic Missions we got all responses. 13 questionnaires were given to Pvt. Organization, 8 were given to the different commercial user and the rest 1 was given to others and out of these 11, 8 and 1 are the responses respectively.

Table 4.1
Quantity of Photocopiers with customers:-

	XEROX	K M	Canon	Toshiba	Others	Total
INGO/NGOs	3	4	2	4	0	13
Banks	2	1	1	1	0	5
Diplomatic Mission	6	2	0	2	0	10
Pvt. Organization	7	2	1	1	0	11
Commercial User	3	4	0	0	1	8
Others	1	0	0	0	0	1
Total	22	13	4	8	1	48

(Source: Field Survey 2012)

The survey was done to know total number of different branded photocopiers with each customer. The study also reveals total number of each branded photocopiers in the market. Altogether there are 48 units of different brands of photocopy machines in the market. Out of 48 Photocopier 22 belongs to Xerox, 13 belong to K.M, 4 belong to Canon, 8 belong to Toshiba and the rest are others. Xerox has the highest number and comes KM, then Toshiba and Canon.

Figure 4.1
Quantity of Different Branded Photocopiers with Customers

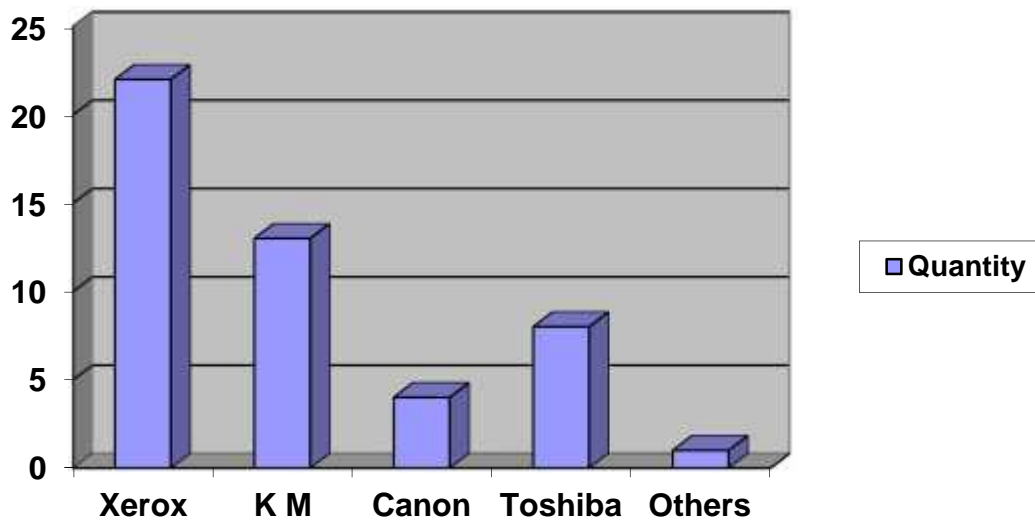
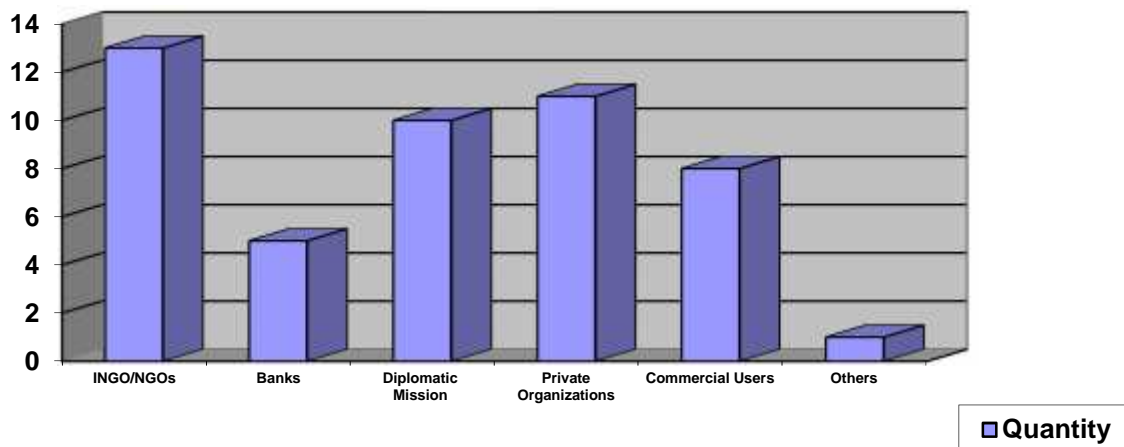


Figure 4.2
Quantity of Photocopiers with Categorized Customers



Customers wise, INGO/ NGOs has maximum no of 13 units of different branded photocopiers. Like wise Pvt. Organization has the second highest no 11 and comes the Diplomatic mission with 10 and the commercial user has 8 and the bank has 5 machines.

Table 4.2

Quantity of Analog Photocopiers of Particular Brand:-

	Xerox	KM	Canon	Toshiba	Others	Total
Quantity	7	5	1	2	1	16
Percentage	45	35	10	7	3	33

(Source: Field Survey 2012)

Table 4.3

Quantity of Digital Photocopiers of Particular Brand :-

	Xerox	KM	Canon	Toshiba	Others	Total
Quantity	15	8	3	6	0	32
Percentage	50	20	12	18	0	67

(Source: Field Survey 2012)

The study reflects total number of each Analog and Digital Photocopiers of Particular Brand. Altogether there are 16 Analog and 32 Digital Photocopier Machines. If we take this down in percentage then it is 33 % Analog Machines and 67 % Digital Machines and in the coming future there will not be any Analog Machines in the market. Out of the total Machines Xerox covers 45 % in Analog machines and 50 % in Digital Machines. Then comes KM and then Toshiba and at last comes Canon with the total of 55 %, 25 % and 22 % respectively.

Table 4.4
Categorized Customers with Quantity and Percentage of
Analog and Digital Photocopier

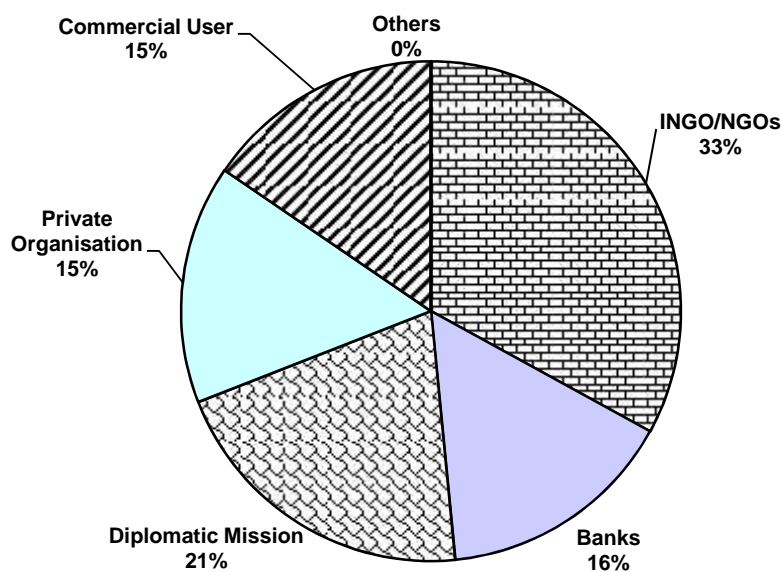
Customers	Analog		Digital	
	Quantity	Percentage	Quantity	Percentage
INGO/NGOs	5	32 %	8	22 %
Banks	2	15 %	3	10 %
Diplomatic Missions	4	20 %	6	18 %
Private Organization	2	15 %	9	32 %
Commercial User	2	15 %	6	18 %
Others	1	3 %	0	0 %
Total	16		32	

(Source: Field Survey 2012)

The table here gives us an idea about the categorized customers and the number of Analog and Digital Machines they have. INGO/ NGOs has the highest number with 32 % Analog and 22 % Digital. Private Organization has 15 % Analog and 32 % Digital Machines. Then comes the Diplomatic Mission which has 20 % Analog and 18 % Digital and at last comes the commercial user with 15 % Analog and 18 % Digital and the other is with 3 % Analog.

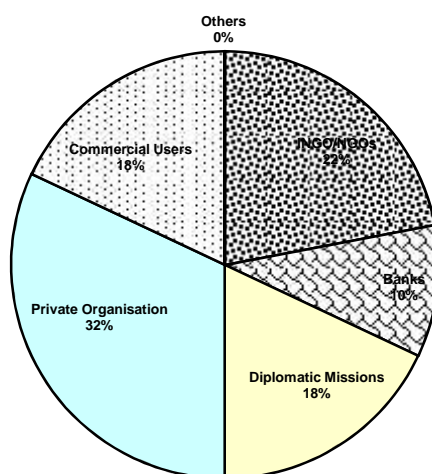
Figure 4.3

Market Portion of each Customers in Analog Photocopier Machines



INGO/ NGOs covers 32%, Diplomatic Mission covers 20%, Banks, and Commercial User covers the equal share of 15% each in the category of Analog Machines.

Figure 4.4
Market Portion of each customers in Digital Photocopier Machines



Pvt. Organization covers 32 % and comes INGO/ NGOs with 22 % and comes Diplomatic Mission and Commercial user with equal 18 % and comes the Banks with only 10 % of the total Digital machines in the market.

Table 4.5
Customers source of Information about Brand:-

Customers	Response	Advertisement		Personal Selling (Mkt.)		Exhibition		E-mail Catalog		Hoarding Board		Others	
		Qty	%	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%
INGO/NGOs	13	1	8	10	80	0	0	2	12	0	0	0	0
Banks	5	0	0	3	60	1	20	1	20	0	0	0	0
Diplomatic Missions	10	2	20	7	70	0	0	0	0	0	0	1	10
Pvt. Organization	11	1	8	7	68	2	16	0	0	0	0	1	8
Commercial User	8	0	0	2	25	4	50	0	0	0	0	2	25
Others	1	0	0	1	100	0	0	0	0	0	0	0	0
	48												

(Source: Field Survey 2012)

The study was related with the source of information about the photocopier brand and their authorized distributors. Majority of the customers finds Personal selling is the best way of promotion. INGO/ NGOs gave 80 % to Personal Selling, Diplomatic Mission gave 70 %, Pvt. Organization gave 68 %, Banks gave 60 %, the commercial user gave 25 % it is why they gave 80 % to Personal selling.

Table 4.6

Motive behind listening, watching and reading Advertisement:-

Customers	Response	Entertainment		Information		No Option		Time Pass	
		Qty	%	Qty	%	Qty	%	Qty	%
INGO/NGOs	13	3	25	7	50	3	25	0	0
Banks	5	1	20	2	40	1	20	1	20
Diplomatic Mission	10	1	10	7	70	1	10	1	10
Pvt. Organization	11	6	50	2	20	1	10	2	20
Commercial User	8	6	76	1	12	0	0	1	12
Others	1	1	100	0	0	0	0	0	0

(Source: Field Survey 2012)

This table gives us an idea about why the categorized customers watch, listen and read advertisement and to this the study found out that they do so more for the information. Then they do this also for the entertainment and comes with the alternative of no choice as they cannot escape this information. The conclusion is they watch, listen and read advertisement for the information.

Table 4.7
Newspaper Reading Habit of Categorized Customers

Customers	Response	Very Often		Often		Seldom		No	
		Qty	%	Qty	%	Qty	%	Qty	%
INGO/NGOs	13	7	50	3	25	3	25	0	0
Banks	5	2	40	1	20	1	20	1	20
Diplomatic Mission	10	0	0	1	10	7	70	2	20
Pvt. Organization	11	6	55	3	25	1	10	1	10
Commercial User	8	6	75	2	25	0	0	0	0
Others	1	1	100	0	0	0	0	0	0

(Source: Field Survey 2012)

The table shows the customers habit of reading newspapers. Maximum percentage of customers has got the habit of reading newspaper very often. They regularly go through their best newspaper in their free time. There are few percentage of customers who once in a while go through the newspaper may be in a month or a week.

Table 4.8
Most Favorite Daily Newspaper's Line up

Daily Newspaper	INGO/ NGOs	Banks	Diplom Mission	Pvt Org	Comm User	Others	Total	
							Qty	%
Kantipur	3	5	2	8	7	1	26	33
TheHimalayan Times	3	3	7	3	2	1	19	24
Nagarik	4	2	5	2	1	0	14	18
Gorkhapatra	1	0	0	0	0	0	1	1
The Rising Nepal	2	0	2	0	0	0	4	5
Annapurna Post	2	3	3	1	3	0	12	16
Samachar Patra	0	0	0	1	2	0	3	3
Total	16	13	18	15	15	2	79	

(Source: Field Survey 2012)

From this table we can find out the best favorite newspaper for the above categorized customers. The best is Kantipur Daily, then comes The Himalayan Times that is in English, then comes Nagarik and then Annapurna and so on.

Table 4.9
FM/ Radio Listening Habit of Categorized Customers :-

Customers	Response	Very Often		Often		Seldom		No	
		Qty	%	Qty	%	Qty	%	Qty	%
INGO/ NGOs	13	7	50	3	25	3	25	0	0
Banks	5	2	40	1	20	1	20	1	20
Diplomatic Mission	10	1	10	1	10	7	70	1	10
Pvt. Organization	11	6	55	2	20	3	25	0	0
Commercial User	8	6	76	1	12	1	12	0	0
Others	1	0	0	0	0	1	100	0	0

(Source: Field Survey 2012)

The study was conducted to know the customers listening habit to FM / Radio. The data gives the figure of very often listening habit to FM /Radio but not clear about which one as it may be FM or Radio but still keeping it in the same category we found customers listen it very often, then often and few seldom listener. INGO/NGOs listen by 50 %, Bankers listen by 40 %, Diplomats listen it by 10 %, 55 % customers of Pvt. Organization listen it and 76 % customers of commercial user listen it. So from here we can find that it is a good idea to use Radio/ FM for advertisement.

Table 4.10**Time table for listening FM/ Radio of Categorized Customers:-**

Customers	Response	Morning		Afternoon		Evening		Night	
		Qty	%	Qty	%	Qty	%	Qty	%
INGO/NGOs	13	7	55	0	0	4	30	2	15
Banks	5	3	60	0	0	1	20	1	20
Diplomatic Mission	10	5	50	0	0	2	20	3	30
Pvt. Organization	11	6	55	2	20	3	25	0	0
Commercial User	8	3	40	5	60	0	0	0	0
Others	1	0	0	1	100	0	0	0	0

(Source: Field Survey 2012)

Table here gives us the idea about which time to select to advertisement as the table above gives us an idea that which time of the day the customers listen to Radio /FM. From here we get that the best time is in the morning cause 55% from INGO/NGOs, 60 % Bankers, 50 % Diplomats, 55 % Pvt Organization and 40 % commercial user listen it in the morning and Maximum no of Commercial user listen it in the afternoon and evening and night is less respectively.

Table 4.11**Television Watching Habit of Categorized Customers:-**

Customers	Response	Very Often		Often		Seldom		No	
		Qty	%	Qty	%	Qty	%	Qty	%
INGO/NGOs	13	8	60	4	30	1	10	0	0
Banks	5	3	60	2	40	0	0	0	00
Diplomatic Mission	10	5	50	4	40	1	10	0	0
Pvt. Organization	11	5	45	5	45	1	10	0	0
Commercial User	8	7	90	1	10	0	0	0	0
Others	1	1	100	0	0	0	0	0	0

(Source: Field Survey 2012)

The study shows the habit of watching Television. The above data shows that there is no one who does not watch television. Watching Television is the favorite of the entire customer. 60 % customer of INGO /NGOs watch TV very often and often watch by 30 %. Customers of the Bank watch very often by 60 % and 40 % watch it often. 50 % customers of the Diplomatic Mission watch it very often and 40 % watch it often. Customers of Pvt. Organization watch very often by 45 % and often watch by 45 %. Commercial users are the most TV watcher and they watch it by 90 %.

Table 4.12

Time Table for Watching Television of Categorized Customers

Customers	Response	Morning		Afternoon		Evening		Night	
		Qty	%	Qty	%	Qty	%	Qty	%
INGO/NGOs	13	1	7	0	0	2	14	10	79
Banks	5	1	20	0	0	0	0	4	80
Diplomatic Mission	10	1	10	0	0	1	10	8	80
Pvt. Organization	11	0	0	0	0	1	10	10	90
Commercial User	8	0	0	6	76	1	12	1	12
others	1	0	0	0	0	0	0	1	100

(Source: Field Survey 2012)

This survey was conducted to find out the time at which the majority as well as all the customers watches television. And from this survey we found that at night most of the customers watch TV. Customers of INGO/NGOs watch TV by 79 % at night. Bankers watch at night with 80 %, the diplomats watch TV by 80 % at night, Customers of Pvt. Organization watch TV at night by 90 % and the from customers of commercial user watch at night by 12 % only because they say they watch them at day time at there stores mostly.

Table 4.13

Customers' Notice to Advertisement:-

	Response		INGO/NGOs		Banks		Diplomatic Mission		Pvt. Organization		Commercial User		Others	
	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%
YES	38	80	9	70	5	100	7	70	9	80	7	88	1	100
NO	10	20	4	30	0	0	3	30	2	20	1	12	0	0
	48		13		5		10		11		8		1	

(Source: Field Survey 2012)

This particular study deals with the customer's attention towards displays/ published/ transmitted advertisement. The data suggests the attention paid by the categorized customers in positive as well as negative. 70 % customers of INGO/ NGOs pay attention to advertisement and 100 % bankers pay attention. 70 % diplomats pay attention, 80 % customers of Pvt. Organization pay attention and 88% of commercial user pays attention so generally the majority of the customers pay attention to advertisement.

Table 4.14

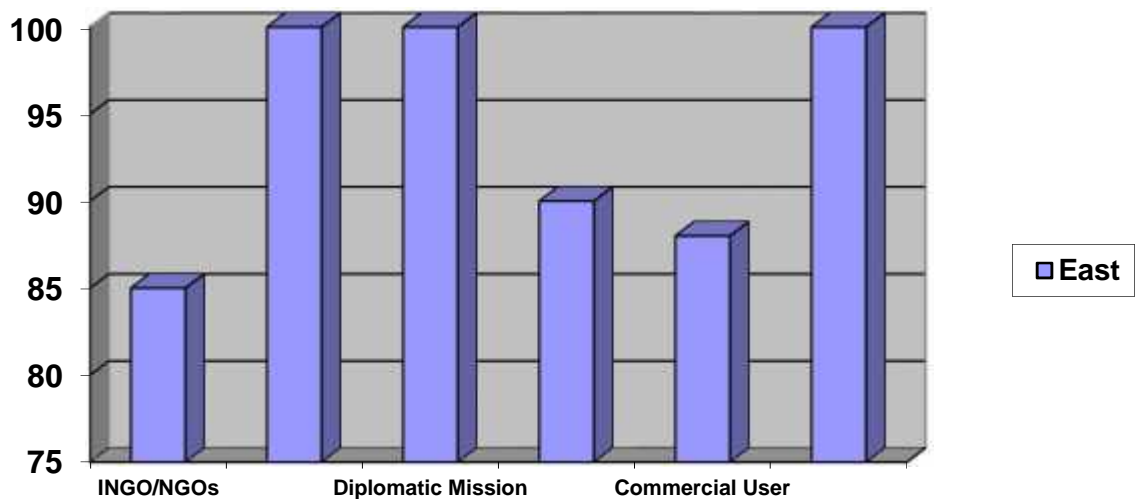
Customers' Preference towards Marketing (Personal Selling):-

	Total		INGO/NGOs		Banks		Diplomatic Mission		Pvt. Organization		Commercial User		Others	
	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%	Qty	%
Like	44	90	11	85	5	100	10	100	10	90	7	88	1	100
Dislike	4	10	2	15	0	0	1	0	1	10	1	12	0	00

(Source: Field Survey 2012)

Figure 4.5

Percentage wise Categorized Customers' Preference Portion on Personal Selling:



The table above gives us a clear idea whether Personal Selling can be the good promotional activities for good business as well as for building brand image of Xerox photocopier. The data clearly tell us that yes it is the best option cause 90 % customers prefers Personal Selling where as 10 % dislikes. On top of this diplomats, bankers and others like it by 100 % and the INGO/NGOs like it by 85 % and the Pvt.

Organization like it by 90 % and the commercial user like it by 88 %. So in conclusion the majority of the customers like Personal Selling and should focus on this one.

Table 4.15
Effectiveness of Marketing (Personal Selling) in
terms of Information about the Product

Customers	Response	Very Informative		Informative		Not Informative	
		Qty	%	Qty	%	Qty	%
INGO/NGOs	13	10	75	3	25	0	0
Banks	5	4	80	0	0	1	20
Diplomatic Mission	10	5	50	3	30	2	20
Pvt. Organization	11	5	45	5	45	1	10
Commercial User	8	4	50	2	25	2	25
Others	1	1	100	0	0	0	0

(Source: Field Survey 2012)

In this table we find out if the personal selling is very informative, informative or not informative from the different categorized customers. 75 % customers of INGO/NGOs finds it as very informative, 80 % bankers find it very informative, 50 % diplomats find it very informative, 45 % customers from Pvt. Organization finds it very informative and 50 % commercial user find it very informative so in aggregate more than 50 % customers find Personal selling very informative.

Table 4.16
The Most Effective Promotional Activities in the
view of the Categorized Customer

Customers	Respon se	Personal Selling	Advertise ment	Hoarding Board	Exhibiti on shows	E-mail Catalog	Others
		Qty	Qty	Qty	Qty	Qty	Qty
INGO/NGOs	13	10	1	1	1	0	0
Banks	5	4	0	0	0	1	0
Diplomatic Mission	10	5	1	0	2	2	0
Pvt. Organization	11	5	2	2	1	1	0
Commercial User	8	4	1	1	1	0	1
Others	1	1	0	0	0	0	0
Total	48	29	5	4	5	4	1
%		60	10	9	10	9	2

(Source: Field Survey 2012)

This table gives us an idea to find out which promotional activities is the best and what are the different promotional activities preferred by the different customers. 60 % customers prefer Personal Selling, 10 % customers prefer advertisement, again 10 % prefer exhibition shows, 9 % each customer prefer hoarding board and catalog/ e-mail marketing. So from here we can come down to the conclusion that personal selling is the best and then comes other.

Table 4.17

Significance of Promotional Activities in Building Brand Image

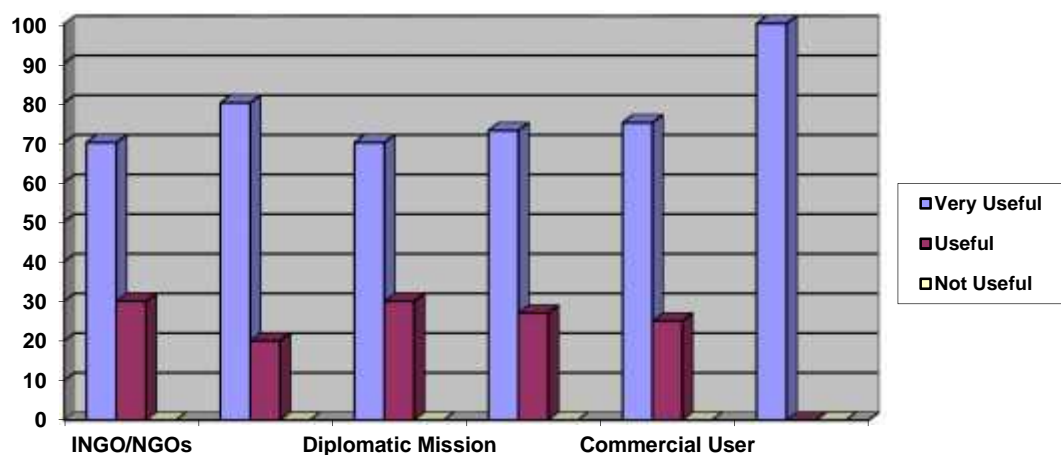
Customers	Response	Very Useful		Useful		Not Useful	
		Qty	%	Qty	%	Qty	%
INGO/NGOs	13	9	70	4	30	0	0
Banks	5	4	80	1	20	0	0
Diplomatic Mission	10	7	70	3	30	0	0
Pvt. Organization	11	8	73	3	27	0	0
Commercial User	8	6	75	2	25	0	0
Others	1	1	100	0	0	0	0

(Source: Field Survey 2012)

The subject of the study is the role of Promotional Activities in building brand image. The response from the different customers indicated that a Promotional activity plays the very vital role in building the brand image of the product in the market. There is not even a single percentage of negative opinion regarding this concept.

Figure 4.6

Portion of Significance of Promotional Activities in Building Brand Image:



4.2 Promotional Activities Adopted by Arpan Trading Pvt Ltd and it's

Significance on Building Brand Image

Xerox Photocopy Machine is the second oldest brand in Nepal. Due to the change in the business strategy followed by many other brands and with the introduction of many other brands it is now very important to follow the various effective promotional activities to keep the brand run in the market smoothly.

Even though there are new brands in the market with their better prices and equal facility or even more, the Xerox brand is still doing well in the photocopy business and have been able to keep its place in around the top position because of the different promotional activities it follows in course of marketing which are effectively selected and then implemented. Advertising, Personal Selling, Exhibition shows, Hoarding Boards and E-mail/ Catalog are the major promotional activities of Arpan Trading Pvt Ltd that have been adopting with special preference. The past and the present experience have proved that all the above activities are the most effective compared to all specially the Personal Selling.

In this chapter there will be discussion on the promotional activities adopted by Arpan Trading Pvt Ltd and its impact on the brand promotion.

4.2.1 Advertising on Different Media

It has been discussed and proved that Advertising is a part of Promotional Mix. It plays a vital role in building brand image. It is most important part of promotion. Therefore Arpan Trading Pvt Ltd had been giving special preference for advertisement. Since arrival of Xerox Photocopy Machines in Nepali Market Aapan Trading Pvt Ltd has been adopting different kind of advertisement which is detailed as below.

Advertisement on Daily Newspaper

Advertisement on Print Media is widely used promotional activities due to its large scale coverage of public and cost economy. Arpan Trading Pvt Ltd has been using different kinds of Xerox advertisements on Daily Newspaper. The structures and advertising materials are different which are depended upon different Models, specification of the products and its target customers. Xerox advertisement always

comes through most popular daily newspaper like Kantipur Daily, Nagarik and The Himalayan Times.

Though Xerox is an old photocopier brand for the Nepalese market it still needs to concentrate on establishing its brand image in the market cause it has been doing its business in the diplomatic places and the NGO/INGOs which are very limited to this market. There is a high possibility that the sales volume of the brand goes up once there is an establishment of brand image in the market. Advertisement on Print Media plays a vital role in building brand image so ATPvt Ltd gives preference for advertisement on Print Media.

Xerox has been doing its advertisement in India right from the beginning but in the Nepalese market through ATPvt. Ltd it has been doing the advertisement not long time ago in the Daily Newspapers. The advertisement gives opportunities to be introduced and recognized well among the public who has not heard about it. The main target of the advertisement is to inform about the brand to the customer targeted who in future may acquire it and another is to make the customer loyal to the brand. And Xerox has been so far doing well in the market which shows that the customers are loyal to the brand and are getting brand awareness.

4.2.2 Marketing Approach (Personal Selling)

It is the most popular and the most important part of the promotion mix. Personal selling becomes more effective here because the cost of the machine and its functions are high and very complicated respectively depending on the category of machine one purchases. Personal selling is important when there is a need of convincing to the customer. Besides the product the customer are expecting to get informed about the product, its price, availability, merits, features, and the functions etc. It is difficulty for any customer to make a purchase a product with such a value with out proper information and persuasion. These factors make marketing approach (personal selling) essential for office automation like photocopier machine.

ATPvt Ltd is very much aware of the fact that personal selling is very important for the marketing of product like this. ATPvt. Ltd has separate division for this purpose where there are few employees who work for the maintenance of building brand

images. There is a significant amount of investment for the purpose of personal selling which keeps building brand image of Xerox.

In the present day Xerox has earned its name in the Photocopy business and this is because of the personal selling which is otherwise not possible only through advertisement and other promotional activities. Sales personnel do give information of the product to the customer like about the product, price, merit, availability and persuade them to buy the products. Customer becomes more aware of the brand due to the approaches made by the sales personnel.

4.2.3 Hoarding Board

Hoarding Board can be considered as a popular promotional activity for the developed as well as for a developing country. Though hoarding board ruins the beauty of the city, still it is used to display the word, letter, model to the people who sees it. Mostly the pictures of the product are easier to be seen in the hoarding board because of its size and multicolor. The above reason says that the hoarding boards are good promotional tools for promotional activities. Arpan Trading Pvt. Ltd has placed its hoarding board in Tripureshwor, Putalisadak, Kupondol. These boards help the passing potential customers about the product.

4.2.4. Exhibition

Computer Association Nepal (CAN InfoTech) is Nepal's biggest IT exhibition. This program takes place once a year in BICC and Bhrikutimandap. This is the demonstration program where the IT professionals educate the visitors about the product, its uses, and its benefits. Xerox has participated in other exhibition shows like art program that took place in Yak & Yeti Hotel and Art Gallery, Babar Mahal. Arpan Trading Pvt. Ltd has been participating in this programs time to time. The benefit of this event is the visitors who comes and get the knowledge of the product and also the media that coverage the news about this event.

4.2.5. E-mail Marketing/ Catalog

E-mail marketing is the latest form of direct marketing. Customers does the enquiry through the e-mail about the product, its particular functions, facilities, availability etc and in reply we inform them with there queries and we even can send e-mail to our

regular customers and the potential customers. This is the fastest, easiest and the most economic way of promotion. Arpan Trading Pvt. Ltd has been following these promotional tools long ago and finds this tool as a very effective for busy market.

Catalog Marketing

This is usually in printed form that contains product details, features, benefits, warranty and guarantee about the product. Customers, Potential customers and the strangers who has little interest about the photocopier are supplied the catalog for their future reference.

Arpan Trading Pvt. Ltd has been doing this since its establishment in the Nepalese market and so far getting a positive response.

4.2.6 Others (Photocopy Center)

Photocopy center is a very useful concept for the promotion of brand. It is the human nature that they keep in mind what they see regularly. This concept has been followed by ATPvt. Ltd and so far it is doing well.

ATPvt. Ltd has been supporting the jobbers that are using Xerox Photocopy Machine for the copying purpose as a commercial operation financially and technically also. These kinds of jobbers can be seen in the area like Pulchowk, PutaliSadak, Golku pakha, Tripureshwor and other. This jobber are given high tech machines that have latest facility and do the job very economically and in less time with convenience which helps the potential customer to keep the brand in their mind hence it plays the role of promotion in building the brand image.

4.3 Test of Hypothesis

This study is intended to find the relation between the sales volume and the promotional expenses.

Hypothesis1:-

1. There is positive correlation between sales and promotion expenditure.

Table 4.18

Semester wise Data on Sales Volume and Expenditure made on Promotional Activities:-

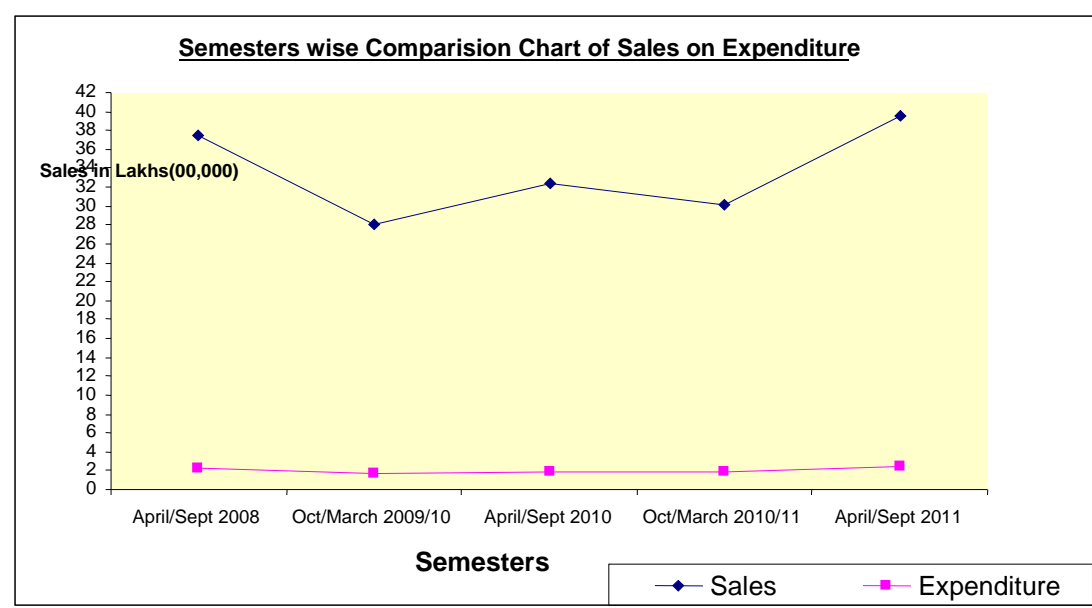
Year	Semester	Sales in NRs	Expenditure in NRs
2008	APRIL/SEPTEMBER	37,50,000	2,25,000
2009/2010	OCTOBER/MARCH	28,00,000	1,68,000
2010	APRIL/SEPTEMBER	32,45,000	1,94,700
2010/2011	OCTOBER/MARCH	30,15,000	1,80,900
2011	APRIL/SEPTEMBER	39,50,000	2,37,000
Correlation	1		

(Source: Appendix-II)

Table 4.18 indicates the correlation of sales and expenses on Promotional Activities and the result is 1 i.e. perfectly correlated. This table shows how there is a positive correlation between the sales and the expenditure. Although Xerox is the second oldest in the Nepalese market, it has still been giving different promotional activities through Arpan Trading Pvt. Ltd. Arpan Trading Pvt. Ltd has been focusing especially on Personal Selling and Advertising and the big share of this expenses goes to Personal selling.

Figure 4.7

Comparison Chart of Sales & Expenditure for Each Semester



From the above chart we found that there is a change in the trend in every semester for expenditure as well as for sales, but we also did notice that in the first semester there is an increasing trend and in the second semester there is an decreasing trend in the expenditure as well as in the sales volume in NRs. This suggests that there is little bit to do with the season or the semester.

When correlation was applied for Hypothetical test, it was found that there is a perfect correlation between sales volume and expenditure made on Promotion. (See Appendix II). The test of the probable error gave us an infinitive which means the relationship range is full 100 %.

4.4 Major Findings of the Study

Based on the data presentation and analysis, following are the major findings of this study:

-) There are eight different brands of Photocopier Machines in the Nepalese market at the time of the study.
-) Altogether there are 48 units of different brands of photocopy machines in the market. Out of 48 Photocopier 22 belongs to Xerox, 13 belong to K.M, 4 belong to Canon, 8 belong to Toshiba and the rest are others. Xerox has the highest number and comes KM, then Toshiba and Canon.
-) Xerox comes the second in the market according to the time of its start and in the first place according to its market coverage from the data taken.
-) 70 % customers of INGO/ NGOs pay attention to advertisement and 100 % bankers pay attention. 70 % diplomats pay attention, 80 % customers of Pvt. Organization pay attention and 88% of commercial user pays attention so generally the majority of the customers pay attention to advertisement.
-) Digital Photocopy covers 67% market share and the rest 33% belongs to the Analog Photocopy. There are 45% of Analog and 50% of Digital Photocopier Machines in the different market.
-) 60 % customer of INGO /NGOs watch TV very often and often watch by 30 %. Customers of the Bank watch very often by 60 % and 40 % watch it often. 50 % customers of the Diplomatic Mission watch it very often and 40 % watch it often. Customers of Pvt. Organization watch very often by 45 % and often

watch by 45 %. Commercial users are the most TV watcher and they watch it by 90 %.

-) There are many promotional activities available in the market and the most common are: a) Personal Selling/ Marketing. b) Advertisement. c) Hoarding Board d) Exhibition shows. e) E-mails/Catalogue. f) Others (Photocopy Center). Personal selling and Advertisement are best to appeal the customers.
-) Customers go through advertisement for information first and then entertainment at the second.
-) Customers go through News paper and Magazines very often and their favorites Newspaper are Kantipur, The Himalayan Times, Nagarik, Annapurna Post, The Rising Nepal, Samachar Patra and Gorkhapatra accordingly.
-) Customers still have the habit of listening to the Radio and FM. According to them the best time for them to listen is early in the morning.
-) Television watching is the favorite of all the media they say and evening is a good time and the best time for them is the night.
-) The majority of the customers prefer Personal Selling because they say Personal selling is important when there is a need of convincing to the customer. Besides the product the customer are expecting to get informed about the product, it's price, availability, merits, features, and the functions etc. It is difficult for any customer to make a purchase a product with such a value without proper information and persuasion. These factors make marketing approach (personal selling) essential for office automation like photocopy machine.
-) Majority of the customers have voted that Promotional Activities are very essential for building the brand image in the market.
-) 60 % customers prefer Personal Selling, 10 % customers prefer advertisement, again 10 % prefer exhibition shows, 9 % each customer prefer hoarding board and catalog/ e-mail marketing.
-) Personal selling have been the vital part of Promotional Activities that have been followed by Arpan Trading Pvt. Ltd since the very beginning and the data figures out that Advertising and Exhibition shows are equally significant

after Personal Selling and then comes the Hoarding Board and E-mail/Catalog.

-) Pvt. Organization covers 32 % and comes INGO/ NGOs with 22 % and comes Diplomatic Mission and Commercial user with equal 18 % and comes the Banks with only 10 % of the total Digital machines in the market.
-) There is a positive co-relation between the sales volume and the promotional expenditure. Sales volume tends to increase with every increase in the expenditure of promotional activities.
-) Arpan Trading Pvt. Ltd is not only focused on Personal selling but also on advertising on Daily Newspaper, Hoarding Board, and Exhibition shows, E-mail / Catalog etc.
-) Although Xerox is the second oldest in the Nepalese market, it has still been giving different promotional activities through Arpan Trading Pvt. Ltd. Arpan Trading Pvt. Ltd has been focusing especially on Personal Selling and Advertising mostly big share of this expenses goes to Personal selling.
-) The structures and advertising materials are different which are depended upon different Models, specification of the products and its target customers. Xerox advertisement always comes through most popular daily newspaper like Kantipur Daily, Nagarik and The Himalayan Times.

CHAPTER -V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Promotion plays a vital role in establishing the Brand Image of the product in the market because of the competitiveness of the business environment. If one goes only with production and selling concept then it is much likely that the business will not survive for a long time. Proper communication about the product should be done with reference to product, price, availability, merits etc. Promotion is all about the company's communication with the customers and this applies also for the new business. Companies must use the different promotional activities according to the nature of the business and the company's goal like advertising, personal selling, public relation, direct marketing and sales promotion. It is not necessary that the company should use all the promotional activities; they can use the few or only one from the many.

Nepal has experienced for 30 years in the field of Photocopier business and till date the business houses has been using different types of promotional activities to get success in the competitive market. Though Xerox is not the oldest in the market but it can be considered to be the second oldest in the Nepalese market and still it needs to be promoted well to build its brand image in the market because of the fierce competition that it has to face from the competitive brand.

This may not be the very first study in the field of Photocopier business in Nepal but still this research is definitely going to help find out the role of promotional activities in building the brand image of Xerox Photocopier. This research will help the new photocopy business houses as well the old ones in finding the different available promotional activities in the market and the most effective one according to their need for brand promotion.

5.2 Conclusions

The Objective of the study is to find out how the promotional activities help to play the role in building the brand image. The conclusion indicated us about the available

different promotional activities in the photocopier business that is used by Arpan Trading Pvt. Ltd and the response that it has received from the different customers. The conclusion also helps us to find out the relation between the sales volume and the different promotional expenses. The following conclusions are drawn on the basis of analysis and interpretation of various data. Arpan Trading Pvt. Ltd is not only focused on Personal selling but also on advertising on Daily Newspaper, Hoarding Board, and Exhibition shows, E-mail / Catalog etc.

Although Xerox is the second oldest in the Nepalese market, it has still been giving different promotional activities through Arpan Trading Pvt. Ltd. Arpan Trading Pvt. Ltd has been focusing especially on Personal Selling and Advertising mostly big share of this expenses goes to Personal selling. The structures and advertising materials are different which are depended upon different Models, specification of the products and its target customers. Xerox advertisement always comes through most popular daily newspaper like Kantipur Daily, Nagarik and The Himalayan Times. The above research and study brings about the following recommendation for Arpan Trading Pvt. Ltd and these recommendations not only build the Brand Image of Xerox Photocopier in the Nepalese market but also bring about the increment in sales volume. Personal selling have been the vital part of Promotional Activities that have been followed by Arpan Trading Pvt. Ltd since the very beginning and the data figures out that Advertising and Exhibition shows are equally significant after Personal Selling and then comes the Hoarding Board and E-mail/ Catalog

5.3 Recommendations

Based on the major finding and drew conclusion following are the recommendation of this study.

i. Promotional activities should be carried on

Xerox brand is the favorite of many customers but still to make the people concentrate on this brand and not to let them divert to the other brand this promotional activities should be carried on. This is also important because all the other brands are doing their promotional activities with out any gap especially the brand like Kyocera Mita, Toshiba, Sharp and Canon. Hence, Arpan Trading Pvt. Ltd should carry on with the

Advertisement and should give more emphasis on Personal Selling because this is the most effective Promotional Activities above all.

ii. Promotional Budget should be incremented

From the reference of the Regression Chart from table no.17 it is very clear that there is an increment on Sales volume with every increment on expenditure done on Promotional Activities. Since there is a positive co-relation between sales volume and expenditure made on Promotional Activities it is highly recommended to ATPvt. Ltd. to increment the Promotional Budget.

iii. Evaluation of the Effectiveness of Promotional Activities

It is very clear and needless to say that not everything is equal. There are certain different levels of importance to different things. In the same way all the Promotional Activities are not equal to all the different Products. Some are good for one product and other is good for another product. Here we have come to the conclusion that Personal selling is the best of all for the Photocopier business in the Nepalese market and then comes the Advertisement, Exhibition shows, Hoarding Boards and E-mail and Catalog. So with the importance level AT Pvt. Ltd should give more importance to Personal Selling and then comes the other or drop if not necessary.

iv. Post Sales Program and Facilities

Since the Photocopy Machine is a mechanical product and it needs to be updated with much other kind of supports, post sales program and facilities are very essential. This helps to build the trust of the product to the customers and make the customer to re-purchase when in need. There has been a one year warranty and one year free servicing of the product and this should now be incremented to at least two year warranty and two year free servicing which will bring more trust to the customer in terms of making a new purchase.

v. Reasonable Price

Price still plays a vital role in the Nepalese market. Since the economy of the country is poor and due to the very fierce competition that is found in the local market the price of the product in no way can be placed very high specially if the competitors price is very reasonable. The price can be put high only if there is a very special

feature in the product which is important as well as which leads a customer to make a purchasing decision.

vi. Sales Promotion

AT Pvt. Ltd has been following Personal Selling as major promotional activities and then comes the advertisement. The study suggests us that most of the customers that are in the category are very much interested in personal Selling and they are more conscious on the price of the product, its parts and consumables. Therefore, ATPvt. Ltd is recommended to carry on the Personal Selling with special offer like special price package, buy back offer, special price discount on consumable and spare parts if purchased on numbers. These promotional activities will definitely gives the positive effect on building the brand image of Xerox Photocopier and ultimately increase the sales volume of the Company and hence gain the targeted goals.

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APPENDICES

Appendix I

Questionnaire:

Part A : For Customer

Name of the respondent/ Customer:

Name of the Organization:

- 1) Do you have a Photocopier Machine?
- 2) Which brand of Photocopier Machine do you have?
- 3) How many machines do you have?
- 4) Is your machine digital or an analog?
- 5) Which media do you think is the best to provide you the information about the copier?
 - a) Personal Selling/ Marketing.
 - b) Advertisement.
 - c) Hoarding Board
 - d) Exhibition shows.
 - e) E-mails/Catalogue.
 - f) Others (Photocopy Center)
- 6) Do you go through advertisement? Read, Watch, Listen.
 - a) Yes
 - b) No

7) Why do you go through Advertisement?

- a) Information.
- b) Entertainment.
- c) Time Pass
- d) No Option

- 8) Where is Personal Selling in terms of information?
- a) Very Informative
 - b) Informative
 - c) Not Informative
- 9) Which newspaper do you prefer daily?
- a) Kantipur
 - b) The Himalayans Times
 - c) Gorkhapatra
 - d) The Annapurna Post
 - e) The Rising Nepal
 - f) Nagarik
 - g) Samachar Patra
- 10) Do you listen Radio/ FM?
- a) Very Often
 - b) Often
 - c) Seldom
 - d) Never
- 11) What time of the day do you listen to this media?
- a) Morning
 - b) Afternoon
 - c) Evening
 - d) Night

12) How often do you watch Television?

a) Very Often

b) Often

c) Seldom

d) Never

- 13) Do you pay attention to the advertisement that you encounter in the different media?
- a) Yes
 - b) No
- 14) Do you prefer Personal Selling (Marketing)?
- a) Like
 - b) Dislike
- 15) Where is Personal Selling in terms of information?
- a) Very Informative
 - b) Informative
 - c) Not Informative
- 16) Which Promotional tool is the best for the Photocopier Brand?
- a) Personal Selling/ Marketing.
 - b) Advertisement.
 - c) Hoarding Board
 - d) Exhibition shows.
 - e) E-mails/Catalogue.
 - f) Others (Photocopy Center)
- 17) How useful are the promotional tools in building the brand image for the photocopier?
- a) Very Useful
 - b) Useful

c) Not Useful

Part B : For Arpan Trading Pvt. Ltd

- 1) What are the promotional activities that Arpan Trading Pvt. Ltd has used or so far been using?
- 2) Which promotional Activities do Arpan Trading Pvt. Ltd gives special preference to?
- 3) What is the expenditure that Arpan Trading Pvt. Ltd does in the promotional activities every semester (six months)?
- 4) What are the sales volumes of every semester (six months)?

Appendix II

Correlation of sales and expenses on promotional tools.

NRs amount in “000”

Year	Semester	Sales (Y)	Promotional Expenditure (X)	$U=(Y-\bar{Y})$	U^2	$V=X-\bar{X}$	V^2	UV
2008	April- Sept	3750	225	398	158404	23.88	570.2544	9504.24
2009/10	Oct- March	2800	168	-552	304704	-33.12	1096.9344	18282.24
2010	April- Sept	3245	194.7	-107	11449	-6.42	41.2164	686.94
2010/11	Oct- March	3015	180.9	-337	113569	-20.22	408.8484	6814.14
2011	April- Sept	3950	237	598	357604	35.88	1287.3744	21456.24
		16760	1005.6	0	945730	0	3404.628	56743.8

Source: Marketing Department, Arpan Trading Pvt. Ltd.

$$Y=16760$$

$$X= 1005.6$$

$$U^2=945730$$

$$V^2=3404.628$$

$$UV=56743.8$$

Let suppose:

$$\text{Sales} = Y$$

Coefficient of Variance of promotional expenses is equal to that of the sales volume. So, the fluctuation of the expenses is equal to that of the fluctuation of sales. Karl Pearson’s coefficient of correlation (r) will determine to find out the correlation between promotional expenses and sales. It is assumed that promotional expenses (X)

will be independent variable where sales volume (Y) will be dependent variable. So sales will increase with the increase of expenditure on promotional activities.

Significant of correlation (r) is tested with probable error.

$$\text{Correlation coefficient (r)} = \frac{UV}{\sqrt{U^2 \sqrt{V^2}}}$$

$$= \frac{56743.8}{\sqrt{945730} \sqrt{3404.628}}$$

$$= 1$$

In this figure the value of 'r' = 1, this shows that there is a perfect positive correlation between promotional expenses and the sales volume.