

**EFFECTIVENESS OF BUSINESS PROMOTION OF
UNITED TELECOM LIMITED IN POKHARA**

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RECOMMENDATION

This is to certify that the Thesis

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DECLARATION

I hereby declare that the work reported in this thesis entitled **“Effectiveness of Business Promotion of United Telecom Limited in Pokhara** submitted to Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the Master’s Degree in Business Study (M.B.S.) under the supervision of **Associate Professor Mr. Milan Kumar Baidhya** of Prithvi Narayan Campus, Bagar Pokhara.

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CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Today world has become very tiny due to the globalization. People can easily obtain and consume the product by sitting any corner of the world. Through the rapid competition producers are eager to produce the essential product and to publicize them among the various customers. Their motto is how to satisfy the customer wants, needs and desires, various companies spend much more fund to implement different policies and strategies.

Promotion is one of the part of marketing attempt its purpose is to perform actual or possible consumers and users about the benefit of the products and services for the purpose of introducing a consumer either to continue or to start purchasing the products or services at given prices. It converse the company's audiences to achieve certain goals. In other words, promotion is sales appeal activities. It is the art of telling to convince and selling, but the promotional task varies in every market because the circumstances of the company, its product line, and its brand name differ from state to state. Promotion is the mixture of advertising, sales promotion, personal selling, publicity and public relation.

Sales promotion is the collection of selling activities that do not fall directly into the advertising or personal selling category such as sample distribution, coupons price offs international trade distribution etc or we can say all the marketing activities other than advertising, personal selling and publicity that stimulate consumer purchase are sales promotion. It consists of short term incentives to encourage purchase or sales of product or services.

Advertising is the most vital and well-known form of promotion. Simply, advertising denotes the means employed to draw attention to any object or product. In the marketing context, advertising can be defined as a mass paid communication (presentation and promotion) of goods, ideas and services by an identified sponsor. It is one of the paid communications because the advertiser has to pay for the space or time in which his advertisement appears. Advertising usually provide information about the advertising firm, its product, quality, place of availability and much more. Popularity of firm's products is the basic aim of the advertising.

Personal selling is a unique type of promotion presented on a personal basis. It is a process of informing customer and persuading them to purchase product through personal communication in an exchange situation .in personal selling a firm's sales person often referred to as sales man or as to make an offer of sale, motivate them to respond positively and confirm the deal.

Public relation has become an important tool these days .The basic principle of public relation is that if the image of the company is poor in society, no other marketing efforts including quality product and services can satisfy the customers. In order to gain good image in society, a company must establish good relation with the public. Publics are the several groups of society including customers, stockholders, staffs or employees, dealers, the press, the financial community and the general community. A company must have the good relation with these groups. It is the management function which evaluates public attitudes, identifies the policies and procedures of an individual or an organization with the public interest and plans execute a program of action to earn public understanding and acceptance.

Publicity is another important tool of promotion. It is non-paid form of communication. It refers to create a favorable image for the firm and its product through coverage by the media in news, press conference, speeches, photography etc. a good publicity program requires regular contact with the mass media such as radio, television and newspaper.

Promotional strategy is one of the major tools to introduce new product to hold current consumer, to increase product usage, to trade consumer up, for internal sales promotion policy to gain new distribution, to gain trade support for consumer sales promotion program, likewise there are lots of effect of promotional strategy.

1.2 Significance of the Study

The choice of this subject for research is due to the fact that, the Nepalese companies are using promotional strategy for their newly launched product as well as existing product but nobody has tried to do research and find out its effectiveness in UTL service. The researcher has chosen this topic, because this is virgin challenging area for research, as the focus of study is base on the effectiveness of business promotion of United Telecom Limited in Pokhara. This study is about the promotional technique, tools, policies and different means of media which are used for distributing information.

1.3 Statement of the Problem

Nepalese information technology service system was not competitive till the UTL and Spice Nepal Pvt. Ltd (Ncell Mobile) services were lunched because there was monopoly market which was run by Nepal Telecom. Nepal Telecom mobile was only the mobile services know by Nepalese people. But after UTL and Spice Nepal Pvt. Ltd (Ncell Mobile) lunched mobile service market become large and competitive. UTL introduced lots of services like Voice Service, SMS, voice SMS CRBT, missed call alert, Internet through USIM, Internet lease lines, PCO's & Discount, FAX, Additional Voice Facilities and Conference Bridge to gain popularity among people within short period of time with the help of promotional strategy.

Business promotion refer to communication process through which public get informed and respond towards the service (product). So, due to effective marketing activities and the various facilities in a minimum cost, large numbers of peoples are attracted towards UTL service though having such a strong competitor like Nepal Telecom in the field CDMA mobile and phones. UTL has expanded its service to 40

districts of the country and now focus to expand all over the Nepal. Also UTL got the permission of EGSM band on which one of CDMA carrier (2x1.25MHz) will be supposed GSM 900MHz Band frequency and use 880-885 MHz Paired with 915-920MHz (2x5MHz) bandwidth. *(Source; NTA report Jan, 2014)*

At present people are more conscious about the services (products) through communication process. Promotional strategy and tools play a vital role to give effective impact about the service. So, researcher would like to show effectiveness of business promotion of United Telecom Limited in Pokhara.

In the view of the foregoing discussion the problem encompassed by the present study are stated as follow:

-) Whether the promotional activities are heard, seen or read by the customers or not?
-) What are the promotional tools and techniques adopted by UTL to penetrate in market?
-) What means of business promotional tool attracts the customers towards UTL?
-) Whether the promotional activities of UTL are effective to penetrate the market and gets market share?
-) What is the major effective promotional tool of UTL to increase the users?
-) What kinds of promotional tools are used to drag the people from other telecommunication company?

1.4 Objectives of the Study

The study is based in effectiveness of the promotional strategy. Here, Researcher would like to show the response towards the product with effectiveness of business promotion. Though UTL has started its services effective from 2003 in CDMA networks it hasn't got the popularity as per the competitors like; N-cell and NTC. Even with limitation, the following are main objectives of the study.

-) To identify the different types of promotional campaign used by UTL.
-) To examine the effectiveness of promotional campaign adopted by UTL.
-) To examine the effective promotional tool to increase the user by UTL.
-) To suggest some promotional activities that would be adopted by UTL in future.

1.5 Focus of the Study

Marketing management has become a complex and challenging job due to globalization, advance information technology and rapid change in customers preference. Introduction of new products, modification of existing products, penetration into new market, withdraw from declining market has become a day to day activities of today's complex market. For the survival and growth in such a complex and competitive market, advertising and sales promotion is playing a vital role in creating push and pulls demand in market.

The modern market is depending on advertising. Manufactures and the trade houses are investing much more funds in marketing this is because manufacturers and distributors would be unable to sell; buyers would not know the product and cannot continue to remember existing products or service, resulting in collapse of the modern industrial world. If factory output is to be maintained profitably, advertising must be powerful and continuous. Mass production required mass consumption, which in turn, requires advertising to the mass market through the mass media.

Advertising and sale promotion are playing informative, persuasive, and reminder role in the market. It is helping to capture high customer equity by attracting potential customer and retaining royal customer of an organization.

The objective of promotional activities may be different in different stage of product life cycle. But it is essential in all stage of product life cycle for its growth, modification and survival in the market.

So, Promotion activities are become a most important and effective marketing tools to gain market share and to communicate the product with Customer. Effective advertising and business promotion has become the critical success factors of an organization, which underpin the Strategic advantages of organization.

1.6 Limitation of the Study

This study is conducted for partial fulfillment of master's degree in business studies. Being a student, there may be methodological weakness as researcher, a student, who does not have previous experiments of such studies. I do generalize the conclusions based on data available or gathered. Thus the study has certain limitations which are as follow:

-) Lack of literature regarding the marketing promotion strategies of UTL.
-) The research analysis and presentation shall be analytical and descriptive.
-) The study would be conducted on Pokhara Valley only.
-) Sample size is very small in comparison to the population of the study.

In spite of these limitations, lots of effort has been made to make this study more reliable and accurate.

1.7 Organization of the Study

This study has been sub divided into five chapters.

The first chapter deals about the introduction that includes Background, significance of study, statement of problem, objectives of the study, focus of the study, limitation of the study and organization of the study.

The second chapter deals with review of related literatures. The chapter includes introduction, tread survey, meaning of business promotion and its elements like advertisement, sales promotion, and public relation, brand awareness, review of previous related research and research gap.

The third chapter deals about research methodology. The chapter includes introduction, research design, nature and sources of data, sampling, data collection procedure and data processing and data analysis technique.

The fourth chapter incorporates the main body of the study. This chapter deals about the presentation, tabulation, interpretation, analysis of data and major finding of the study.

Finally, the fifth and last section, Researcher has presented summary, conclusion and recommendation. In addition, an extensive references and appendix and list of Questionnaire are presented at the end.

CHAPTER-II

REVIEW OF LITERATURE

A literature review is a body of text that aims to review the critical points of past experiments, events and the activities on the development of the and growth of the a particular topic.

Most often associated with science, marketing-oriented literature, such as a thesis, the literature review usually precedes a research proposal, methodology and results section. Its ultimate goal is to bring the reader up to date with current literature on a topic and forms the basis for another goal, such as the justification for future research in the area.

Before the study about the history of telecommunication services, I think it will be better to know about the communication. Communication firstly defined by Faults Alexander in 1875, as a symbolic behavior which results in various degrees of shared meanings and value between the participants.

According to Serrano and Mortensen in 1970, communication is taken as a process of transmitting stimuli by an individual to bring changes the behavior of other individuals.

George Lumberge in 1972 defines, communication s interaction using sign and symbols where the symbol can be gesture, pictorial, plastic verbal or any other which operates as stimuli to behavior that would not be evoked by the symbol itself in the absence of special conditioning of the persons who responds, Communication thus a form of interactions, which takes place through symbols.

In present communication is the means of exchanging and sharing of the ideas among the people by using the technology.

According to Pant (2002) a literature review uses as its database reports of primary or original scholarship, and does not report new primary scholarship itself. The primary reports used in the literature may be verbal, but in the vast majority of cases reports are written documents. The types of scholarship may be empirical, theoretical, critical/analytic, or methodological in nature. Second a literature review seeks to describe, summarize, evaluate, clarify and/or integrate the content of primary reports.

2.1 Conceptual Review

2.1.1 Introduction of Marketing Concept

This is the age of marketing, every manufacturing organization needs to produce and markets its product or services to achieve its goal and to exist in this competitive market. In context of globalization of the economy, liberalization and IT development, the marketing environment is being more competitive day by day. The entire way of communication and marketing logistics have totally changed the marketing practice both at the domestic and international fronts.

Hence to survive in such dynamic environment an organization must be able to implement the modern marketing concept, organize the marketing department monitor and scan marketing environment and establish the information networks. It should be able to plan, evaluate, implement and control marketing activities balancing the interest of the organization, customer and society. Thus strategic planning and integrated implementation have not only become a demand of time but also an indispensable aspect of the modern marketing.

Marketing is typically seen as the task of creating, promoting and delivering goods and services to consumers and business. Marketing are skilled in stimulating demand for a company's products. Marketers are responsible for the demand management. Marketing managers seek to influence the level, timing and composition of demand to meet the organization's objectives.

Marketing deals with identifying and meeting human and social needs. Marketing efforts help to achieve organizational goals. It helps organization to find out what their

customers need and want and to decide what product or service to offer so that the customer's need and want can be best satisfied. It is concerned with attaining and retaining customers and winning long-term customer loyalty.

According to American Marketing Management association marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy individual and organizational goals.

According to Philip Kotler (2003) "Marketing is social and managerial process by which individual and group obtain what they need and want through creating, offering and exchanging products of value with others."

According to Peter Drucker (2000) "There will always, one can assume, be need for some selling, but the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits and sell itself. Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available."

Marketing people are involved in 10 types of entities: goods, services, experience, events, persons, places, properties, organization, information and ideas in marketing process.

Goods: Physical goods constitute the bulk of most countries' production and marketing effort, so marketing people are busy in the marketing of tangible objects or products (Kotler, 2003).

Services: It includes the marketing of the services like airlines, hotels, barbers and beauticians, maintenance and repair people, professionals working within or for companies, such as accountants, lawyers, engineers, doctors, software programmer and management consultants. Today's many market offering consists of the variable mix of goods and services.

Experience: By orchestrating several services and goods, a firm can create stage and market experiences.

Events: marketers promote time- base events, such as the Olympics, company Anniversaries, major trade shows, sports events and artistic performances.

Persons: Celebrity marketing is a major business today. It is advised that each person should become a “brand” by marketing himself or herself.

Place: Cities, states, regions and whole nations- compete actively attract tourists, factories, company headquarters and new residents.

Properties: Properties are intangible right of ownership of either real property or financial property. The marketing of the property involves here.

Organization: Organizations actively work to build a strong, favorable image in the minds of their target publics; companies spend money on corporate identity adds.

Information: Now a day, information can be produced and marketed as a product; Encyclopedias and most nonfiction books market information.

Ideas: Every market includes a basic idea. Products or services are the platforms for delivering some idea or benefit.

2.1.2

Marketing Mix

Marketing mix is the set of marketing tools the firm uses to pursue its marketing objectives in the target market. McCarthy classified these tools into four broad groups that he called the four Ps (4P's) of marketing: product, price, place, and promotion.

Product

Product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want and need. Product is a key in the market offering. Marketing mix planning begins with formulating an offering that brings

value to target customers. This becomes the basic upon which the company builds profitable relationships with customers (Kotler, 2006).

The most basic level of product is the core benefit, which address the question what is the buyer really buying? When designing products, marketers must first define the core, problem solving benefits or services that consumers seek. At the second level, Product planners must turn the core benefit into an actual product. They need to develop product and service and services features, design, a quality level, a brand name and packaging. Finally, product planners must build an augmented product around the core benefit and actual product by offering additional consumer services and benefits.

Product falls into two broad classes based on the types of consumers that use them- consumer products and industrial Products. Broadly defined, products also include other marketable entities such as experience, organizations, persons, place, and ideas.

Consumer product: Final consumer for personal consumption buys Consumer products. Consumer product includes convenience product, shopping product, specialty product, and unsought products. These products differ in the ways consumers buy them and therefore in how they are marketed.

Convenience product: consumer product that the customer usually buys frequently, immediately, and with a minimum of comparison and buying effort.

Shopping product: consumer products that the customer, in the process of selection and purchase, characteristically compares on such bases as suitability, quality, price, and style.

Specialty product: consumer product with unique characteristics or brand identification for which a significant group of buyers is willing to make a special purchase effort.

Unsought product: consumer products that the consumer either does not know about or knows about but not normally thinks of buying.

Industrial product: Product bought by individuals and organization for use in conducting a business.

Price

The amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or services. Price is the only element in the marketing mix that produces revenue; all other elements represent costs. Price is one of the most flexible elements of the marketing mix. Unlike product features and channel commitments, price can be changed quickly.

At the same time, pricing is the number one problem facing many marketing executives. Yet many companies do not handle pricing well. One frequent problem is that companies are too quite to reduce price in order to get a sale rather than convincing buyer that there product are worth a higher price. Other common mistake includes pricing that is too cost oriented rather than customer value oriented and pricing that does not take the rest of the marketing mix into account.

Place

To attain the formulation marketing and sales objective along with the overall corporation goal, product must be accessible to the target market. Distribution may be the biggest constraint in the successful sale of product if the product is not shipped to the right place at the right time with the right price. Inadequacies within the distribution channels must be overcome to sell the intended product in the target market successfully at lower price.

The distribution process includes the physical handling and distribution of goods, the passage of ownership. It is the buying and selling negotiations between producers and middlemen and between middlemen and customers. Each market contains a

distribution network with many channel choices whose structures are unique and in the short run fixed.

Promotion

Advertising: advertising, sales promotion, personal selling and public relations, the mutually reinforcing elements of the promotion mix, have as their common objective, the successful sale of a product. Once a product is developed to meet the market needs, intended customers must be informed of the product's value and availability. The promotion mix is the basic ingredient in the marketing mix.

Sales promotion offers an incentive to buy. Sales promotion includes tools for consumer promotion (samples, coupons, cash refund, offers, prices off, premiums, prizes, patronage rewards, free trials, warranties and demonstration); trade promotion (prices off, advertising, and display allowances and free goods); business and sales-force promotion (trade shows and conventions, contests for sales reps and specialty advertising). Sales promotions enable manufacturers to adjust to short-term variations in supply and demand.

2.1.3

The

Nature of Promotion and Promotional Tools

Promotion is a process of communication among producers, sellers and buyers in terms of quality, characteristics, usefulness, and price of goods. The main purpose of promotion is to create trust and to change attitude and behavior of consumers towards certain products. It also aims at motivating and encouraging consumers to buy and use the certain products. There is evidence of direct relationship between promotion and sales of a product i.e. if effective promotion policies, strategies and interventions of product exist there will be high sales of the product and vice versa.

In competitive market structure, promotion plays an important role to attract the customers. It is as spark plug of marketing mix, which helps to start and accelerate the marketing. It is believed that nothing can be sold without promotion in the competitive market. Consumers must get the right information about right product at right time

and place to be attracted to the products and that is only possible by promotion. Moreover, promotion policies, strategies and interventions depend upon the attitude of the company management towards promotion. If the management has positive attitude toward the promotion, they will develop and allocate adequate budget for effective and efficient promotion policies, strategies and interventions and vice-versa (Kotler, 2003).

Promotion is a persuasive communication process to stimulate demand to the specific product and highly visible elements in the marketing mix. Promotion informs the targeted customers about product, price and place. Promotion is also known as marketing communication. According to Kotler (2000), promotion includes all the activities the company undertakes to communicate and promote its product to the target market. Promotion is one of the key elements in the marketing mix and it performs the major roles of communicating about the product, price and place to the buyers. The promotion efforts within an organization are directed at two important aspects i.e. goals-information and demand stimulation (Koirala 2000).

Stanton (1994) defined promotion as an element of marketing mix that serves to inform, persuade, and remind the market on a product hoping to influencing the consumers feelings, beliefs, attitude and behaviors. Moreover, promotion can also be viewed as management of customer buying process of pre-purchase, purchase and post-purchase. Sharlekar (1996) emphasized on persuasive part in communication for promotion through which customers accept ideas, product or service. Therefore persuasive communication is the heart of promotion.

In general, promotion is a process of marketing communication to inform, persuade, remind, and influence the consumers or users in favor of product or services being promoted. It has three specific objectives namely a) it communicates marketing information to consumers, users and sellers, b) it persuades and convinces the buyers and influences his/her behavior to take the desired action and c) promotional efforts

act as powerful tool of competition providing the cutting edge of its entire marketing program.

Promotion is also considered as a communication strategy. Almost all promotional activities include various forms of communication in one and another way. In marketing, promotion is a communication from sellers to potential buyers. Promotional activities emphasize more on behavioral change communication which includes creating awareness, stimulating interest, motivating to buy and use the products or services, enabling to make decision to buy and use the products and reinforcing the behavior. As a form of communication, promotion seeks to influence the consumers through the provision of information and persuasive or motivational forces (Busch and Houston, 1995). As communication is the fundamental aspect of promotion, knowledge, skills and understanding of various communication theories can enhance the promotional strategy. Communication is a process of exchanging a message, idea, knowledge, skill, feeling, emotion etc. between two or more than two individuals or groups. There are two type of communication: inter personal and mass communication. Promotion includes both types of communication. Generally, both types of communication process include these elements: sender (source), receiver (audience), messages, channels and feedback. Each element has their-own importance. Successful marketing promotion involves well designed communication strategies.

The first step of communication is to identify and know the target audiences i.e. defining the specific group that will be addressed and determine the relevant needs and goals of the target market. As Kotler (2006) explained that the audience determines what, how, when, where and who is to be said, therefore successful communication starts with identifying the audiences. For the effective marketing promotion communication, there must be enough target audiences to justify the costs of the communication and there should be adequate number of persons who are willing to and ability pay for the product or brand to be promoted. If the targeted

audiences do not meet these criteria, the promoter is probably wasting their resources in persuading the target market.

The second step of communication in marketing promotion is to set SMART (specific, measurable, realistic, and time bound) objectives based on research or study. The objectives of marketing promotion depend upon the types of marketing promotion namely primary and selective promotion.

The third step of marketing promotion communication is developing message. During the message development “what and how is to be said” should be kept in mind. Moreover, marketing positioning is another important concept to be kept in mind while developing the messages. The product can be positioned by promotional appeal and/or product features.

After developing the messages appropriate communication channels should be selected for communication. Four broad categories of communication channels namely: media (television, radio, newspapers, and direct mail), face to face (sales person), publicity (news releases), and word of mouth (among consumers) can be used for communication. Besides, product design, packaging, pricing etc. also act as communication channels. A market promoter often uses more than one channel at a time as two or more channels may reinforce each other. To select an appropriate channels targeted audience must be segmented properly.

Source of communication is another important element of marketing promotion communication. Source of communication may be manufacturers, marketing promoters companies, wholesalers, retailers, sales persons, media etc. Source of communication is directly related with the trust and confidence of the audience to the messages. Consumers may not be willing to receive a message or may not trust to the messages, if the source is untrustworthy.

Noise is unintended element in the communication process, which distracts the receivers to get the message properly. In the case of marketing promotion

communication, competing messages are one of the main noises. It may occur in any elements of the communication process. For the effective marketing promotion communication, noises should be minimized in the communication process.

Feedback is any information provided to the source by the receivers about the effect or output/outcome of the message, which helps to measure effectiveness of communication process. Feedback helps to improve, modify, or change the communication strategies and process. Marketing promotional strategy is a set of activities to communicate about the products to the consumers. There are numbers of factors affecting the marketing promotional strategies which should be kept in mind and well considered during the development of marketing promotion strategies, which are described briefly as follows:

-) Promotional resources: Promotional resources include human, material and financial resources, which play important role in promotional strategies. Number of human resources and amount of budget for marketing promotion that have with a firm is directly related to the marketing promotional strategies. Types of promotional strategies and activities are directly affected by the available budget for the promotion. For example, if a firm has a small amount of budget for the promotion, it cannot afford for wide range of and diverse kind promotional mix as well as cannot compete with other firms that have adequate resources for the promotion (Busch and Houston, 1985).
-) Nature of Demand: Nature of demand is one of the important factors affecting the marketing promotional strategies. If there is very little demand, intensive focus should be given to promotional strategies and activities. In the beginning or introduction phase of a product, marketing promotion company should focus on providing adequate information about the product to the consumers to create the demand. After creation of demand, the focus of marketing promotion strategies should shift to

maintain the stable demand of the product. Based on the demand of the product in the market, different marketing strategies and activities should be developed and implemented (Kumar, 1994).

-) Nature of Product: Nature of product also determines the types of marketing promotional strategies and activities. For example convenience products are generally mass merchandised and supported by aggressive advertising by the manufacturer. Shopping products require more emphasis on personal selling along with advertising. Specialty goods and services are mostly sold through good public relations. Although most of the industrial products are largely sold through personal selling, operating supplies are extensively advertised (Koirala, 2000).
-) Price of the product also plays an important role to determine the marketing promotional strategy. If a product has high price, it needs personal selling and requires regular personal contact with the consumers. For the low priced products, other promotional activities such as advertisement etc. are enough (Kumar, 1994).
-) Promotional mix of competitors being adopted by the competitors is also an important determinant of the promotional strategies and activities to be developed. The marketing promotion companies should be aware of the current trends and fashion of marketing promotion mix and should move ahead accordingly (Kumar, 1994).

Each promotion tools has unique characteristics and costs marketers must understand these characteristics in selecting their mix of tools. A business' total marketing communications program is called the "promotional mix" and consists of a blend of advertising, personal selling, sales promotion and public relations tools.

Advertising

Advertisement is a unique combination of science and art. It effectively blends the behavioral science with the communicating art to motivate, modify or reinforce consumer's perceptions, belief, attitudes and behavior. For the effective advertisement design and implementation, the advertiser must be aware of consumers' attitudes, beliefs, likes and dislikes habits, fears wants and desire. As these factors are always changing and varies person to person and place to place, regular monitoring should be done (Bove and Arens, 1986).

Advertising is a form of communication used to help sell products and services. Typically it communicates a message including the name of the product or service and how that product or service could potentially benefit the consumer. However, advertising does typically attempt to persuade potential customers to purchase or to consume more of a particular brand of product or service. Modern advertising developed with the rise of mass production in the late 19th and early 20th centuries.

Many advertisements are designed to generate increased consumption of those products and services through the creation and reinvention of the "brand image". For these purposes, advertisements sometimes embed their persuasive message with factual information. There are many media used to deliver these messages, including traditional media such as television, radio, cinema, magazines, newspapers, video games, the carrier bags, billboards, mail or post and Internet marketing. Today, new media such as digital signage is growing as a major new mass media. Advertising is often placed by an advertising agency on behalf of a company or other organization.

Sales promotion

Sales promotion is any activity or material used as a direct inducement to purchase. It is one of the four aspects of promotional mix. Media and non-media marketing communication are employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability. Examples include: contests, point of purchase displays, rebates, free travel, such as free flights

Sales promotions can be directed at the customer, sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called consumer sales promotions. Sales promotions targeted at retailers and wholesale are called trade sales promotions. Some sale promotions, particularly ones with unusual methods, are considered gimmick by many

Sales promotions are short-term incentives that are offered to consumers and channel members to stimulate consumer demand and improve dealer effectiveness. There are two types of sales promotion activities, consumer promotions and trade promotions.

Sales promotion incentives are being used by both non-profit and profit making organizations. Sales promotional tools include free sample of the product, coupon and special offers, point of sales display, free gift and other incentives. Sales promotions play an important role to motivate and stimulate consumers to try new product and to maintain interest in established brand.

Consumer promotions include price offs, coupons, bonus packs, sampling, premiums and prize promotions.

Personal Selling

Personal selling refers to a set of activities directed at the attainment of marketing goals by establishing and maintaining direct buyer seller relationship through Personal communication. Personal selling has a unique place in the marketing communication mix, while other promotional tools (advertising, public relations, and

sales promotion) are non-personal communication tools, which have one-way communication with the target audience, personal selling enables the company to communicate directly with its target customers. The key objective of personal selling is to retain existing customers and convert prospects into clients.

The Main advantages of personal selling can be:

-) Personal selling is a face-to-face activity; customers therefore obtain a relatively high degree of personal attention.
-) The sales message can be customized to meet the needs of the customer.
-) The two-way nature of the sales process allows the sales team to respond directly and promptly to customer questions and concerns
-) Personal selling is a good way of getting across large amounts of technical or other complex product information.
-) The face-to-face sales meeting gives the sales force chance to demonstrate the product.
-) Frequent meetings between sales force and customer provide an opportunity to build good long-term relationships.

Public Relations

Out of the four promotional mix options available to marketers' public relations (PR) is probably the least understood and, consequently, often receives the least amount of attention. Many marketers see public relations as only handling rudimentary communication activities, such as issuing press releases and responding to questions from the news media.

Public relations involve the cultivation of favourable relations for organizations and products with its key publics through the use of a variety of communications channels and tools. Traditionally, this meant public relations professionals would work with

members of the news media to build a favourable image by publicizing the organization or product through stories in print and broadcast media.

But today the role of public relations is much broader and includes:

-) Building awareness and a favorable image for a company or client within stories and articles found in relevant media outlets.
-) Closely monitoring numerous media channels for public comment about a company and its products.
-) Managing crises that threaten company or product image.
-) Building goodwill among an organization's target market through community, philanthropic and special programs and events.

In this tutorial most of our focus is on how public relations supports marketing by building product and company image (sometimes referred to as publicity). Yet, it should be noted that there are other stakeholders companies reached via the public relations function, such as employees and non-target market groups. Favourable media coverage about a company or product often reaches these audiences as well and may offer potential benefit to the marketer.

Kotler (1998) outlined 3 main activities that an organization must undertake to use public relation for promotional purposes. These include:

-) Define the objectives of the publicity efforts.
-) Search for publicity ideas to achieve these objectives and,
-) Plan for use of specific media.

Public relation can contribute to assist in the launch of a new product, to assist in repositioning a nature of product, to develop interest in a product category, to influence specific target group, to define product that have encountered public problems and to build corporate image of the product and organisation. There are various tools that can be used for building public relations such as publicity through the media, involvement in social and community initiatives, sponsorship of events,

public announcement and special publication and corporate brochures and other publicity materials.

2.1.4

History of

Telecommunication Service in Nepal

In the history of telecommunication services, Mr. Alexander Grahmbell of Scotland is the inventor of Telephone in 14th feb.1876. Then In 1881/82 Indi-European Tele Graph Company expands the underground cable network between the Calcutta and London. Later in 1934 international telecommunication Union (ITU) is established for the development of the Telecommunication services all over the world. Finally, Nepal being the members of ITU in 5th. December 1957.

In 1967 Rana Sarkar introduce the Telegraph service in Nepal. In 1970 Rana established the Magneto Telephone in Kathmandu which expands among the Dhankuta, Birganja, Rajbiraj, Nepalganja, Pokhara, Palpa, Butwal, Biratnagar. In 2005 BS, high frequency radio station along with Nepal Telegram Office named MOHAN AKASHBANI are established. Nepal Telecom is the first telecommunication provider of Nepal. Telecommunication department was established in B.S 2016. To modernize the telecommunications services and to expand the services, during five-year plan (2023-2028), telecommunication department was converted into telecommunication Board in B.S 2026. After the enactment of Communications Corporation Act 2028, it was formally established as fully owned Government Corporation called Nepal Telecommunications Corporation in B.S 2032 for the purpose of providing telecommunications service to Nepalese people. After serving the nation for 29 years, Nepal Telecommunication Corporation was transformed into Nepal Doorsanchar Company limited from Baisakh 1, 2061. Nepal Doorsanchar Company limited is a company registered under the companies Act 2006. However the company is known to the general public by the brand Nepal Telecom as registered trademark. *(Source; NTA Report)*

Nepal Telecom has launched its GSM mobile service on 1999 A.D. At the moment only post paid service was available. Later it's GSM prepaid service has launched from 2003 A.D. At that time NTC run monopoly market. NTC is currently constructing an East-West fiber route which will establish the first terrestrial international connectivity via China.

Seeing the high scope of the business in the Telecommunication services in Nepal various private telecommunication companies are established. Among them Spice Nepal and United Telecom are the major ones. The first competitor to NTC is United Telecom Limited (UTL) in CDMA wireless mobile and telephone services with a collaboration of three Indian government owned firms: Mahanagar Telephone Nigam Ltd (MTNL), which holds the highest stake (26.68 percent), Telecommunications Consultants India Ltd (26.66 percent), Videsh Sanchar Nigam Ltd (26.66 percent) and a Nepalese company Nepal Ventures Pvt. Ltd (20 percent). The firm is actually administered by India's Department of Telecommunications, a state agency a role that belies India's strategic position in the sector. UTL has a 10-year extendable license to provide basic telephone service using wireless technology. It is deploying a full-mobility CDMA 1800 system in Kathmandu Valley and the neighboring districts of Lalitpur and Bhaktapur. The platform is provided by Local Government with a capacity for 500,000 lines. UTL has a license for international traffic and acquired a 9 meter earth station from the U.S. firm Globecom Systems International (GSI).

(Source; UTL Journal Jan. 2003)

Spice Nepal private ltd, popularly known under its brand name "Ncell Mobile" is the first private GSM mobile operator in Nepal. Company was established in 2004 A.D and commercially launched on 17th September 2005.

Introduction of UTL Nepal

United telecom limited (UTL) is established on 2002 but commercially started its service in 2003 September 17 from Kathmandu valley with 50000 subscribers. UTL is a consortium of four companies who have come together in a joint ventures, to

explore various telecom opportunities in Nepal, out of four partners, there are the major telecom players in India and the fourth one is a local partner i.e. Nepalese company. The four various company which has contributed in UTL are Mahanagar Telephone Nigam LTD which has 26.68% shares in UTL similarly Telecommunications Consultants India Limited (TCIL) has 26.66% share likewise TATA communication limited has 26.66 % share, finally Nepal venture private ltd has 20 % share in UTL. Though major shareholders of UTL are from India but it is a Nepalese company and registered with:

-) Registrar of Companies, Kathmandu.
-) Department of Industries, Government of Nepal.
-) Department of Inland Revenues, Nepal.

Table 2.1

Major shareholders of UTL Company

Name of the Company	% of Share
Mahanagar Telephone Nigam Limited (MTNL)	26.68 %
Telecommunications Consultants India Limited (TCIL)	26.66 %
Tata Communications Ltd (TCL)	26.66 %
Nepal Ventures Private Limited (NVPL)	20 %

(Source; www.UTLnepal.com)

UTL is based on CDMA technology and directly competitive to NTC because both these company provides landline phone as well as mobile services. NTC is the first service provider in Nepal that is owned by government but UTL is first private telecom company in Nepal it was established on October 10, 2002. But commercially service start from 2003 September 17 from Kathmandu valley. UTL has started its service from Kathmandu valley with 50000 (approx.) subscribers and expand outside the valley like Birgunj, Hetauda etc. In 2006 & 2007 it has spread its services to 10 districts like Kaski. Likewise in 2008 UTL design new service expansion and succeeded to increase its subscribers to 150000 (approx). Similarly in 2009 it has

expand its services to Kakadvitta at the end of 2009 UTL has given its services to 36 district and increase its subscribers to 353061. Now up to January 2014 it had covered 40 districts and the 110 major cities with 9 customer care centers and 184 BTs, and has terrestrial Microwave and Optical Fiber Network for the Backbone network as per needed. Up to end of 2013 it has 831,602 customers among them 73,070 are wireless (WLL) users, 659,267 are the limited mobility users 99,265 are the CDMA1X users. In near future (within 2016) UTL plan is to enlarge its service to all over Nepal with both CDMA and GSM service.

At Pokhara UTL have started its service from 1st August, 2007 with CDMA technology voice and data services. Now UTL has 6 BTS at different areas of Pokhara, and Lekhanath Valley which assure the good network coverage and excellent communication with clarity. It has one major Dealer and 20 sub-dealers in the valley for the distribution of the products (Rim, U-sim and Re-charge Cards). United Telecom Limited also established the Customer Care Center at Naya Bazar from the early 2007, with 10 staffs.

The Various Promotional Strategies of UTL

-) Concert in 2008 in Pokhara with Indian Idol Prashant Tamang.
-) Distributing free UTL SIM in ECAN 2009 held in Bhrikutimandap.
-) Different Youth concert in Kathmandu, Pokhara, Dharan etc.
-) Free Internet Service.
-) In the occasion of new year 2067 UTL has provide the facility of free call of one thousand two hundred rupees with new SIM card which cost is only two hundred Sixty seven rupees .
-) UTL has provided facility of phone call to India, Canada, America, Hong Kong, Singapore and China only in 2.59 rupees per minute.
-) Free U-sim on purchasing the Samsung, Spice, Alkatel, Carbon, Yasuda, CG mobile set.

-) Free U-sim on opening the accounts at SBI Bank with Rs.501 with free int. banking, ATM card and free inter-branch services.
-) Unlimited download with Rs 500.00 per month.

Comparative Study of UTL Service in Nepal with other Telecom Companies

After revolution and establishment of democracy in country at 2046 B.S. Nepalese was able to feel the changes in various fields' development. Then again from the revolution 2062/63 established the republic Nepal. After that period Nepal gets various changes and development in various fields. So many local and international companies are investing in the field of business and industries and service oriented organizations.

The monopoly market of Nepal Telecom Limited is broken down and UTL Nepal and Spice Nepal becomes the competitors after 2003. Now in 2014 here are almost 6 service providers who had contribution in voice and data service. The telecommunication service providers are increasing day by day. So, here is strong competition in telecommunication services provider. The Tele density in the country is around 86% of the total population. So, on this study it is needed to show the trend of the tread of telecommunication service providers.

Here is the comparative study of the telecommunication service provider's position along with United Telecom Limited.

Table 2.2
Services provided by telecom companies in Nepal (Tele Density)

Service Company	Fixed		Mobile		Others		Total
	Wireline (PSTN)	Wireless (WLL)	GSM	CDMA	Limited mobility	GMPCS	
Nepal Telecom	647311	122597	8122249	1025342	0	0	9917499
UTL	0	73070	0	0	659267	0	732337
NCELL	0	0	10969958	0	0	0	10969958
STM	5230	0	0	0	155	0	5385
Nepal satellite	0	2644	0	0	147356	0	150000
Smart	598	0	0	0	971994		972592
Others	0	0	0	0	0	1742	1742
Total	653139	198311	19092207	1025342	1778772	1742	22749513
	851450		20117549		1780514		
Tele density							
Services						Penetration rate %	

Fixed	3.21
Mobile	75.93
Others (limited mobility, gmpcs)	6.72
Total	85.87

(Source:-NTA Report Jan. 2014)

(Note: Projected Population for 2013 is 26454504, source: www.cbs.gov.np)

Table 2.3

Voice Telephone Services Provided by Telecom Company in Nepal

Name of the Company	No of user	Percent
NDCL	9917499	43.59
UTL	732337	3.22
N CELL	10969958	48.22
STM	5385	0.02
Nepal Satellite	150000	0.66
Smart	972592	4.28
Others	1742	0.01
Total	22749513	100.00

(Source:-
NTA
Report
Jan.
2014)

Figure 2.1
Voice

Voice Telephone Services Provided by Telecom Company in Nepal

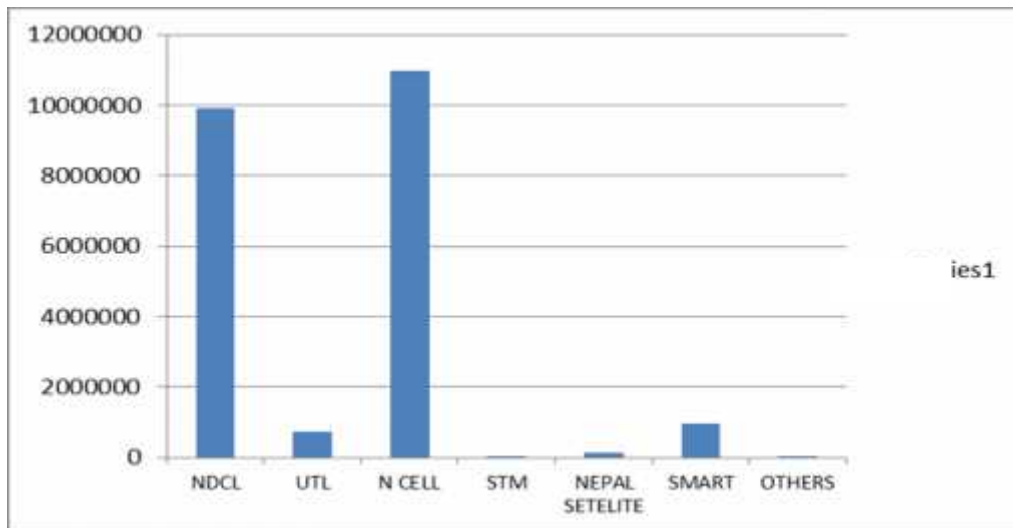
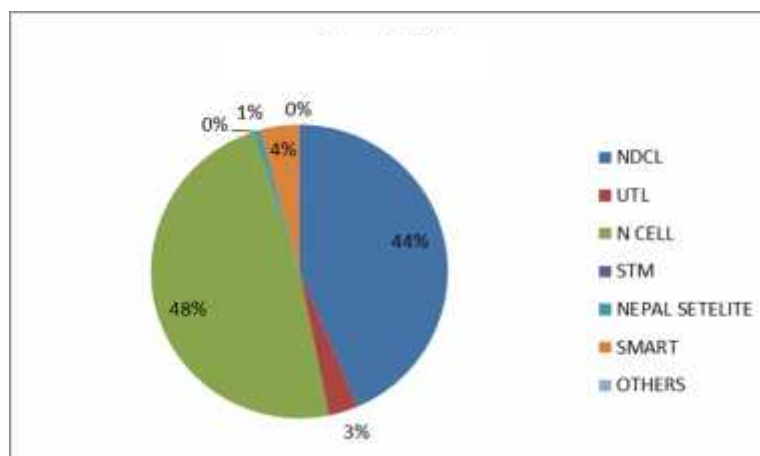


Figure 2.2
Voice Telephone Services Provided by Telecom Company in Nepal (in %)



The above table shows the total available Voice Telephony Services in Nepal. There are **22749513** voice telephone services users. Among them 48.22% i.e. 10969958 was covered by NCELL which is the highest one likewise NTC has enclosed with 43.59% i.e. 9917499 which is second highest .similarly Smart telecom has covered 4.28% i.e. 972592 and UTL has covered 3.22% i.e. 732337 of total available. UTL has provided 73070 wireless services among total services of 198311. In other services, it provides Limited Mobility service of 659267 among the total services of 1778772.

Table 2.4
Data / Internet Services by Telecom Company in Nepal

Services	Subscribers				Total
	NDCL	UTL	NCELL	ISPs	
Dialup (PSTN+ISDN)	4736	-	-	10197	14933
Wireless modem optical fibre Ethernet	-	-	-	63038	63038
Cable modem cable etc.				24454	24454
ADSL	119111	-	-	-	119111
GPRS,WDGE,WCDMA	3698275	-	3730144		7428419
CDMA 1X, EVDO	136573	99265	-	-	235838
WiMAX	6790	-	-	-	6790
Total	3965485	99265	3730144	97689	7892583
Internet penetration rate					29.78%

(Source:-NTA Report Jan. 2014)

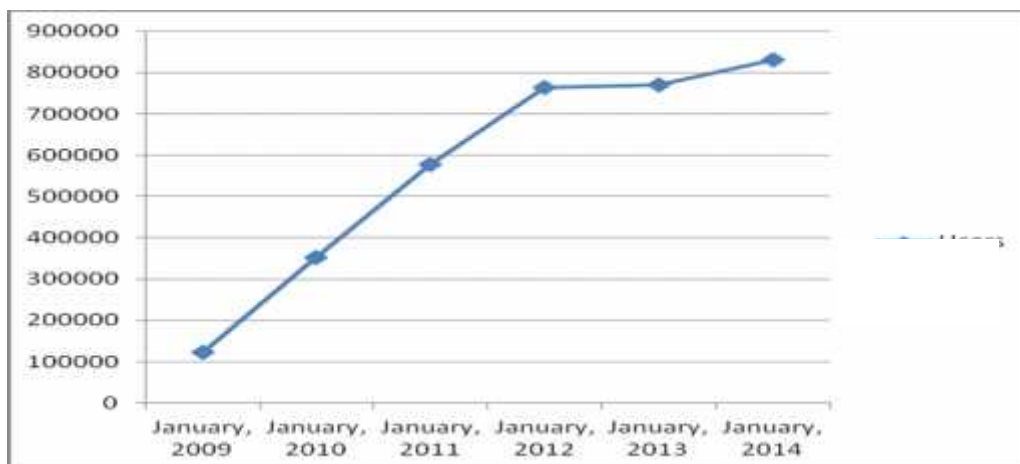
UTL has also provided internet services. There are different services like dial-up, wireless modem, cable modem, ADSL, GPRS, CDMA IX. But it provides only one service i.e. CDMA IX. There are 99265 subscribers of UTL which covers 42.09% of total services of CDMA IX.

Table 2.5
Growing scenario of the UTL Services

Year	Wireless (WLL) USERS	Limited Mobility USERS	CDMA 1X USERS	Total
January, 2009	66670	56208	N/A	122878
January, 2010	68263	259975	24823	353061
January, 2011	70252	468581	39257	578090
January, 2012	71129	626195	66370	763694
January, 2013	71593	611020	86866	769479
January, 2014	73070	659267	99265	831602

(Source:-UTL Report Jan. 2014)

Figure 2.4
Growing scenario of the UTL Services



From the above table and figure of growth of UTL services, I have not found the data but in January 2006 UTL has total 45032 users which in January, 2007 increased by 65% and becomes 74069. In the year 2008 and 2009 UTL has organized the Concert in 2008 in Pokhara with Indian Idol Prashant Tamang also distributing free UTL SIM in ECAN2009 held in Bhrikutimandap which results with the growth of 377% and becomes 353061 users in January 2010 which. Different Youth concert in Kathmandu, Pokhara, Dharan etc and Free Internet Service programs are held in the year 2010 and

2011 which results in the growth of 113% from the year 2010 and becomes 763694 users. In January 2014 the total users of the UTL services are 831602.

Table 2.6
Comparative Tariff Charge per Minute by Various Telecom Companies

Country	India	Pakistan	Bangladesh	Srilanka	Maldives	Bhutan	Afghanistan
NT	2.90	8.00	8.00	12.00	40.00	5.00	24.00
UTL	2.59	8.00	4.00	10.00	15.00	15.00	15.00
NCELL	2.99	15.00	6.00	15.00	15.00	15.00	20.00
STM	12.00	12.00	12.00	12.00	15.00	15.00	24.00
NSTPL	14.90	14.90	14.90	14.90	16.50	16.50	26.00
SMART	3.00	15.00	6.00	12.00	15.00	15.00	15.00

(Source:-UTL Browser)

From the above study it is found that NCELL and NTC are the highest company with more number customers around 90% in voice call service, where in tariffs NTC and NCELL and others is so expensive than the UTL for every country call within SAARC countries. It is found that UTL is the one and only service which has the cheapest tariff charge for the SAARC countries call.

2.2 Review of Related Studies

2.2.1 Review of Previous Thesis

Here are some related research with their objective and finding which had conducted by seniors and my friend some of them are as follow:

Pandey (1980) the study named as “*Advertising in Nepal*” is focused on the objectives of identifying the existing position of advertising practices in Nepal. The other objectives of this study were to find out the existing pattern and blends of advertising and the constraints prevailing in advertising practices in Nepal. His study was confined to the descriptive analysis of the situation of advertising business. It was natural to undertake such research on advertising field at that time as the advertising

was still on infant stage of development. Thus, his study did not touch the creative aspect of advertising.

The major finding of the study state that the advertising is a 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 adversities and other specialists services such as block makers, printers, artists etc. publication media, radio and cinema are the most used media for commercial advertising, But there are few alternatives. The advertising programs are not well coordinated with the other elements of marketing and promotional strategy. The effects of advertising are generally not evaluated.

Aryal (2002) is found in market share with title “*The study of Market Share of Colgate in Comparison with other Brand.*” The study tried to show that sales promotion, advertising, price and consumer behavior impact on sales of the product and how it effect on market share with having objective like, what is the position of market share of Colgate in the market? To identify the market share of Colgate toothpaste in comparison with other existing brand, to find out the popular media of advertisement for toothpaste, which can easily attract the potential consumers on each brand of companies, to identify the competition of Colgate toothpaste the term of sales, to identify the purchase/buying behavior of Colgate toothpaste, and to observe the impact of pricing factor on Colgate toothpaste.

Pradhanang (2004) on “*A study on the promotional aspect of the export of Nepalese handmade paper and Paper products*” also revealed that the Nepalese exporters were using promotional mix for the promotion of their products in the international markets. Use of website (internet) is the most common activity using for promotion in the international market. Besides, participating in trade fairs and exhibitions at international level were second most common activities using for promotion of paper products in the international level. These days these types of promotional activities are becoming very much popular in both commercial and social welfare sectors. Successful organization of series of CAN info-tech, educational fairs, book fairs,

industrial exhibition in national, regional and local levels, increased use of website, internet and email etc. are the evidence of its popularity.

Bajracharya (2007) in his thesis *“Advertising and sales promotion of Samsung Television in Nepal”* the study is based on advertising and sales is to evaluate the effectiveness of advertising and sales promotion for attaining and retaining the market share of television business in Nepal, to analyze the important of sales promotion in building company’s reputation, to review the market status of Samsung television, and to examine the brand awareness of customer. Thus the study specially dealt with findings like advertising play vital role in sales of TV in this competitive market and trade promotion is more effective way to increase the sales of company. Thus the study show the finding likes advertising is the first effective source of conveying information which affect the consumer while making buying decision.

Shrestha (2007) in thesis entitled *“A study on advertising and its impact on the buying behavior of the consumer.”* The study is based on advertising and its impact on the buying behavior of consumer. The objective of the study is to find out the relationship between consumers’ attitude towards advertising and buying decision, to understand the consumers’ credibility towards advertising and its effect on buying decision and to get insight about the factors affecting consumer decision process. Thus the study show the finding likes advertising is the first effective source of conveying information which affect the consumer while making buying decision.

Bastola (2009) in thesis entitled *“A Study on Service Marketing & Consumer Behaviour of Cellular GSM Mobile Phone in Kaski District”* in his study he is focusing the vital role of cellular mobile phone in the field of communication. The growth in the user of GSM mobile, miss use of the mobile phones. He is not maintaining the competition, advertisement and other factors of marketing activities of GSM cellular mobile service provider but he is concerning only use and misuse of the cellular mobile.

Tiwai (2009) in thesis entitled *“Impact of advertising in Brand Selection & Brand Loyalty (with ref. to Biscuit Product) in Nepalganja”* in his study he is focused in to Asses market share, price spread and Nepali producers share in biscuit market of

Nepal. The tools and techniques adopted by Biscuits companies market to promote the sales. To find out the growth pattern of Nepalese biscuits industries, he focus on biscuits industries in Nepal in terms of full utilization of opportunities under World Trade organization (WTO) Trade Related Aspects of Intellectual Property Rights (TRIPS) as a LDC and the government's role in facilitating small & medium enterprises units to be competitive in the WTO regime. He also tried to find out the competition held in Biscuits market, to assess the import substitution of Biscuits industry and to provide necessary technical & other suggestions for getting WHO / GMP certificates.

Gurung (2012) on *"The Effectiveness of Promotional Strategy of Mobile Services in Society: with special reference to Ncell Mobile"*. The study is based in promotional strategy and its effect to society people. The objective of the study was to find out the response of target audience of Ncell Mobile to identify the brand awareness of Ncell Mobile and to recognize the major promotional activities done by the organization to promote the sales so as to achieve the organizational goal.

2.3 Research Gap

Those are the research studies found in the field of marketing specially related to the advertising and sales promotion. But the choice of this subject is due to the fact that, there is no previous research found on making studies on effectiveness of business promotional of United Telecom limited in Pokhara. Although, there were a few number of studies which was based on GSM mobile service but not find the study on the CDMA service. Here this research is not only on mobile but the whole product that is provided by UTL through the CDMA network which is one of the popular service networks in the field of communication all over the world. The research tried to covey that how the different promotional tools help to create awareness about the product and increase sales volume from the initial phase of UTL to till now with having such a strong rival companies like NTC and Ncell Mobile. Researcher has attempted to prepare and present this report with his fullest effort. All possible primary and secondary sources of data are composed, analyzed and presented here in appropriate way.

CHAPTER-III

RESEARCH METHODOLOGY

Research methodology is concerned with various methods and techniques, which are used in the process of research studies. It includes wide range of methods including quantitative technique for data analysis and presentation.

The present study has its objective to analyze the effectiveness of business or sales promotion tools and techniques. The research methodology is followed to attain the basic objective and goals of this research work.

3.1 Research Design

In planning and designing a specific research it is necessary to anticipate all the steps to be successful in collecting valid and reliable information. If it were broken down into very small parts or activities, the marketing research process would consist of a great number of steps. This is descriptive research design. It is based on analytical as well as fact finding approaches relative largely to the present and abstracting generalizations by the cross sectional study of current situations. This study is an attempt to analyze and suggest the effectiveness of business promotional activities of United Telecom Limited in Pokhara.

On the other hand if we cluster the various steps according to major activities, we can view the marketing research process as consisting of the following steps:

-) Population and Sampling
-) Nature and sources of Data
-) Data collecting procedure
-) Data processing
-) Data analysis

3.2 Population and Sampling

Population consists of the user of united telecom in Pokhara for this study. Under this study population represent the total number of UTL user in Pokhara and Lekhnath valley. Sample is the selection of certain no. of respondents out of population of 150,000 (approx.). For consumer survey the researcher took only 100 sample size on her research by randomly selected in order to get general information which is based on different places of Pokhara and Lekhnath valley. The respondents in sample are believed to be the true representative of the population.

3.3 Nature and Sources of Data

Basically primary data were collected and used in the study. Primary data includes the responses of the united telecom limited user. Literature review was also done to get acquainted with the existing information on the topic.

3.4 Data Gathering Procedure

Both primary and secondary data and other Sources are used for the research study. Convenient method was used for data collection; Primary data are collected from field survey, questionnaire and personal interview. Secondary data are gathered from the published materials and websites etc.

3.5 Data Processing

When the researcher collected the response for the entire questionnaire they have been computed coded and tabulated under different headings for the analysis purpose.

3.6 Data Analysis

Master summary sheet for data processing and analysis was developed. The collected data were compiled and tabulated electronically under different headings in the master sheet. Data processing and analysis was started during the data collection. Various graphical presentations such as bar diagram, pie chart, table etc. were used to present the data both in absolute number and percentages as well.

CHAPTER-IV

PRESENTATION AND ANALYSIS OF DATA

In this chapter the data, which have been collected from questionnaires, are tabulated, analyzed and presented in a reasonable manner. The data are presented and analysis is based on primary sources of information with customer and marketing executives of respective brands. The main objective of the study is to find out the effectiveness of business promotion and sales towards customers and contributing of business promotional activities on enhancing brand awareness.

The data has been collected and interpreted into consumer survey. Consumer survey refers to survey performed among real users of UTL service, who exist in different parts of Pokhara and Lekhnath valley. Within the Pokhara periphery of certain limitation among the large population 150,000 (Approx), only 100 respondents have taken, I took the response of the questionnaires from real consumers.

So, in this report for consumer survey, I have shown the demographic profile, buying motive, buying decision, effectiveness of business promotion, brand loyalty, and market competition.

4.1 Respondent Profile

Out of the 100 questionnaires, all were distributed to the real consumers who belong from various places of beautiful places of Pokhara and Lekhnath valley. Like Mahendrapool, Prithvi Chock, Lakeside, Rambazar, Chhorepatan, Bagar, Lamachaur, Arghau, and Begnastal etc. Researcher analyzed in different aspects which come under this topic like the particular gender of respondent, education background of respondent, similarly specific age group and income level of respondent.

Respondents Received

Place	Questionnaire	Percentage
Pokhara and Lekhnath valley	100	100

(Source:-Primary Data)

Table 4.1 shows that Out of questionnaire spread in several places of Pokhara we have received 100% responses from target respondents.

Table 4.2
Respondent's Gender

Gender	Respondents	Percentage
Male	73	73
Female	27	27
Total	100	100

(Source:-Primary Data)

Table 4.2 shows the gender of the respondent; out of 100 respondents 73 are the male and remaining 27 are female.

Table 4.3
Education Level of Respondents

Education	Respondents	Percentage
Up to SLC	15	15
Certificate	20	20
Graduate	45	45
Master	20	20
Total	100	100

(Source:-Primary Data)

Table 4.3 shows the educational background of respondent Respondents with educational level up to SLC level is 15%, similarly certificate level, graduate level and master level is 20%, 45%, and 20% each respectively.

Table 4.4
Age Group of Respondents

Age- group	Respondents	Percentage
Below 20	5	5
20-30	45	45
30-40	23	23
40-50	18	18
50+	9	9
Total	100	100

(Source:-Primary Data)

Table 4.4 shows the age group of respondents who are participated on research According to above table 5% of respondent below 20 years, 45% of respondents are 20 to 30. Age group of 30 to 40 is 23%, age group of 40 to 50 is 18% and the respondents above 50 are only 9%.

Table 4.5
Profession of Respondents

Profession	Respondents	Percentage
Students	10	10
Job holders	28	28
Businessman	32	32
Housewives	8	8
Others	22	22
Total	100	100

(Source:-Primary Data)

Table 4.5 shows that the respondents belongs to student is 10%, similarly jobholder is 28% which is the highest among all profession, respondents belongs to business is

32% likewise housewives is 8% which is the lowest among all and any other profession include student cum part time jobholder is 22% .

Table 4.6
Monthly Income of Respondents

Income-level	Respondents	Percentage
2500-5000	15	15
5000-10000	55	55
10000-20000	4	4
20000+	26	26
Total	100	100

(Source:-Primary Data)

The above table shows the monthly incomes of the respondents. According to the table, the respondents whose monthly income lies Rs 2500-5000 is 15% similarly between Rs 5000-10000 is highest among all which is 55% likewise and the income level between Rs10000-15000 is 4% as well more than Rs20000, is lowest level among all which is only 26%. Actually, nobody wants to tell their accurate income level due to several factors. We can say that According to this table the rate of income level which is earn by respondents lies between Rs5000-10000 are the highest where as the respondents with earnings more than 20000 are also higher than the respondents with earnings between Rs,2500-5000 and the respondents with the earnings between Rs10000-20000. And the respondents are the least more than the respondents whose earning is more than Rs10000-20000. This research is on the basis of per month income.

4.2 Buying Decision

People purchase many products according to their needs; they order those items which satisfy their wants, while purchasing those product customers considered in several aspects, under this topic Researcher analyzed those aspects which motivate customer to buy the product. Researcher tried to show the response of respondents in order to find out buying decision of customer through very simple and specific way such as,

“what kind of things you consider while buying any product or service?” “What factors plays a vital role in Mobile service buying decision?”

4.2.1 The Main Factor in Mobile Buying Decision

Customer give emphasis on several factor while buying any services ,or product ,It can be brand name of product or service provided by the company ,price of the product or facility given from an organization for using the product.

Table 4.7

Factor Consider While Buying any Product or Services

Factors	Respondents	Percentage
Brand name	30	30
Service	35	35
Price	25	25
Facility	10	10
Total	100	100

(Source:-Primary Data)

Figure 4.1

Factor Consider While Buying Any Product or Services

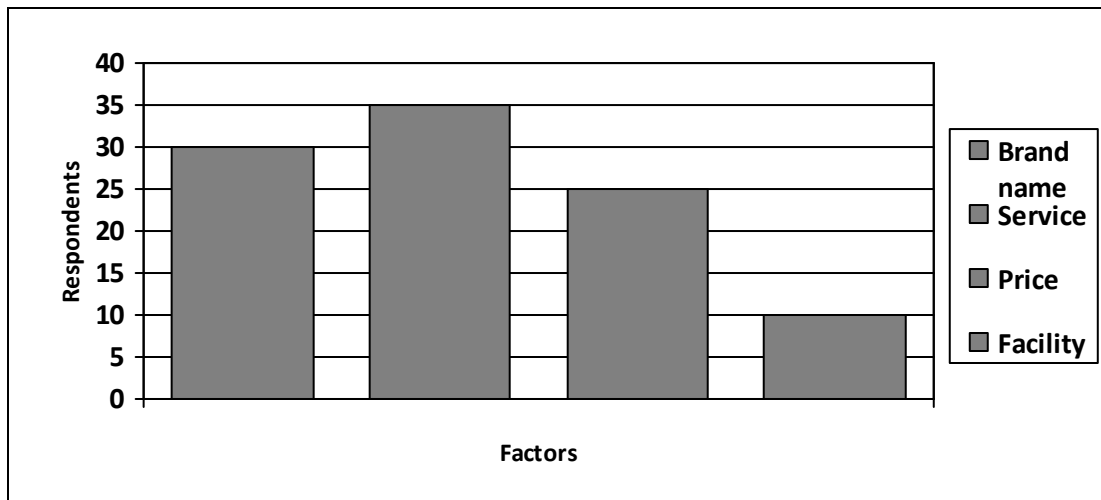


Table 4.7 gives the information about the things considers by respondents while buying any service. Regarding to the particular research 10% of respondents consider facility provided by service which is lowest among all. Likewise respondents who

consider price are 25% brand name is 30% and those who consider service are 35%.which is the highest one .According to the research, respondents are more conscious about the buying decision. They give more emphasis on services while buying.

4.2.2 Important Role of Various Factors in Mobile Buying Decision

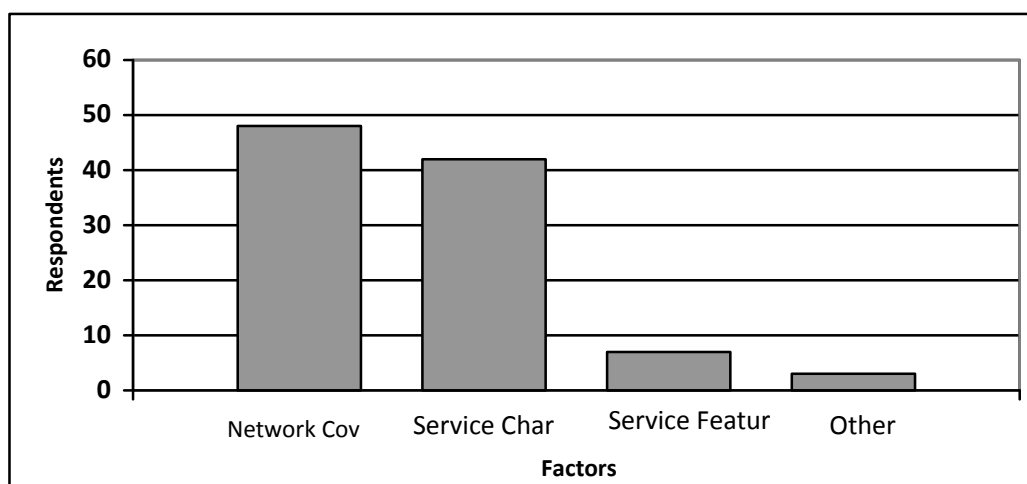
As the study is based on mobile services different factor is considered by the customer while buying mobile .Network coverage, Service charges, Service feature are the major feature to be surveyed.

Table 4.8
Factors Which Plays a Vital Role in Mobile Buying Decision

Factors	Respondents	Percentage
Network Coverage	48	48
Service Charges	42	42
Service Feature	7	7
Other	3	3
Total	100	100

(Source:-Primary Data)

Figure 4.2
Factors Which Plays a Vital Role in Mobile Buying Decision



The above table and figure shows that, out of total respondents 48% of respondents whose important factors in Mobile service buying decision is Network coverage which is highest among all. Likewise respondents whose another important factor is Service feature which is 42% and Service charge is 7% and others factor is 3% which is lowest among all. We can say that maximum respondents give emphasis to Network coverage and Service features because without them buying any Mobile service is useless. And others factors are less important to respondents.

4.2.3 Various Media that is been Use for Promotion

Media is one of the major sources from where we can get the information about different company its Products and services. We can find several types of media; it can be TV, Radio, newspaper etc.

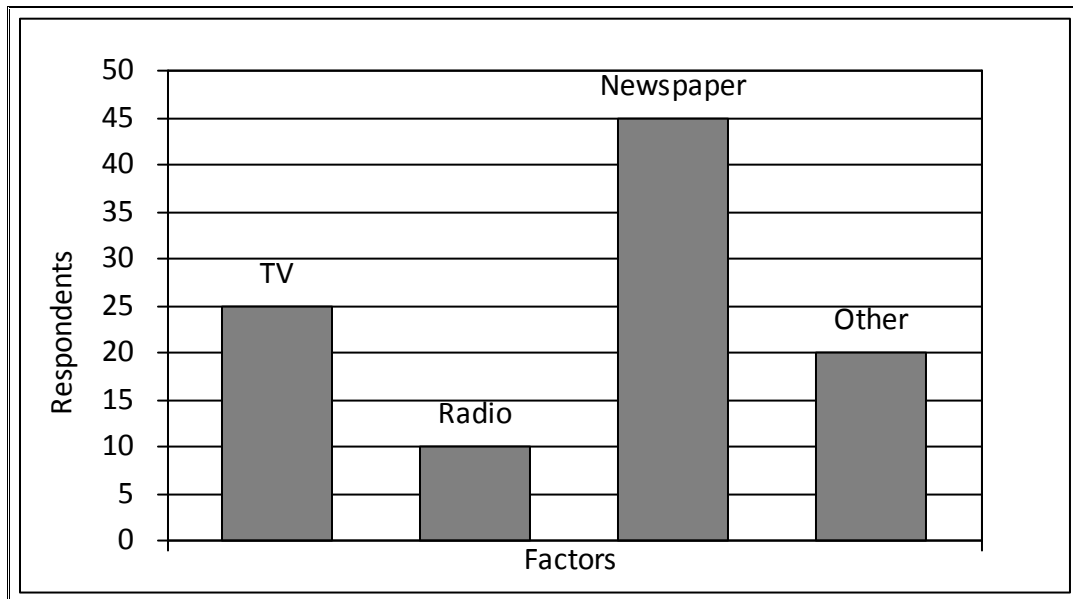
Table 4.9
Factor Help us to Know about UTL

Factors	Respondents	Percentage
TV	25	25
Radio	10	10
Newspaper	45	45
Other	20	20
Total	100	100

(Source:-Primary Data)

Figure 4.3

Factor Help us to Know about UTL



The above table and figure shows the different factors which are responsible for promoting about the UTL 25% of the respondents got the information about UTL by the help of TV likewise 10% of the respondent took the help of radio similarly 45% and 10% o respondent got the information by the newspaper and other factors respectively in other factor it might be hoarding board, brochures etc so Maximum number of people acknowledges UTL by the help of News Paper than any other factors.

4.3 Impact of Business Promotion (Advertisement)

A huge variety of media channels is used for the business promotion, usually in the form of combination or mix. The most recent addition to these channels is interactive, involving a two-way exchange between the presentation of advertising and the target audience. Researcher tried to find out the business promotional impact on respondents which is deliberated by different media channel.

4.3.1 Awareness of UTL Advertisement

Here the researcher tried to find out the response of the customer towards its advertisement. Company is expanding much more money on the advertisement but it

is not sure that target customers are hearing/reading/watching their advertisement or not. So here researcher tried to find out whether the targeted customers or public are listening, reading and watching the advertisement of UTL or not by simply raising the question; Have you heard/read/seen UTL advertisement?

Table 4.10

Awareness of UTL advertisement

Options	Respondents	Percentage
Yes	75	75
No	25	25
Total	100	100

(Source:-Primary Data)

Table 4.10 gives the information about the respondent who ever seen or heard or read the UTL advertisement. In the response of this question 75% of the respondent gave the answer in the favor of the question on the contrary 25% gave the negative answer.

4.3.2 Choice of Variety in Media

Every organization wants to promote its product or services to encourage the customers towards their production. They use various means of advertisement it can be audio visual media like; television/computer, audio devices like radio/F.M./microphone, newspaper and other media like wall paint, hoarding board, brushers, leaflets etc. Here, researcher simply raised the question as; what means of advertisement attract you the most towards UTL services?

Table 4.11

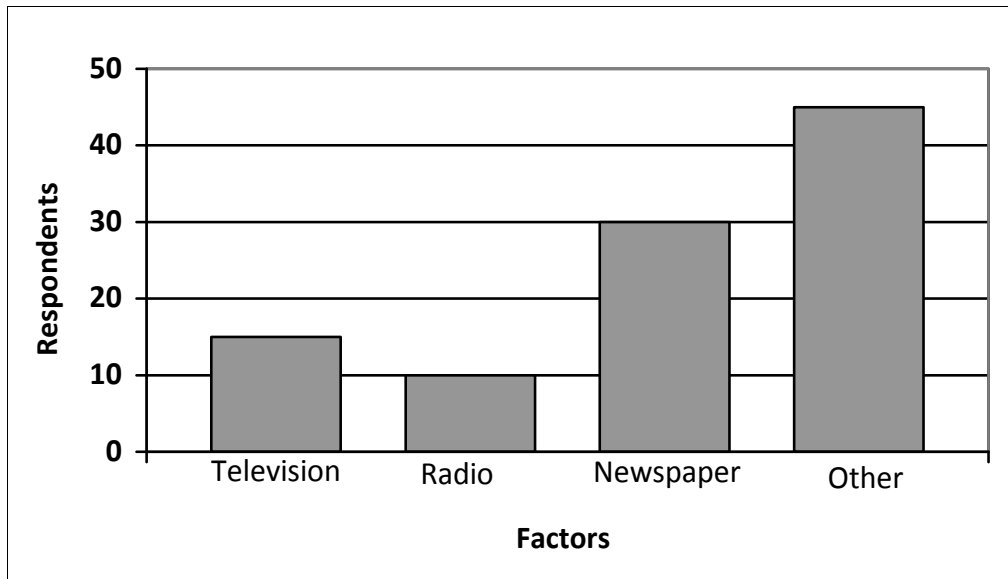
Means of Advertisement that Attract the Customer the Most

Factors	Respondents	Percentage
Television	15	15
Radio	10	10
Newspaper	30	30
Other	45	45
Total	100	100

(Source:-Primary Data)

Figure 4.4

Means of Advertisement that Attract the Customer the Most



The above table and figure shows the organization use advertisement as a media to spread the information about its product and services. So, they give these advertisement in different media where suitable among television, radio, newspapers and the others media like microphone, wall paint, hooding board, brushers, leaflets etc. In response of this question Researcher find that 15% of the people enjoy that advertisement which was broadcasted in television likewise radio, newspaper and other are 10%, 30% and 45% respectively. From this response; it can be concluded that most people are enjoying the advertisement in other media like microphone, brushers, leaflets, hooding board, program sponsorship, event organization etc, though it is little bit expensive and difficult to organize and not fixed planes for the organization then other.

4.3.3 Important Factor that is Use in Advertisement

As we all know that advertisement is the major source of information. Advertisement is an art of science which attracts the customers toward the product and the service. Within the advertisement there are so many things which make the advertisement perfect and source of information. So, advertisement should be presented in proper condition so that it can attract more and more customer. Perfect advertisement is the perfect combination of presentation, theme, information and artist. Here the researcher tried to find out the important factor or feature of the advertisement which attract the

customer most by raising the question; what factor in advertisement attracts you the most?

Table 4.12

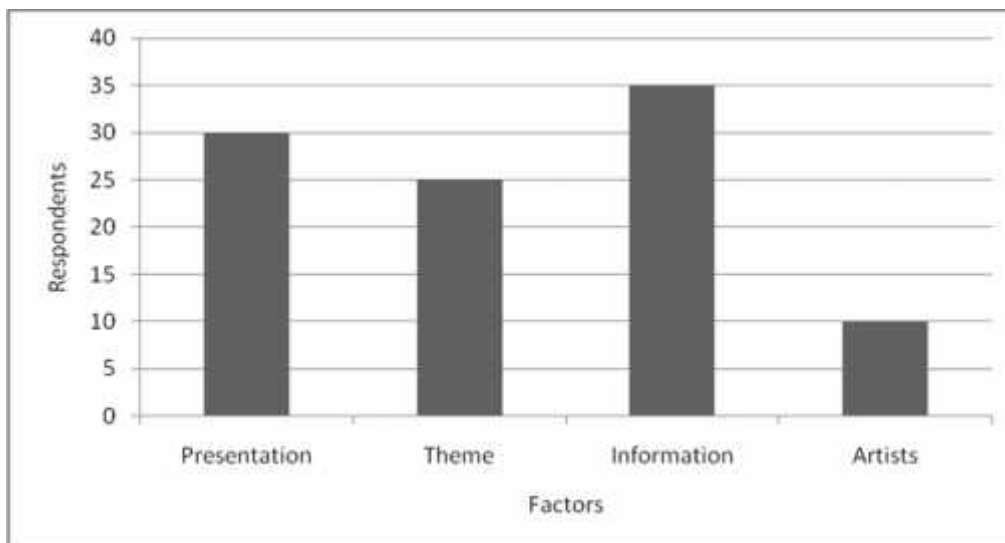
Factors in Advertising that Attract Customer the Most

Factors	Respondents	Percentage
Presentation	30	30
Theme	25	25
Information	35	35
Artists	10	10
Total	100	100

(Source:-Primary Data)

Figure 4.5

Factors in Advertising that Attract Customer the Most



According to above Table and figure shows that 30% of the respondent answered that most attracting factor in advertising is Presentation. Similarly, other 25% attracted by Theme, again 35% of respondents attracted by Information and 10% is attracted by artists. As we all know that advertisement is informative mass communication process from which valuable information can be obtained so the highest numbers of respondents are attracted by the information factor and followed by the presentation.

Likewise very few number of people are attracted by artist. So, the conclusion is that the maximum numbers of people are influenced by information with presentation where little number of peoples is attracted by the artist.

4.3.4 Impact of Regularity of the Advertisement

Advertisement is the only factor which helps to spread information about the product and the services and its features throughout the mass population. Regular advertisement in different media remind about the product and its quality and availability. As we know that the cost of winning new customers is much higher than retaining and cross selling. Regular advertisement in different media also helps to retain the regular customers towards the product and services, which are unseen capital of the organization. So, here the researcher tried to know the response of the customer on impact of the regularity of the advertisement via raising the question like; has regular advertisement in different media been able to create positive respond towards UTL?

Table 4.13
Impact of Regular Advertisement in Different media

Options	Respondent	Percentage
Yes	70	70
No	30	30
Total	100	100

(Source-Primary Data)

Table 4.14 shows that 70% of the respondents feel that regular advertisement in different media are able to create positive respondent towards particular product which in turn may convince others about the product or services and help to create new customers. In summary more people think that regular advertisement in different media been able to create positive respond towards particular product.

4.4 Brand Awareness

According to the American marketing association, a brand is a name, term, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. The cost of winning new customers is much higher than retaining and cross selling to existing customers, so brand awareness is a important economic factor in profitable brand development. So, the researcher tried to know about brand loyalty of UTL customer.

4.4.1 Effective Promotional Tools that can be Use for Brand Awareness

Promotional tools like advertisement, sales promotion, public relation, Publicity etc. have been used for brand awareness it help us to know about the particular brand product or services.

Table 4.14

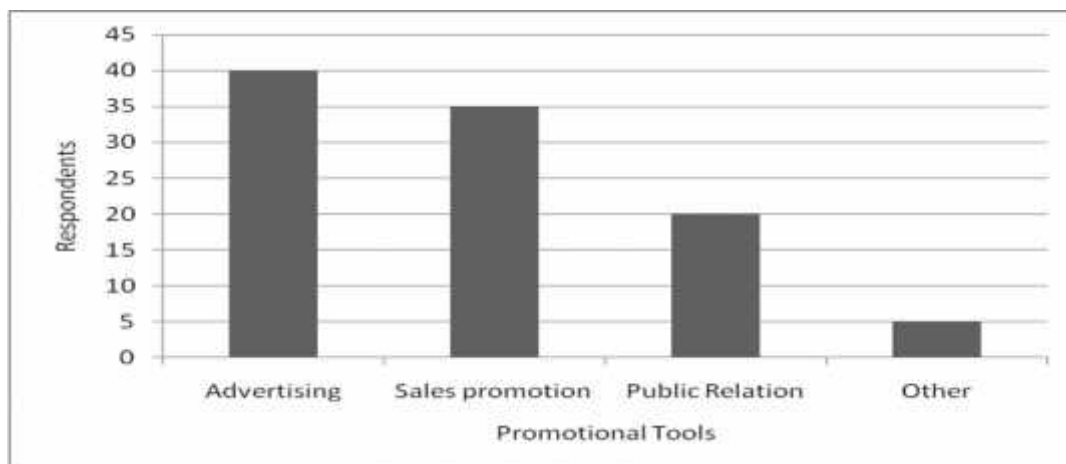
Effective Promotional Tools that can be use for Brand Awareness

Promotional tools	Respondents	Percentage
Advertising	40	40
Sales Promotion	35	35
Public Relation	20	20
Other	5	5
Total	100	100

(Source-Primary Data)

Figure 4.6

Effective Promotional Tools that can be use for Brand Awareness



According to above table, though having such strong competitors like; Nepal Telecom, UTL is success to aware respondents about new brand in CDMA mobile, fix phone service due to effective promotional tools. As a result 40% of respondents were aware by advertising, 35% through Sales promotion 20% from public relation and through other factors 5%. Among all promotional alternative advertising is indispensable factor for brand awareness of UTL.

4.4.2 Factor which Cause the Brand Awareness of UTL

All business organization want to run very smoothly in market to establish itself in competitive market brand awareness of the product is too essential many factors help to create brand awareness that might be promotional blend, service feature, service charges etc.

Table 4.15

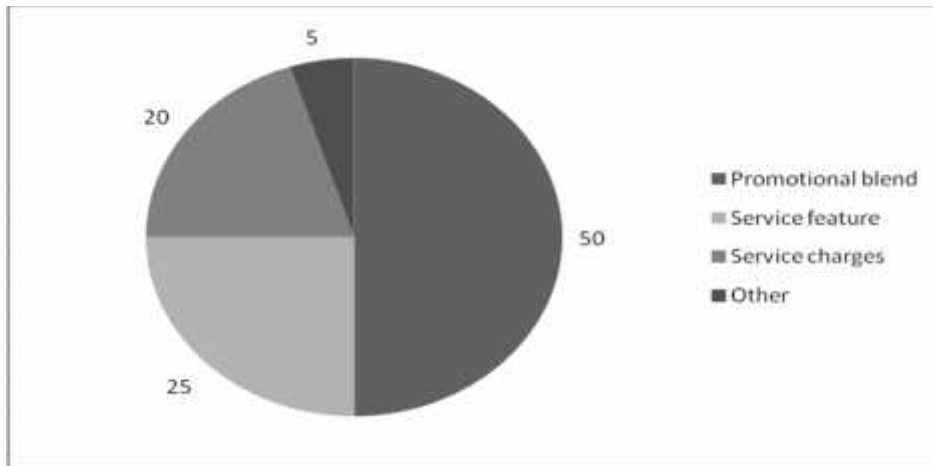
Factor Which Cause the Brand Awareness of UTL

Factors	Respondents	Total
Promotional blend	25	25
Service feature	40	40
Service charges	30	30
Other	5	5
Total	100	100

(Source:-Primary Data)

Figure 4.7

Factor which cause the Brand Awareness of UTL



According to above table and figure 50% of respondents which is the highest no. of respondents were aware about the particular brand through the help of promotional blend. 25% through service feature, likewise 20% through service charge, and 5% through other factors. UTL had launched various campaigns to promote brand in initial period to till date to create brand awareness which seems successful by obtaining the result of above table. Promotional blend is succeeding to create brand awareness among maximum no. of respondents.

4.4.3 Major Promotional Tools which can be used to Increase the Customer

It is very important to have huge number of user to get success for any business so they apply so many tricks as promotional tools like schemes to retailer, corporate social responsibility, customer services, advertisement and many more.

Table 4.16

Major Promotional Tools Which can be used to Increase the Customer

Factors	Respondents	Percentage
Schemes to retailers/customers	20	20
CSR	5	5
Customer services	60	60
Advertising	15	15
Total	100	100

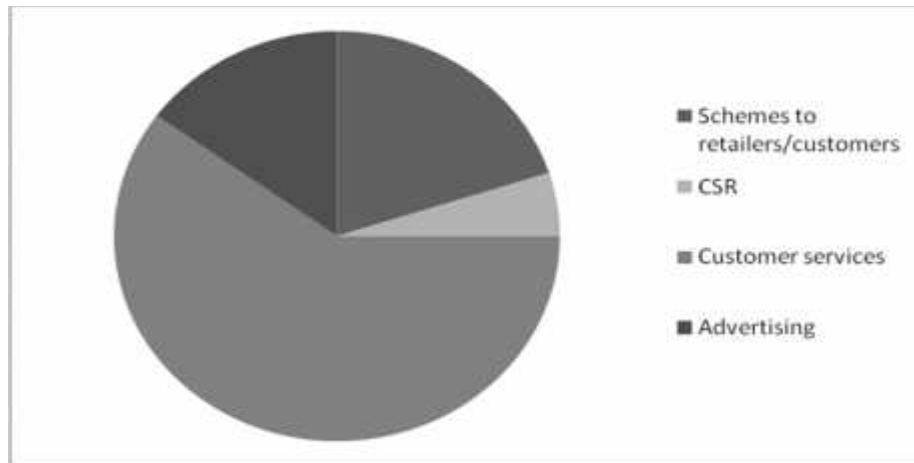
(Source:-Primary Data)

Main motto of any organization is to increase the user so they use different tricks and technique to expand the market like providing different schemes to retailers and customer, corporate social responsibility, customer services advertising and many more.

So 20% respondent feel that different schemes or gift should be provide to customer and retailer likewise 5% respondent feel that different type of responsibility should be done by organization so that people will be impressed by its contribution similarly 60% customer feel service must be provided to customer so it can attract more and more customer remaining 15% feel that advertising is only the factor which can increase the customer.

Figure 4.8

Major promotional Tools which can be used to Increase the Customer



With the help of above table and figure Researcher conclude that to expand the market, organization should enhance the customer services because it's the only factors that can increase the user.

4.5 Market Competitors in the Feeling of Respondent

Nepalese Information Technology service system, especially CDMA and GSM services till sep17, 2005 was not competitive because there was monopoly market of NTC. After the introduction of UTL and NCELL after 2004market become competitive in both CDMA and GSM network. Now, according the NTA report Jan.2014 NCELL is the largest voice service provider with the customer 48.22%, where as in CDMA network UTL covers 42.09% of total service in data/internet service and 36.84% of total service in fixed wireless (WILL) service and 37.06% of total service in limited mobility service. Also UTL has already got the permission for the GSM service. So, through this research, researcher wants to show how the respondents feel about both NTC and UTL services. So the research had asked very specific question regarding to the subject matter like, “Do you think UTL will be strong competitors of NTC?”

4.5.1 'UTL' will be the Strong Competitors of NTC?

In competitive market we can find many rival companies which sells same product or services. Some business organizations are more competitive and some are not like this some customer might feel that UTL might be a strong competitor of NTC and vice-versa.

Table 4.17
Will 'UTL' be Strong Competitor of NTC?

Option	Respondents	Percentage
Yes	54	54
No	46	46
Total	100	100

(Source:-Primary Data)

Interpretation According to the above table 54% of respondent think that UTL might be the strong competitor of NTC though it not seems to be so but if it improves its service quality and promote the brand effectively then defiantly it can give great challenge to the NTC and NCELL Mobile because within a short period of time UTL is popular in respondent but at the same time 46% of respondent don't think that because UTL is not coming aggressively today's and the future planning of the UTL are not published yet though UTL got license for the GSM network. As per the respondents view it is clarified that UTL may be the strong competitor of NTC in near future.

4.7 Major Findings of the Study

The research is mainly focused on consumer point of view. So, the following findings are drawn from consumer survey.

-) The maximum respondent age fall under 20 to 30 while having consumer survey.
-) The no. of male participate were higher than female.

-) Most of the respondents were graduate and job holders with having average income level.
-) While buying, respondents always give preference to service features and facilities more than price.
-) Respondents buying decision regarding to UTL phone and mobile service highly affected by Good Network Coverage & Service Features and price factor.
-) Respondents have positive response towards the advertising of UTL and campaign done by UTL.
-) Most of the respondents have noticed all of the ad campaign, but internet facility provided while using UTL SIM is appreciated among all of the ad campaign.
-) Among all promotional alternative advertising is most powerful tool to create brand awareness of UTL.
-) Among the factors that have been used in advertisement of UTL the customers are more attracted by informative advertisement as well as presentation.
-) Most of the customer feels that perfect promotion blend is required to have brand awareness.
-) UTL will be the strong competitor of NT and NCELL mobile ascertain through consumer survey.

CHAPTER-V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Simply, Marketing is managing profitable customer relationship. The aim of marketing is to create value for customer and capture value in return. Marketing management has taken an important place in business management. Today all successful companies have one thing in common, they are strongly customer focused and heavily committed to marketing. These companies share a passion for satisfying customer needs in well-defined target market.

In today's Global business environment, smart marketers look beyond the attribution of the products and service they sell. They all engage in creating conception value to differentiate and brand image on market. Advertising and sales promotion has a great contribution to fulfill this interest of companies.

Today every objects around us are filled with advertising message, concern of the main cities are filled with shining advertising Poster and hoarding boards, every products are attach with attractive gifts and offers and every business gets more than core profit on the sales of products.

Telecommunication business in Nepal is also very much effect from this trend of business. Almost all newspaper, magazine, television network are fill with advertisement of various company and their brands. Each and every brands like NTC, UTL, NCELL, SMART Mobile in Nepal look for a reason to bring attractive offer on their Services to attract the attention of customer.

Besides advertising and sales promotion, different types of facilities are also being provided to customer by UTL. To have their stand on the competitive market they try

to give more and more facility and services to the customer like providing free internet services or distributing free SIM in different program are providing bonus talk time whatever the schemes is but their only motto is to survive on tough corporate world.

UTL has become a major play of the telecommunication market in Nepal. It has success to established good level of brand awareness in the market and increasing loyal customers by its quality product and different facility in the lowest price among the competitor.

To retain the customer and increase the brand loyalty, the company is regularly engaged in research and development activities to improve quality of services and introducing new facility and schemes in the services also increase the area coverage.

Today, the market has provided both opportunities and threats to UTL. The opportunities are that, it has good level of brand awareness in the market, which is a good sign of market potential. And market share is also increasing year by year.

But there are still a lot of challenges. Leading Telecommunication Company like NTC and NCELL Mobile are still aggressive in the market and they are success to capture good market share. On the other side aggressive entering of new companied like STM, NSTPL, STPL in market, the market has become more competitive. The main challenges for UTL is to cover the area because the coverage area is less in comparison to NTC and NCELL Mobile it has spread its services only in 40 districts and also to maintain quality for its brand image. As UTL's future plan is to bring out the GSM service it will also help the company to raise up among the competitors.

5.2 Conclusion

Sales promotion, one component of the promotional mix, was most widely used marketing promotion strategies among the telecom companies. Almost all marketing promotion companies had been using sales promotion as a marketing promotion

strategy. Cash discount, price discount, bonus and interaction of middlemen (wholesalers and retailers) were the most widely used activities under sales promotion strategy for motivating middlemen to sell the product. The conclusions of the study can be summarized as follows:

-) Nepalese telecommunication customers are more quality conscious.
-) Telecommunication market in Nepal is being more and more competitive day by day.
-) Advertisement has played a great role on the sales of telecommunication services.
-) Nepalese customers' response to the advertising is increasing day by day.
-) Trade Promotion is more effective to increase the sales of company.
-) Business Promotion tools like convention, tradeshows, sales contest are very less used by companies in Nepal.
-) UTL provides the facility of land line phone, mobile phone, as well as internet services for the customer.
-) Sales Promotion activities of UTL are increase with compare to the last year.
-) Awareness of availability of UTL is satisfactory.
-) UTL is a rising telecommunication service in Nepalese telecommunication market.
-) UTL has a highest market potential in telecommunication market in Nepal.

5.2 Recommendation

Here are some recommendation points which are found to be considered for the future better sales and marketing performance so that the service can attain and retain the share in the market.

-) Good Network coverage and Internet service is highly appreciated by people. So, the company should focus in these qualities to maintain current subscribers.
-) The present market is very competitive, still NT is leading service provider. So, UTL has to compete with same pace with providing best quality communication service to their subscriber.
-) Advertising media should be selected carefully, which can reach to the target customer. Most of the respondent gets information from TV so UTL should focus on television advertisement and more hoarding boards.
-) From the acquired data of this study we can advise that company should continue effective campaign like providing internet services and distributing free SIM in different occasion which is really increase the subscriber.
-) To increases the customer company should give emphasis on customer services.
-) The advertisement should come out regularly, informing about the features, benefits and price of the services.
-) While making advertisement UTL should focus on informative factor to make advertisement effective.
-) Well blend of sales promotional mix is necessary to get optimal benefit from investment on sales promotion.
-) Company should focus on the media impact. When choosing media alternative.
-) Ethic of advertising should be maintained as a responsible part of society.
-) The sales promotion activities should be brought according to the changing wants of customers and competitor's moves.

-) Trade promotion activities should be increase to enhance sales because dealers want to sales the product, which gives them more profits.
-) Business promotion tools should be use to promoting brand awareness and enhancing brand image.
-) Financing facility should be well managed through associated with financial institutions for customer convenient.
-) Providing facility and services should be changed according to the change in the industry.
-) Company's policies should be communicated with dealer suggestion of dealers' must be reflect on the company's policies.

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Website

www.ntc.net.np

www.utl.com

www.nta.gov.np

APPENDIX

Questionnaire

Questionnaire for Consumer Survey

Dear Respondents, I am a student of MBS from Prithvi Narayan Campus (Tribhuvan University) and going to conduct a survey for partial fulfillment of Masters Level. So, I request you to take a few minute times, I assure you that all your response will be kept confidentially and will be use only for my study.

1. Sex

i. Male

ii. Female

2. Education

i. Up to SLC

ii. Certificate

iii. Graduate

iv. Master

3. Demographic Factor

a. Age group

i. Below 20 years

ii. 20-30 years

iii. 30-40 years

iv. 40-50 yrs

v. 50+ yrs

b. Profession

- i. Student
- ii. Housewives
- iii. Jobholder
- iv. Business man
- v. Other

c. Level(Rs)

- i. 3000-5000
- ii. 5000-10000
- iii. 10000-20000
- iv. 20000+

4. Buying Decision

a. What factor do you consider while buying a product?

- i. Price
- ii. Brand name
- iii. Services
- iv. Facility

b. What factor plays vital role while mobile buying decision?

- i. Network coverage
- ii. Service feature
- iii. Service Charges
- iv. Other
- v.

c. What factor helps you to know about UTL?

- i. TV
- ii. Radio
- iii. Newspaper
- iv. Other

5. Advertising impact

a. Have you seen or heard UTL advertisement?

- i. yes
- ii. No

b. Which means of advertising attract you the most?

- i. TV
- ii. Newspaper
- iii. Radio
- iv. Other

c. What factor in advertising attracts you the most?

- i. Presentation
- ii. Theme
- iii. Information
- iv. Artist

d. Has regular advertisement in different media been able to create positive respond towards particular product?

- i. Yes
- ii. No

6. Brand Awareness

a. For brand awareness which promotional tool is most effective?

- i. Advertising
- ii. Sales Promotion
- iii. Public relation
- iv. Other

b. What factor causes the brand awareness of UTL?

- i. Promotional blend
- ii. Service feature
- iii. Service charges
- iv. Other

c. What do you think the major promotional tool to increase the user?

- i. Schemes to retailers/customers
- ii. CSR
- iii. Customer services
- iv. Advertising

7. Competition

i. Do you think 'UTL' will be strong competitors of NTC?

- i. Yes
- ii. No

(Thank you for your co-operation)