

SALES PROMOTION OF REAL JUICE in KATHMANDU

(A Case Study of Kalanki Area)



A Thesis
Submitted By

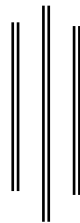
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Janakpur Dham

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RECOMMENDATION

This is to certify that the thesis:

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(A Case Study of Kalanki Area)"

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DECLARATION

I hereby declare that the work reported in this thesis entitled "**Sales Promotion of Real Juice in Kathmandu (A Case Study of Kalanki Area)**" submitted to office of the Dean, Department of Management of R. R. M Campus Janakpur, Tribhuvan University, is my original work. It is done in the form of partial fulfillment of the requirements for the Master of Business Studies (M.B.S.) under the supervision and guidance of **Mr. Arun Kumar Sah** of R. R. M Campus Janakpur Dham

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Tej Narayan Shrestha

Researcher

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CHAPTER: I

INTRODUCTION

1.1 Background of the Study

In today competitive world, each and every manufacture, producer and organization wants to sell their product or services. Now business is being very competitive and complex. Similar types of various products are increasing day by day. They all want to reach their target to maximize their sales and profit. So the producers are using various sales promotional tools and techniques to boost up sales of their product.

Sales promotion is becoming a very popular technique. It is highly visible element in the marketing mix. It tells the target customer about product, price, and place. It is also known as marketing communication. Promotion consists of activities that facilitate exchanges with the customer through persuasive communication to stimulated demand.

The concept of sales promotion is not new. The technique of sales promotion is being used by the producer/manufactures since 21st century. Sales promotion technique was used first time by John H. Pattson of United State, a founder of national cash register Company. He thinks that sales of the product can be increased if monetary advantages are given to the consumer. Since then the technique, consumer promotion is being used by many companies. Many researchers have researched on sales promotion. They found that many consumers are attracted and encouraged to buy if we can provide extra advantages. These activities of consumer forced, manufactured to make frequent use of different new and attractive promotional tactics. So manufacturers want fast sales of their product. For this, they always seek new techniques and ways to sell their products. Sales promotion has become as a solution for all above mentioned marketing problem.

Sales promotion has been increasing popularly as a promotion tool. Marketers are using it aggressively. Sales promotion refers to short term incentives to stimulate demand. it is used to create stronger and quicker response. It can be directed at consumer, middlemen and sales personnel. It supplements advertising and facilitates personal selling.

“Sales promotion refers to demand stimulating devices designed to supplement advertising and facilitate personal selling” (Stanton 1989). Sales promotion is selling activity that co-ordinates advertising and personal selling into an effective persuasive forces. It is claimed that sales promotion buyers moves direct toward the product, well known media of sales promotion include packages. Samples , premiums, coupons, contests and trading stamps .in some circles, sales promotion techniques are grouped together under the label “marketing services”.

Many sales promotion campaigns involve the use of incentives. Incentives are “something of financial value added to an offer to encourage some overt behavioral responses” (Kolter, 1975:21-7). They increased the presumed value of the product in the hope it will gain wider acceptance from

consumers. It is important to add sales promotion incentives are used by non- profit organizations as well as profit making ones.

It consists of diverse collection of incentives tools, mostly short term ,designed to stimulate quicker and or greater purchase of product by consumer to the trade. Whereas advertising offers a reason to buy, sales promotion offers to incentive to buy. It includes tools for consumer promotion (e.g. samples, coupons, cash refund offers, price –off, premium, prizes patronage rewards, warranties), trade promotion(e.g. buying allowances, free goods, merchandise allowances, cooperative advertising, advertising and display allowances, push money, sales contest)and sales force promotion (e.g. bonus, contest, promotional kits and sales commission).

A decade ago, the advertising to sales promotion ratio was about 60:40(source real juice published data). Today, in many consumer packaged goods industries, the picture became reverse, with sales promotion accounting for between 60 to 70 percent of the combined budget. Sales promotion expenditure has been increasingly 12 percent per year compared with advertising's increases of 7.6 percent. Several factor contributed to the growth of sales promotion. The growth of sales promotion media (coupon, contest etc) has created a situation of promotional culture, similar to advertising culture. It varies in their specific objectives.

Sellers use incentive type of promotion to attract, new users, to reward loyal customers and to increase the repurchase rates of occasional users. New users are of three types-users of another brand in the same category, users in other categories, and frequent brand switchers. Sales promotion often attracts the brand switchers because users of other brands and categories do not always notice or act on a promotion. Brand switcher is primarily looking for low price, good value or premiums.

In the modern marketing era, cut-thought competition is the main characteristic of the modern marketing world and Nepal too is not exception to this competition, has been taken very seriously in the Nepalese consumer market. Today many brands even a specific product category are being sole in a Nepalese market consequently. Nepalese consumer has wider choice while buying most of the product. They are not compelled to buy any particular product rather they are free to choose whatever they like among the different brand. In this contest every company trying to prove his product as the best and attract them by offering to different sales promotional tools and techniques. That is why, in the short run, sales promotion tools are more effective than advertising by offering different tools to attract new user as well as old and achieved their target goals.

Sales promotion objectives are derived from broader 'promotion objectives, which are derived from more basic marketing objectives develops for the product .the specific objectives set for sales promotion will vary with the target market . For consumer objectives include encouraging purchase of large size units, building trail among non users and attracting switchers away from competitor

brands. For retailers objectives includes retailers to carry new items and higher level of inventory, encouraging off-Season buying, encourage stocking of related items, off-setting competitive promotions building brand loyalty of retailers and gaining entry into new retail outlets. For the sales force objectives include encouraging support of a new product or model, encouraging more prospecting and stimulating off-season sales.

Importance Tools of Sales Promotion

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1.2 Statement of the Problem

Sales promotion cannot be exaggerated in the present situation. Increasing competition and sophistication of market has made it a compulsion in any business enterprise. Sales promotion plays a vital role in the promotional efforts by inducing the consumers to buy the products and help them about the buying decision. Through the sales promotion activities, business enterprise can get success in the market by using different tools and techniques. They influences by the scheme which are offered by the company. They tend to change their brand if they get a handsome offer. So that company most considered in the sales promotion tools and technique in old products as well as new products.

Nowadays Nepalese cold drinks market is very competitive. Various cold drinks are available in the market. They all want to achieve high market and go ahead than competitors. For this purpose they spend large amount of money for advertisement and sale promotion. Only advertising is not working these days. Various brands of cold drinks are available in Nepalese market. So consumer has many options to choose their favorable brand. The producer find very tough to sell their product. So they start to sales promotion techniques to capture the large market share. Nepalese management is still in underdeveloped stage. Manufacturers cannot say definitely that their promotion is effective or not. What are the impact being seen in the sales of cold drinks due to use of promotion? It is also very important to know that what sort of tools is very effective to enlarge the market share. The present study is trying to answer all the above questions.

1.3 Research Question

The following question will be analyzed in the study.

- Does consumer give more weight to sales promotion rather than any other promotional tools while making product selection decision?
- What is the best sales promotion way to impact on sales to the consumer for brand selection?
- Does sales promotion contributes in more sales?
- Does consumer choose a specific brand because of sales promotion?

1.4 Objectives of the Study

General objective of this study is to find out the sale performance of real juices. Specific objectives are as follows.

- To find out which promotion tools are widely practiced by Nepalese business organization.
- To evaluate the impact of sales promotion activities in sales of Real Juice in Kathmandu
- To evaluate and analyze the relationship between sales promotion package and consumer behavior towards the Real Juice in Kathmandu.
- To recommend future course of action for related organization.

1.5 Significance of the Study

Today's market has become very competitive because of the globalization, where the marketer is facing the problem of not getting the target market share, overstocking and competition. Different types of product with large no. of alternative brands are available in Nepalese cold drink market. In this situation, sales promotion is one of the short-term incentive tool which helps to increase the sales and achieve target in the Nepalese market. There are different brands of cold drinks such as Real Juice, Frooti, Fanta, Dew, Pepsi etc. Each brand has its own promotion strategy for increasing the sales. But there is not fixed defined sales promotion tools for all the cold drink industries. So there is a need to find out impact of different sales promotion tools to increase the sales of cold drinks.

The finding of this study may provide guideline for making the strategies of successful marketing activities and sales related activities. This study also provides the valuable reference to the students and researchers who are interested in conducting further research in sales promotion.

1.6 Limitation of the Study

Due to the limitation of time and resources this study was confined in the following limitations which are as follows:

- This study was conducted for the academic purpose for partial fulfillment of the requirement of degree in management
- Only limited number (100) respondents were participated in this study.
- Data used in this study were not verified from any authority.

1.7 Organization of the Study

This study will be organized into five different chapters. This chapter will be as follows:

Chapter I: Introduction

This chapter provides background and information on the subject matter of research, undertakes and presents general idea and information about sales promotional tools and techniques. So, the section includes a brief description of sales promotion. Likewise statement of the problem, objective of the study, significance of the study and the limitation of the studies are studied under this section.

Chapter II: Review of Literature

This section includes the reviews of relevant previous writing and studies to find the existing gap.

Chapter III: Research Methodology

In this chapter the research methodology is employed for the study and described it. It includes research design, data collection and source of data, data processing procedure, gathering, presentation and analysis of data.

Chapter IV: Presentation and Analysis of Data

This chapter deals about the presentation, tabulation, interpretation and analysis of data through different statistical tools and technique. Major findings are also present in this section.

Chapter V: Summary, Conclusion, Findings and Recommendation

This chapter is most important part of the study where major finding recommendation and conclusion are drawn.

References and appendix will be included in the last part of the study.

CHAPTER: II

REVIEW OF LITERATURE

2.1 Introduction Sales Promotion

Sales promotion sometimes described as the bridge between advertising and sales, it is defined as a method of marketing communication other than advertising and person selling. Publicity as a non-paid medium of communication is kept apart from advertising, personal selling and sales promotion. However, in a communication mix, all the element advertising, personal selling, sales promotion and publicity are combined together.

Sales promotion techniques may differ according to the types of the product under consideration. A manufacture of durable goods may not be directly involved in a sales promotion after that is offered through channels. The type of after varies from product to product. A medicine, for example, cannot be promoted through incentives to the ultimate consumer. It is best promoted through opinion leader and the appeals made by the sales force prove to be more effective. But cigarette promotion is popularly carried out through incentives offers. (Shrestha, 2005)

Sales promotion consists of a diverse collection of incentive tools, mostly short designed to stimulate quicker and /or greater purchase of a particular product by consumers or the trade. Whereas advertising offers a reason to buy, sales promotion offer an incentive to buy (Kotler, 1988: 139).

“In a specific sense, sales promotion include these sales “activities that supplement both personal selling and advertising and co-ordinate them and help to make them effective, such as displays, shows and exposition, demonstration and other non recurrent selling efforts not in the ordinary routine (American Marketing Association 1960).

“Sales promotion refers to activities of non- recurrent nature that are used to reinforce personal selling and advertising for stimulating consumer purchasing and dealers effectiveness” (Koirala, 2008: 114).

“Sales promotion refers to short term incentives to stimulate demand”. It is used to create a stronger and quicker purchase response” (Agrawal, 2010:376). It can be divested at consumer, middleman and sales personnel. It supplement advertising and facilitates personal selling. “Sales promotion refers to demand stimulating devices designed to supplement advertising and facilitates personal selling” (Stanton, 1994: 126).

“Sales promotion consists of diverse collection of incentives tools, mostly, short term, designed to stimulate quicker and/or greater purchase of particular product/services by consumer or the trade”

(Kotler, 1990: 140). Sales promotion includes tools for consumer promotion, trade promotion (i.e. buying allowances, free good) and sales force promotion.

2.2 Features of Sales Promotion

According to Philip Kotler, the following are the common feature of sales promotion.

Sales promotion includes incentive tools- Advertising and personal selling provides customer reason to buy a product. It is more aggressive and provides direct incentives to buy the product.

Sales promotion is Mostly Short-term- Sales promotion are normally implemented for a short period of time. Most of the sales promotion scheme is non-cyclical and normally not repeated within the same years.

Sales promotion is targeted at quicker and /or greater sales: sales promotion are basically targeted to achieve either faster sales or higher sales volume of a product. Various sales promotion incentives induce new customer to buy the product and “existing customers to buy more of the product.

It is directed at target audience- the target of sales promotion can be consumer, trade channel and sales personals. These sales promotion tools differ according to the target category (Agrawal, 2005:151).

In conclusion, it can be said that sales promotion is a short term direct cement or incentive to the sales force, distributors, or the consumer with do primary objective of creating an immediate sales. The sales promotion offer may in different forms depending on the time; situation and place. An effective marketer makes an offer which is both creative and attractive in nature and relate to the sales of a particular product or services.

2.3 Sales Promotion with other Promotional Activities

The major importance of promotion activities is that they are undertaken to increase the sales of goods and services.

2.3.1 Sales Promotion and Advertising

Advertising and sales promotion are obviously not amenable to any clear line demarcation. There is no convenient criterion to draw dividing lines between the two. Allocation of funds for advertising promotion expenditure is often made on trial and cruor basis .the most popular distinction between

them is the dimension of a product. Product on sales has two dimensions, the intangible and tangible (Leonard M. Lodish). Advertising is used to create awareness, image, and attitude and sales promotion is aimed at specific action (buying and selling). Advertising is used to build long-term brand awareness and sales promotion for the decision to buy. Shrestha, 2002).

Sales promotion and advertising differs in term of objectives as well as the frequency, duration and purpose of users. Advertising informs, persuades and remains the target market where as the sales promotion goes to encourage purchases by the brand loyal consumers and attracts new competitors brand users. For effective sales promotion are required creative talent, time and money. It becomes expensive with frequent operation while excess sales promotion with respect to a branded product may hurt the product's brand image. Advertising creates awareness in the market place and may be repeated several times to acquaint and remained the target market. Thus, advertising is designed to create, an image of or to carry a sales message about a product or services to the consumer, while sales promotion is an activity used to generate an immediate sale of the product or services.

2.3.2 Sales Promotion and Publicity

Publicity is non paid communication is expected to promote brand, products, persons, places, ideas, activates and organization (Kolter, 1989: 153). Publicity established indirect relations with industries or organizations. It is the function of public relations department of an organization to establish and maintain good relation with the public. Publicity covers security editorial space as divorced from paid space, in all media read, viewed or heard by company's customers or prospects. For the specific purpose of assisting the meeting of sales goals, publicity and sales promotion do not go together. A non-controlled media is coincident with an event. It is an additional voluntary effort for sales promotion which can improve the image of a product or service to the people. So, to please them, a public relation officer tries to bribe, the media of publicity. If it became paid promotion, the image of publicity is killed and will be an element of advertising. So publicity can be an element of promotional mix but not an element of paid or controlled promotion mix.

2.3.3 Sales Promotion and Personal Selling

Personal selling, in a brand sense, refers to communication aimed at generating customers for products, services, or ideas. Personal selling invariably means face to face communication. It is defined as "oral presentation in a conversation with one or more prospective buyers are the purpose of making a sale. (Edward, M.Mazza 1990)

The objectives of sales promotion and personal selling are different. Sales promotion is supporting activity to influence consumer buying and to attract them. Whereas, personal selling aims at selling and makes effort to match selling with buying. Sales promotion uses the sales force for a high selective for m of communication that is to educate the trade channels about the product and to

help is display and exhibition. Personal selling is used to build up buyers' performance conviction and action. Sales promotion is occasional in nature which attracts the consumers to the point of purchase and encourage them to purchase more through incentive offers, where as sales personnel visit the target market and educate them about the benefit and, use of products and service as a continuous process. Sales forces used in sales promotion concentrate on a specific brand for a specific period of time. Sales people have never been involved with the retailer promotional needs or with building a solid business relationship between the company and retailer, nor are they prepared, apparently to do so (Philip Kotler: 1989:63). However, personal selling is popular in case of highly selective brands which can penetrate the market through opinion leaders. At the point of purchase, trained sales personnel can impress more customers than an amateur individual.

2.4 Objectives of Sales Promotion

Sales promotion is an offer of different tactical promotion tools to stimulate or to create immediate sales. They are varied in form so no single purpose can be attributed to them. Thus, for example, the purpose of free sample may be to stimulate the consumers for a trial, whereas the purpose of free management advisory service cement as a long term relationship with the retailer. However all these diversified activities may be grouped into 3 major categories by specific target audience and promotional objectives.

- Sales promotion designed to stimulate support and provide the incentives for the sales force in its merchandising and selling effort.
- Sales promotion designed to motive middle man towards providing active and enthusiastic support in marketing company's products.
- Sales promotion designed to provide the consumers with incentives aimed at stimulating trial or continued use of specified products

A sales promotion program, if carefully designed, coordinate and time should be implemented at all three levels. (Gupta, 1990)

2.4.1 Characteristics of Sales Promotion Tools

Sales promotion consists of combination of various tools with different objectives, implications and functions differently in the mix. To match them with the product lifecycle, or the type of product and the nature of the product requires the full knowledge of each tool. Sales promotion is tactical and creative in nature. The tool actually offered may be distinct from what are explained here. However, the most popular tools are the following.

Coupons

A coupon is a certificate distributed by the manufacturer to the consumer redeemable at retail outlet, giving reduction in price on the purchase of particular product or brand. It is the place either in the package or distributed by direct mail or through sales personnel, or through the media system like newspapers and magazines. (Gupta, 1990)

Point –of-Purchase (POP) Displays

A wide variety of point of purchase materials such as poster, banners, streamers, price card, racks, signs, displays and cartoons are placed at on or in retail stores. These materials are distributed to retailers through wholesalers, the sales force or by mail. (Gupta, 1990)

Samplings

Samples are offer of a free amount o r trial of a product to consume. The sample might be delivered door to door, sent in the mail, picked up in a store, found attached to most expensive way to introduce a new product. (Gupta, 1990)

Contest and Sweepstakes

Contest is a call to an expertise with the objective of propaganda about the product to the consumers while sweepstakes offer the consumer the right to participate in a game free of cost.

Gift

Advertising specially is an article of merchandise like pen, calendar, key chains distributed free of cost either by direct mail or through sales personnel and dealers, or from point of purchase display and in store demonstration.

Premiums

Premium is a merchandise item provided free of cost or at reduced price as an incentive to the buyer of specified product. Different kinds of product like the direct premiums, self liquidating premiums, free mail-in premiums, continuity coupon premiums and free give always are in practice.

Free Trials

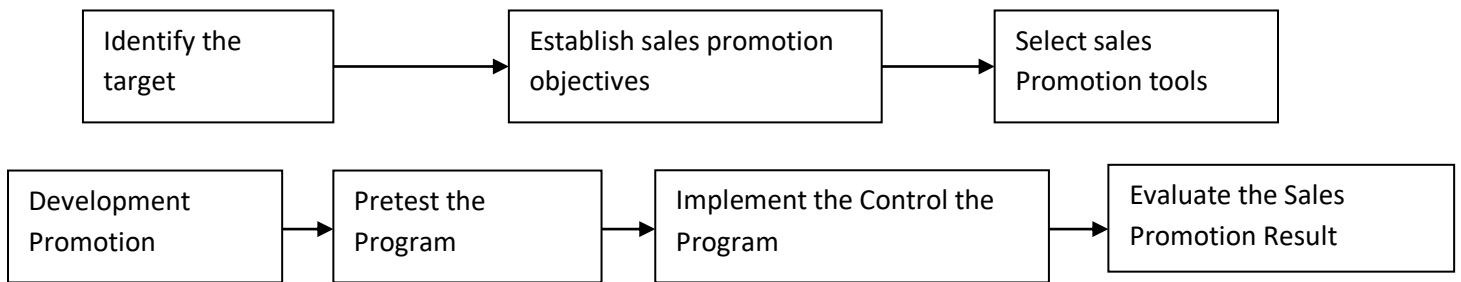
Free trials consist of inviting prospective purchase to try the product without cost in hope that they will buy the product. Thus, auto dealers encourage free vests drives to stimulate purchase interest product warranties. Product warranties are and important promotional tool especially as consumer become more quality sensitive. (Gupta, 1990)

2.5 Sales Promotion Decision

While inducing sales promotion tools to promote company's sales several decisions have to be made decision made. Decision made randomly in sales promotion campaign may be quite ineffective and harmful to the company. Usually, sales promotion decision involves the following.

Figure 2.5

Sales Promotion Decision



The target audience may be consumers, reseller or dealer and sales forces or personnel. It should be clearly identified when sales promotion decisions are lunched.

Establish the Sale Promotion Objectives

Sales promotion objectives may vary according to the type of target audience. For consumer, the sales promotion objectives may be to encourage purchase of large- sized unit, build trail among nonuser and to attract switchers away from competitors brand etc... similarly, dealer or resellers, objectives may be to persuade to carry new items, encourage keeping stocks of related items, build. Brand-loyalty and to encourage off season buying, etc. At last for the sales force, the objectives may be to support new product or models, to encourage more prospects and stimulating off-seasons etc.

Select the Promotional Tools

On the basis of sales promotion objectives effective or appropriate sales promotion tools should be selected. The appropriate tools can be selected among tools mentioned in the above diagram.

Develop Sales Promotion Program

After the effective tools are selected to fulfill the company’s objective, the next important steps is to develop on effective sales promotion program in order to develop an effective sales promotion program, a marketer should consider several factors such as

- Determine the size of the incentive to be offered.
- Establish condition for participation
- Decide on the duration promotion whether it is for one week, one month, or three months

- Choose a distribution vehicle i.e. whether the coupon is distributed in the package, store, mail, advertising media. Each distribution method may involve a different level of research, cost and impact.
- Establish time of promotion and develop calendar dates for their annual promotion
- Determine the total sales promotion budget, including administrative cost and incentive cost.

Pretest the Sales Promotion Programme

Before the launching sales program in the target market, it is better to select certain market, it is better to select certain market area and implement the sale promotion program in such selected market areas first time to measure the effectiveness of the programme and to rightly project the company's sales.

Implement and Control the Sales Promotion

If the sales promotion program launched in the select market area becomes successful, the final sales program will be designed and implemented in the specified time and the program will be closed after the specified time is completed. Before the program is launched the marketer has to identify lead time to prepare advertising and sales promotion materials, notify the field sales personnel, purchase on print the special premiums, distribute them to the concern parties including customer to retailer and then identify the duration of the sales promotion for which the program is launched. After completion of sell-in –time the program should be closed. Otherwise the sales promotion will be ineffective.

Evaluation the Sales Promotion Results

After sales promotion program is over, the marketer should evaluate the effectiveness of the programme and the benefits received by the company by launching such program me. If the programme found successful, the company can offer the same type of promotion program in future too. Otherwise, the program should be redesigned to get maximum benefit.

2.6 Nature of Sales Promotion

Sales promotion as those promotional activities (other than advertising, personal selling and publicity) that are intended to stimulate customer demand and to improve middleman's marketing performance (American Marketing Association 1960). A list of sales promotion activities is a long

one. it includes the use of coupons , premiums, in-store display, tradeshows, free sample. Context for consumer or middleman and many other activities .These activities may be conducted by producer or by middleman. Sales promotion by producers may be directed at middleman or at the end users- either household's consumers or industrial users. Middleman directs their sales promotion efforts at the end users consumer or industrial. (Koirala, 2008).

While sales promotion is something separate from advertising and personal selling, all three activities often are interrelated. In fact, a major function of sales promotion is to serve as a bridge between advertising and personal selling to supplement and co-ordinate efforts in these two areas. For example an in-store display (sales promotion) furnished by the manufacture for store selling Michelin tires may feature a slogan and illustrations form Michelin's current advertising campaign. This effective display then makes the retailers more receptive to talking with Michelin sales people or sales force prospecting leads may be generated from people who visited the canon copy-machine exhibit at an office equipment trade show.

2.6.1 Method of Sales Promotion

The sales promotion method can be grouped into consumer promotion, trade or dealer promotion and sales force promotions.

2.6.2 Consumer Promotion Method

Consumer promotion method encourage customer to visit particular store, purchase a particular brand and purchase it in more quantity. Consumer promotion is launched by retailer as well as manufactures. The choice of tools also varies between new product and existing products.

2.6.3 Sales Promotion for New Product

Demonstration

Under this method, the product is demonstrated to general public. It is less aggressive promotion method. It is implemented to attracted attention of prospective buyers on the product. It is a popular promotion method among marketers of consumer durable goods and washing powder.

Free Sample

Under this method, free sample are distributed to consumers for free trail. It is very effective promotion method during the introductions stage of the product life cycle. The sample should could be mailed to consumers, distributed in central location or handed out in the retail stores. This

method is suitable for low price, like weight consumer items that can be distributed in miniature packages.

Coupons or Trading Stamps

Coupons are certificated of purchase awarded to buyers that can be redeemed into cash or another product. Coupons are distributed manufacture as well as retailers used trading stamps based on total amount of purchase while manufactures distributed coupons on the units of product bought by the consumer.

Money Refunds or Rebates: money refunds or rebates are generally used by manufactures to reward consumers for the purchase of a product. When consumers buy the product they are required to mail a point of purchase directly to the manufactures. On the receipt of the point of purchase, the manufacture refunds the rebate amount prevailed in the deal.

Trade fare and exhibition: trade fare participation provides a very wide exposure to the product among potentials users. Trade fairs and expositions are organized at national and internationals levels. Manufacture may participate in such trade fairs in order to expose their new product to a very large number of visitors. Installation and accessory equipments are mostly introduced through special exhibitions. Most of new models of Aircraft, cars, motorcycle are exposed in special Exhibition.

Point of Purchase (Pop) Display

Pop displays are normally placed in retail outlets. They can be in form of posters, cartoons and mobiles. They are strategically placed in the retail outlets to catch the buyer's attention. Pop materials are very effective in building consumer awareness on the product. it often contributes building consumer awareness on the product.

2.6.4 Sales Promotion Method for Established Product

Premiums -premiums are items offered for free or at minimum cost as bonus for a purchase of a product. Premiums are the most extensively used sales promotion tools in Nepal. Premiums can provide an immediate boosts of sales by attracting competitor's customer.

Price-offs

Price offs offers the product at a reduced price the label on the package generally announces a price off on the product. Such price-off is used to promote products during off seasons. Price-offs normally stimulates consumer demand and helps the marketer to sell products in large quantity in a very short duration.

Consumers Contests

It invites consumer to participate in a contest to win various prizes using their analytical and creative skills. Contest may be organized to solve a cross word or other puzzles. Consumer buys the product in order to participate in the context that boosts the sales of the product.

Consumer Sweepstakes

Consumer participates in sweepstakes by entering their names as participants. Consumers are required to send in several empty packages along with their names, prizes are thawn over all collected names. Sweepstakes are less expensive but more effective than contexts in stimulating sales.

2.6.5 Trade or Dealer Promotion

Trade or dealer promotion methods and directed at the resellers. They are targeted to increase inventory level of resellers and build sales traffic at the retail level. This method also encourages resellers to actively participate in the promotion of the product at the local level. (Cravens, Hills and Woodruff 1988).

Buy Back Allowances

Buy- back allowances are bonuses paid to resellers. The amount of bonus is calculated on the purchase of a product by reseller during a specified time period. Such allowances are designed to reward resellers in proportionate to their purchases. Large buyers receive higher levels bonuses as compared to small buyers. Buy-back allowances encourage resellers to handle larger inventories.

Free Merchandise

Under the merchandise method, the resellers are offered more units of the product at the regular price. This method also encourages resellers to buy in large volumes in order to increase their profits. It relives the manufacture from maintaining bonus accounts for each reseller.

Buying Allowances

It is temporary price reductions offered to the resellers for purchasing a specified quantity of the product. They are similar to price-off offered to customers. Buying allowances also encourage resellers to buy more units of the product.

Merchandise Allowances

Merchandise allowances or push money is paid to resellers for undertaking special promotional efforts at local level. Manufacture pay push money to retailers for participating in special display. Wholesale also receive push money from manufactures for undertaking local level advertising.

Sales Contest

Sales contest are organized between resellers to recognize and reward the most efficient channel members. Sales contest are based on purchases for wholesaler and effective displays for retailers. The reward is such contest effective displays for retailers. The rewards in such contest may be in the form of cash prizes or special holiday trips.

Dealer Loader

Dealer loader is gift provided to efficient resellers who purchased a specific quantity of the product during a specified period of time. Gifts may be provided to retailers for their special display efforts. (Cravens, Hills and Woodruff 1988).

2.6.6 Sales Forces Promotion

Sales promotion are directed at its sales forces. It can be used by manufacturers and resellers. It consists of

Sales Contest

It includes sales force to increase sales over a stated time period. The prizes can be cash, trips, or gifts. The indicators should be measurable for sales contests to be effective.

Trade Show and Conventions

The product is demonstrated at trade shows. Sales force develops customer contacts to get sales order during trade shows. Conventions of sales force are also organized. They provide an opportunity to sales force to interact with the management and colleagues.

Gift Items

Sales personnel are provided with small gift items like pen, diary, key chain, calendar etc. They distributed them to customer free of cost.

Promotions Kits

Sales personal are provided with promotional kits that contain catalogues, brochures and other promotional about product. Demonstration model of the product may also be provided.

Bonus and Commission

They are cash awards to sales force to increase sales over specified volumes. They induce extra by sales personnel.

2.7 Potential of Sales Promotion

Sales promotion can supplement the selling efforts by providing an extra incentive to the consumer to purchase the product. But sales promotion as a marketing tool has its own limitation too. And handled without understanding these limitations, its effects can be negative. That means sales promotion cannot be used indiscriminately. It is interesting to remember that quite a few marketing experts have the view that where as advertising builds up brand loyalty, sales promotion breaks down brand loyalty. While such a branding of advertising and sales promotional may not be appropriate, it certainly throws light on the side effects an inept handling of sales promotion can create. No wonder, sales promotion used to be viewed and skeptically by marketing men. However, over the years not only this trend has changed but also a trend to view sales promotion as constructive marketing tools has developed. (Cravens, Hills and Woodruff 1988).

While resorting to sales promotion, it is essential, that these dimensions are kept in focus. Sales promotion should from part of well planned and well integrated communication/promotion strategy. It must be remembered that sales promotion is just one element of the marketing communication mix of the firm. When it seems with the other elements, it is very productive. But when it handled as an independent tool available at the back and all marketing man it can harm the long term interest of the brand/product. So sales promotion must be used judiciously ensuring that the money spent on the sales promotion adds to the strength of the communication /promotion efforts of the firm.

2.8 Review of Previous Studies

Aryal (2011) conducted another study n entitled of *"The Study of Market Share of Colgate: in Comparison with Other Brands"*. This study mainly focuses to find out the market share of Colgate in comparison with total other brand toothpaste. This study is based on the primary and secondary data. The major findings of the study are as follows.

- Normally people brushes twice days in KTM because of the people are educated and are health conscious.

- Most people always performed T.V media among the various other media.
- The expenditure on toothpaste by people is not much because the price of toothpaste is cheap than other daily uses commodities.
- Most shops are stocking more brands but close up and Colgate is highly stocking and selling brands.
- The retailers are purchasing their stock of toothpaste form the distributor mainly because all companies have their own distributor in most of the place in market.
- The shopkeeper sells close-up in more quantity than other brands. It shows that the close up sales is high and its market share is also high than other brand of toothpaste.
- On purchasing the toothpaste people generally observed different incentives or scheme on different brands. So the schemes have direct impact on sales. Hence the different companies offer different schemes on their products and on observing the view of people; they also say that the scheme and different prizes induce them.

Shrestha, (2010), has conducted research study on “The Role of Advertising in Sales (A study of Bottlers Nepal Ltd., Bottlers Nepal (Terai) Ltd. and Nepal Lever Ltd” with following objectives:

- To measure the advertising expenditure of Bottlers Nepal Limited. Bottles Nepal (Terai) Ltd and Nepal Lever Limited and its impact of sales.
- To analyze the impact of advertising on total performance of Bottlers Nepal Limited, Bottlers Nepal (Terai) Ltd
- To meature the advertising expenditure as percentage of company sales.

The study has conducted that the only purpose of advertising is to sell something a product, a services and idea. it is very powerful tool for the creation and retention of consumer demand and it is pivot of modern industry and commerce .Finally the sales has positive relationship with advertising expenditures and advertising plays a significant role on the total performance of company as well as concerned companies devoted a very small percentage of sale to advertising.

The study has recommended that the quality of advertisement should be improved, television advertising is more popular and among the consumers of Kathmandu valley etc.

Adhikari (2009) entitled on “*Impact of Sales Promotion Tools on Sales of Cold Drinks*” was conducted in the field of sales promotion. The following are the major objectives of the present study.

- To find out the promotional tools and media is more acceptable to Nepalese consumer.
- To evaluate effectiveness of sales promotional activities in the sales of cold drinks in Nepal.
- To evaluate the relationship between the relationship between sales promotion package and consumer behavior.

This research is based on primary data as well as secondary data and the major findings of this study were as follows:

- People are aware about sales promotion activities. Out of them most people know about item prize than coupon than cash prizes .but cash prize is effective than others tools.
- The sales of one brand doesn't affect negatively to the sales of other brands. As the observation shows that the trend of all two brands are increasing.
- All media is not popular among the people. Only electronic media (F.M, T.V) is very popular among the people and the people who watch and listen media notice the ads, the percentage of the people notices ads for entertainment are higher than for information.
- Retailer is interested on promotional program. There are aware of cash prize than other promotional work. Thus sales promotion programme has positive impact on retailers and most of them taken parts on contest and win prizes.

Bhatta (2008), was conduct a research in entitled of “*Sales Promotion and its Effect on Sales: A Case Study, of Beer Market*”. Major objectives of this study were impact of sales promotion on sales of bear. The major findings of this study are as follows:

- The person drinks beer for relaxation rather other causes.
- The people prefer San Migule Brand more than other brands.

- People were aware sales promotion activities. Out of them most people know about cash prize than other tools of sales promotion. Likewise people are insisted by the cash prizes out of all others.

Most people like little bit of the contest but out of persons who have taken parts in contest have not got any prizes yet. And those who have got the prizes are insisted to have same brand of beer. So it is clear that the person who get the prizes out of promotional activities are convinced to have brands of beers.

Electronic media is very popular among the people and the people who watch and listens media notice the advertisement, the percentage of the people notice advertisement for entertainment s are higher than for information. There are positive relationship between the sales and sales promotion. If the expense on sales promotion increase in the sales increase in high speed.

Cash prizes are the most popular as well as effective sales promotion techniques for beer industries. In one hand, companies in every promotional program offer cash prizes and other hand most people say that they are induced by the cash prize.

2.9 Research Gap

Review of researcher conducted so far shows that researchers are more concentrated upon sale promotion of real juice in Kathmandu with all of available literature. But no research has been found in the topic which selected study. This gap is supposed to be filled by the current research.

CHAPTER: III

RESEARCH METHODOLOGY

3.1 Research Design

What is research design?

The present study is based on the survey research design. The research is concentrated to find out whether the sales promotion affects the sales of cold drinks negatively or positively and what mode of sales promotion more effective for the sales of cold drink.

3.2 Nature and Source of Data

The two types of data used in this study one is from consumers and other is sales data from manufactures. Mainly, the present study is based on the primary data. The primary data and some extent on secondary data. were collected from the different places of Kathmandu valley Kalaniki area and secondary data are collected from the dealer of Real Juice Kathmandu office and from the annual reports of Dabur Nepal.

3.3 Population and Sampling

The population of this study is the whole drinkers of cold drink in the Kathmandu valley Klani area and some respondent are sample. There were 100 samples taken from the whole population of the study. Samples were selected from different places of Kathmandu valley. Different age group male as well as female and sales related personnel were included in samples population.

3.4 Data Collection Procedure

The data collected from the primary source consists of extensive field survey containing application of questionnaire, personal contact, observation, interview and discussion with different persons. Some information was collected from published and unpublished documents. The techniques is used for collection is questionnaire and verbal communication with different person who drink cold and related persons.

3.5 Data Processing and Presentation

The raw data were processed through editing and classification. Processed data are presented through simple diagram.

3.6 Data Analysis Techniques

The data collection from consumers through questionnaire was be analyzed through the percentage and chi square test and the sales data of Real Juice have been analyzed using regression method

CHAPTER: IV

PRESENTATION AND ANALYSIS OF DATA

4.1 Presentation

This research is mainly of exploratory type so the researcher tried to give more accurate picture of the impact of the sales promotion on actual sales. So two way of collection and interpretation of data is considered and given in this study. First type is a survey conducted in Kathmandu to explore what the consumer think about the promotional activities of Real Juice manufacturing (Dabur) and second type is sales data of Real Juice, promotional campaigns and its promotional activities impact on the sales of the Real Juice in Kathmandu.

First, we analyze and interpret the survey data and response taken from the market place from the real consumer.

4.1.1 Respondent's Profile

Only 150 questionnaires distributed for collection data. The researcher has taken response from the market place from the real consumer. All 150 questionnaires distributive in Kathmandu and percent questionnaire collected, the following table given the details.

Table: 4.1

Real Juice Users (Sex Wise Classification)

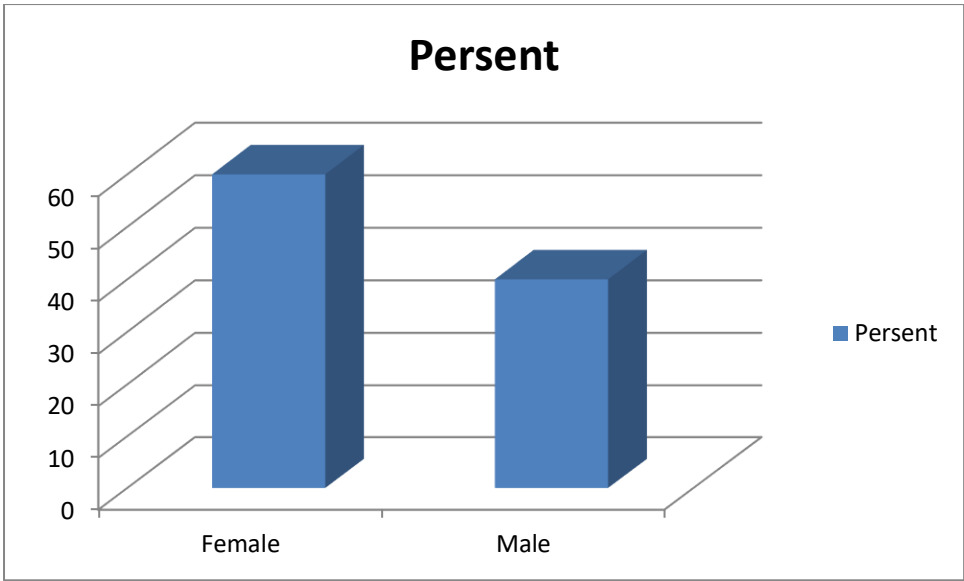
Gender	Number(NO)	Percent
Female	60	60
Male	40	40
Total	100	100

Source: Field Survey 2013

Figure: 4.1

Demographic Analysis

Real Juice Users (Sex Wise Classification)



Above table and figure show that out of total respondents male respondents are 60 percents and female respondents are 40 percent who drink Real Juice in Kathmandu.

Table: 4.2

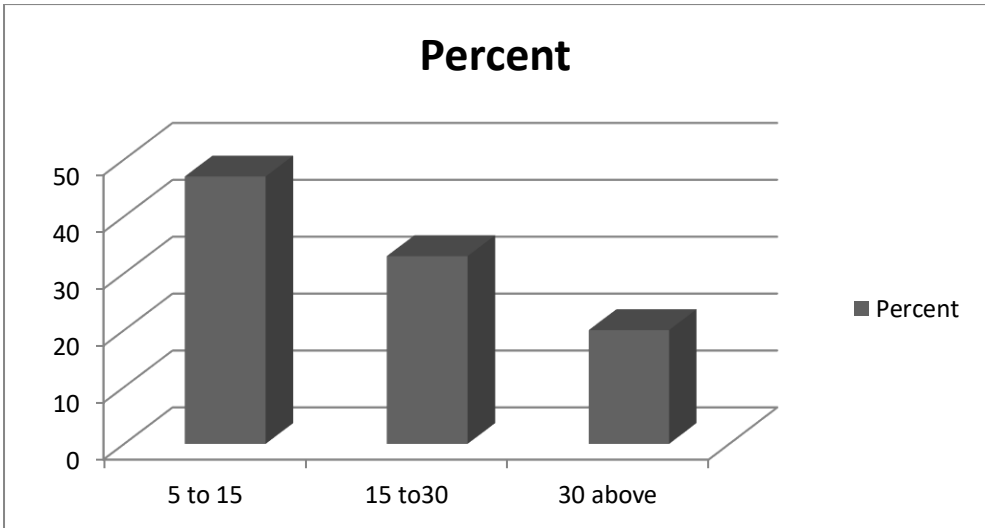
Age Level of Respondents

Age	No	Percent
5 to 15	47	47
15 to30	33	33
30 above	20	20
Total	100	100

Source-Field Survey 2013

Figure: 4.2

Age level of Respondents



From the above table it can be analyzed different age group. Here the age group of 5-15 is 47 %, 15-30 are 33% and above 30 are 20%. From the above analysis, it can be inferred that most of the consumers are children, adult, teenager, and 30 above.

Table: 4.3

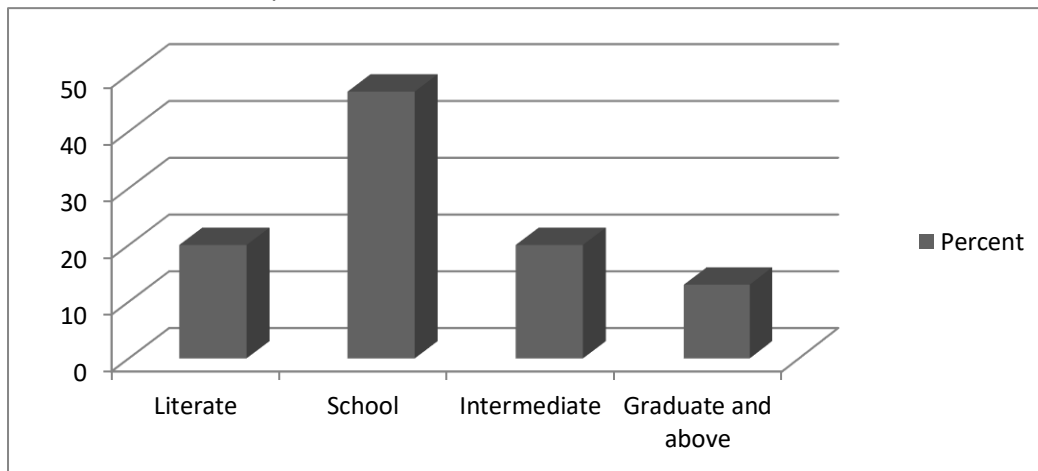
Education Level of Respondents

Education	No	Percent
Literate	20	20
School	47	47
Intermediate	20	20
Graduate and above	13	13
total	100	100

Source: Field Survey 2013

Figure: 4.3

Education Level of Respondent



From the above table it can be analyzed among the consumer survey , according to education background 20% are literate, 47% consumers are school student, 20% are intermediate students and 13% are consumers are graduate and above.

From the above analysis it can be inferred that most of the consumers of Real Juice are student of school then after the students of intermediate a literate consumers.

4.1.2 Consumers Cold Drink Drinking Habit and Behavior

To know about consumer habit the researcher start form very preliminary questions like 'Do you drink cold drinks?' to the very specific questions 'Do you stick on any special brand of cold drink?' the following series of table presents the response behavior.

Table: 4.4

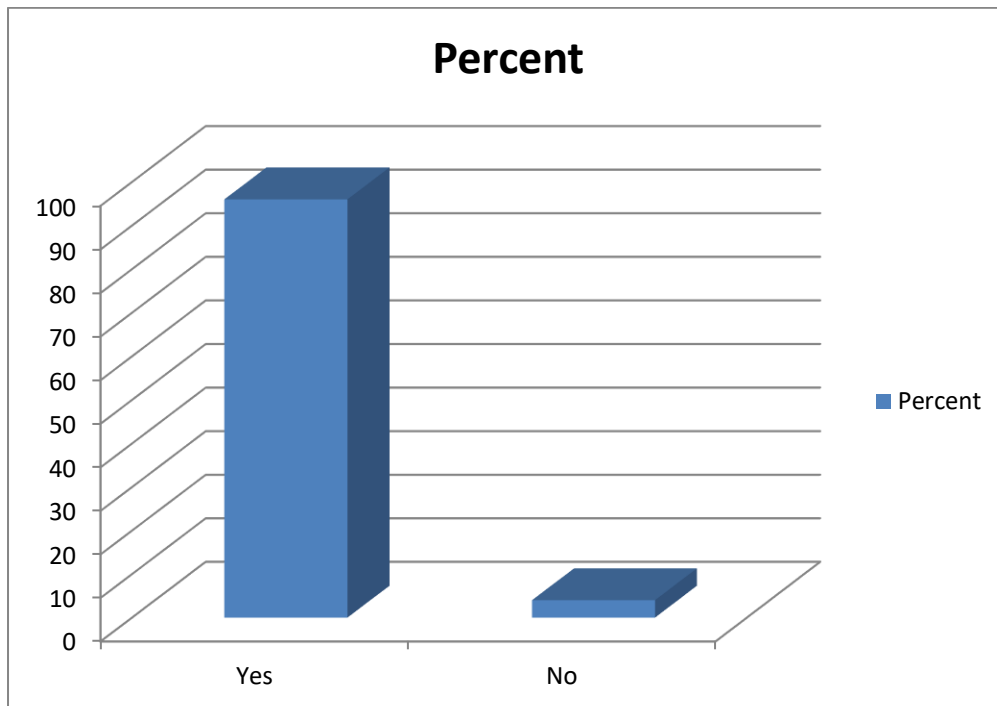
Drinks Habit

Particular	No	Percent
Yes	96	96
No	4	4
Total	100	100

Source: Field Survey 2013

Figure: 4.4

Drinks Habit



From the above table and figure show that out of the total respondents 96% drink cold drink and only 4 percent respondents do not drink.

Table: 4.5

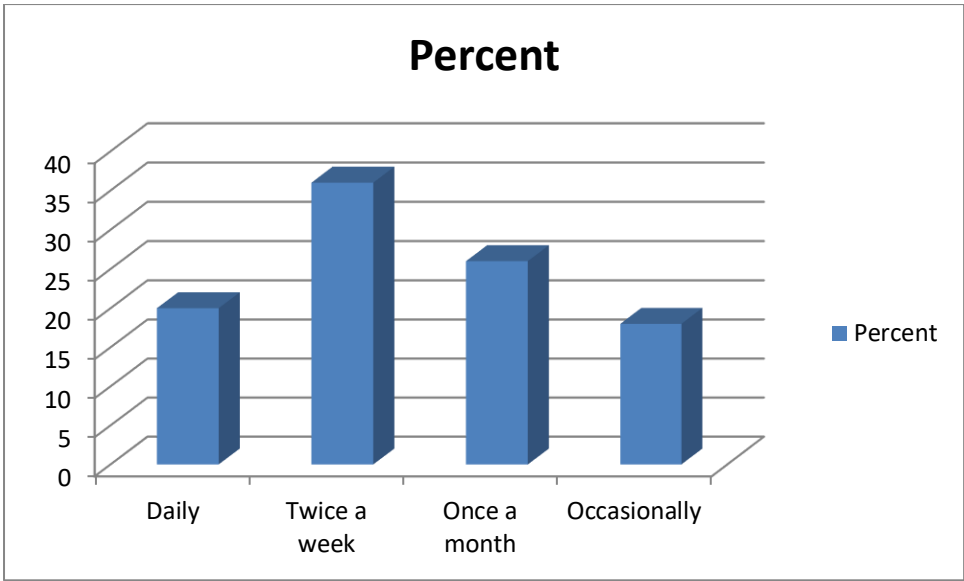
Drinking Frequency

Option	No	Percent
Daily	20	20
Twice a week	36	36
Once a month	26	26
Occasionally	18	18
Total	100	100

Source: Field Survey 2013

Figure: 4.5

Drinking Frequency



Above table and figure show the frequency of drinking cold drink of the people 20 percent of the people drink daily, 36 % people drink twice a week, 26% people drink once a month and 18% of people drink cold drink occasionally in Kathmandu valley

4.1.3 Consumers Liking the Real Juice

Table: 4.6

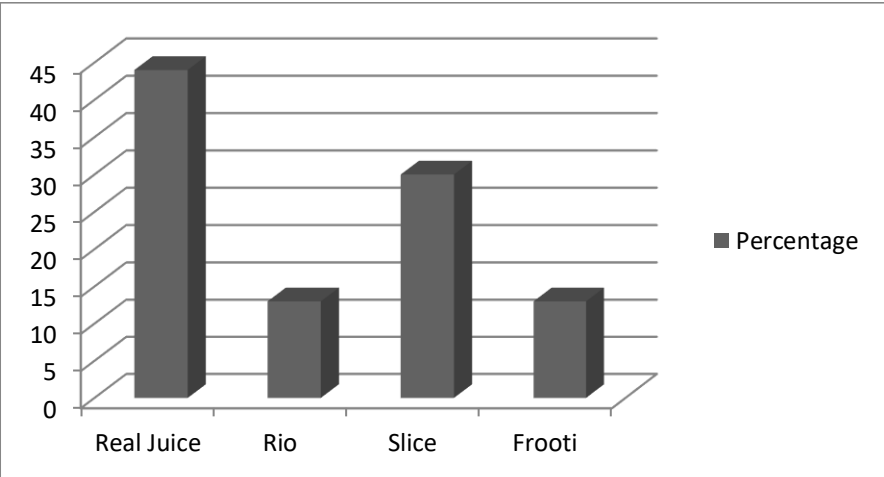
Consumers Liking the Real Juice

Options	No	Percentage
Real Juice	44	44
Rio	13	13
Slice	30	30
Frooti	13	13
Total	100	100

Source: Field Survey 2013

Figure 4.6

Sales of Juice



From the above table shows that 43.33% people like the real juice, 13.33 % like Rio, 30 % like Slice and 13.33 like the Frooti.

4.1.4 Reason for Taking Real Juice

Table: 4.7

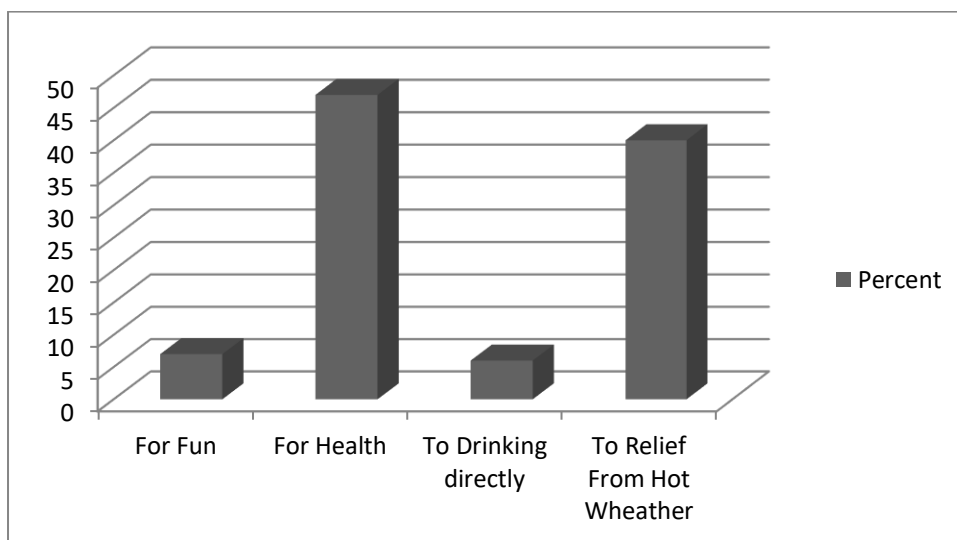
Reason for Taking Real Juice

Options	No	Percent
For Fun	7	7
For Health	47	47
To Drinking directly	6	6
To Relief From Hot Wheather	40	40
Total	100	100

Source: Field Survey 2013

Figure: 4.7

Reason for Taking Cold Drinks



From the above table shows that 47% people drink for health, 40% people drink to relief from hot weather, 7% people drink for drinking directly and for fun.

4.1.5 Sale Promotion of Cold Drink (Real Juice)

To know consumer opinion and their think about promotional work that cold drink (Real Juice) company performs. The researcher has picked up the subject with very simple questions such as “Do you know about the promotional work that cold drink manufactures perform?” the following is the table relating with promotional work.

4.1.6 Popularity of Promotion

Table: 4.8

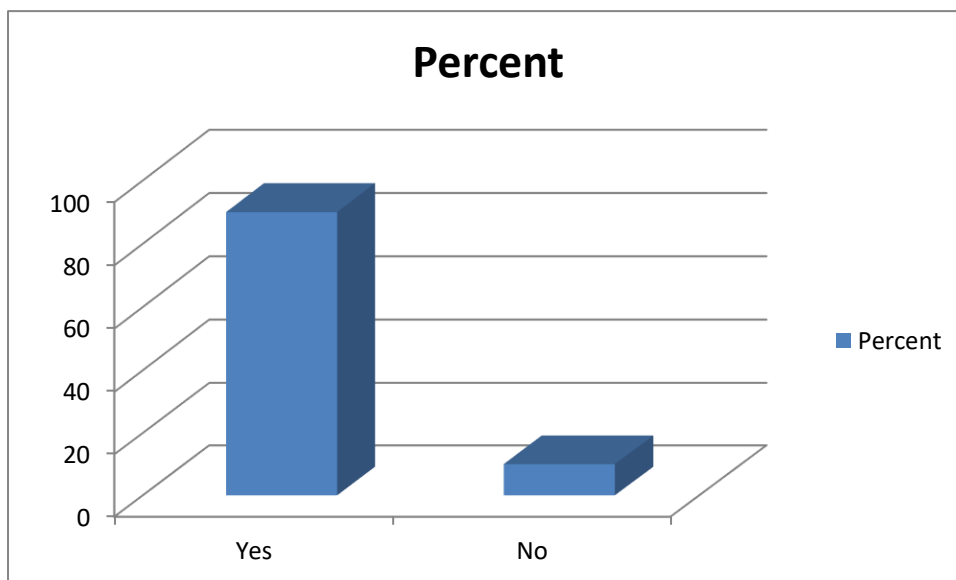
Popularity of Promotion

Options	No	Percent
Yes	90	90
No	10	10
Total	100	100

Source: Fields Survey 2013

Figure: 4.8

Popularity of Promotion



The above table shows the popularity of promotional work known by 90% of people and only 10% people do know about the promotion.

Table: 4.9

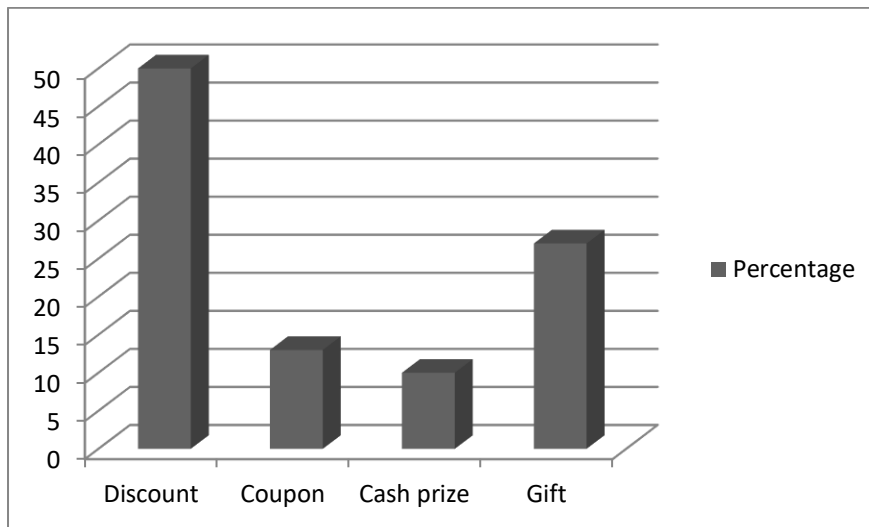
Awareness of Promotion

Options	No	Percentage
Discount	50	50
Coupon	13	13
Cash prize	10	10
Gift	27	27
Total	100	100

Source Field Survey 2013

Figure: 4.9

Awareness of Promotion



Out of total respondent 50 % people have awareness about the discount, 27% aware of coupon, 13% aware of cash prizes and 10 % of people aware of gift.

From above table shows that most of the people wants discount and gift because these two things get current discount whenever you purchase drinks.

Table: 4.10

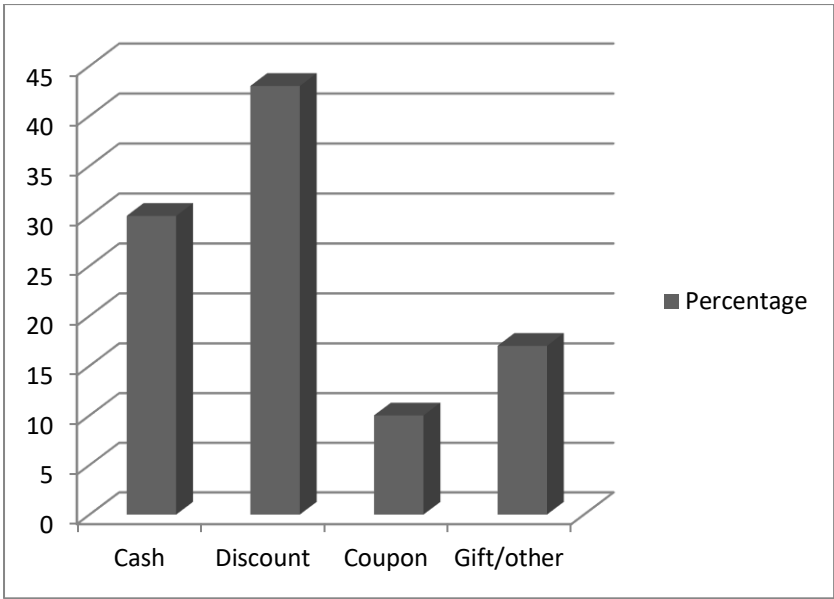
Effectiveness of the Promotional Tools

Options	No	Percentage
Cash	30	30
Discount	43	43
Coupon	10	10
Gift/other	17	17
total	100	100

Source Field Survey 2013

Figure: 4.10

Effectiveness of Promotional Tools



The table shows that effectiveness of promotional tools. Out of total respondents 43% of people choose cash price, 30% cash, and 17% gift/other.

Table: 4.11

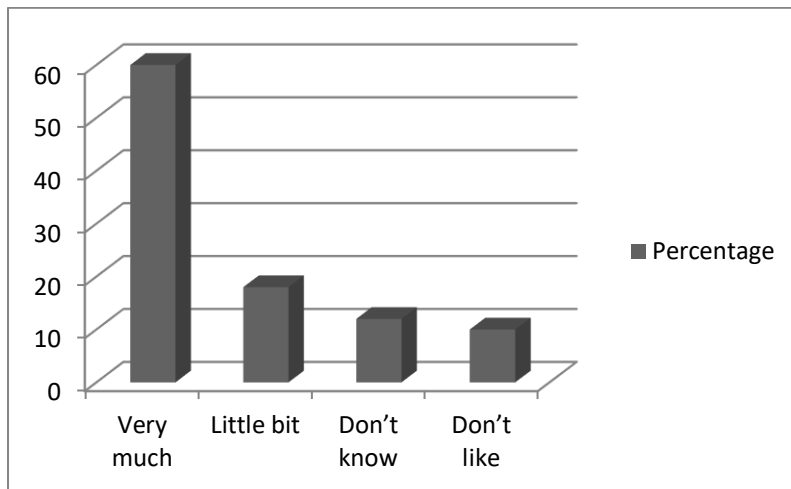
Interest on Promotional Contests

Options	No	Percentage
Very much	60	60
Little bit	18	18
Don't know	12	12
Don't like	10	10
Total	100	100

Source: Field Survey 2013

Figure: 4.11

Interest on Promotional Contests



The above table shows the interest of the people on promotional contents. Out of total respondents 60% of people like these contests very much, 18% like little bit, 12% of people are indifference of these contests and 10% of people are against of these contests.

4.1.7 Media Graphic

Today world is globalized, to know which media is suitable to convey the message of sale promotion, which media is more popular, the researcher wants to ask some questions like “Do you watch/read/listen the programs and news from T.V and Radio?” the following is the table relating with media.

Table: 4.12

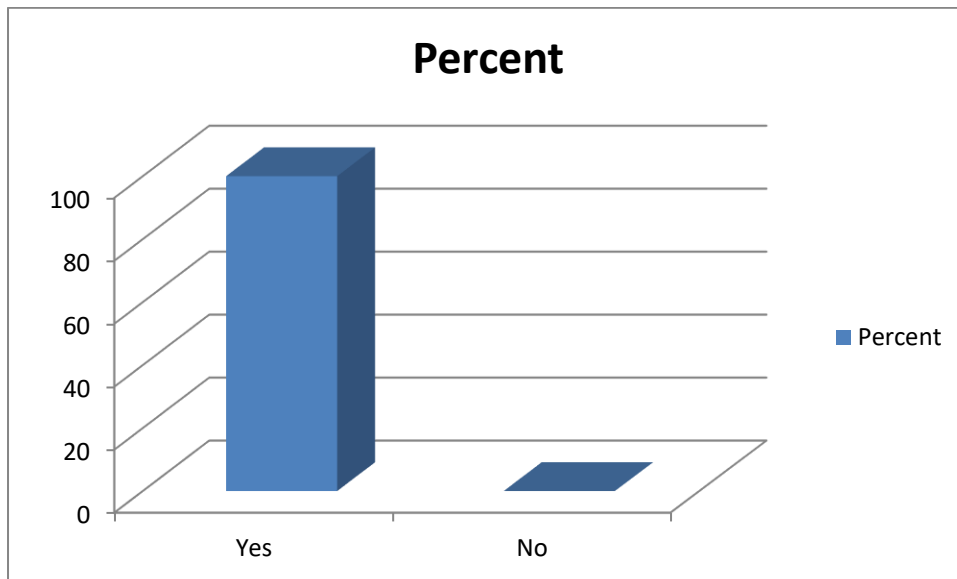
Habit on Watching Programs

Options	No	Percent
Yes	100	100
No	0	0
Total	100	100

Source: Field Survey 2013

Figure: 4.12

Habit on Watching Programs



Above table and figure show that hundred percent of people watch/listen/read the programs and news on T.V radio and paper respectively.

Table: 4.13

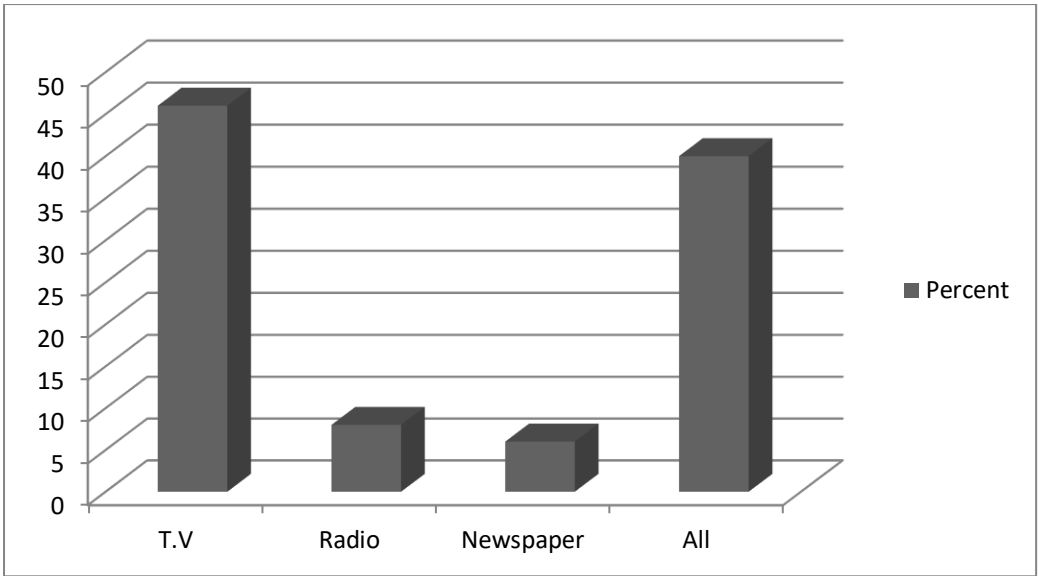
Media on Advertisement

Options	No	Percent
T.V	46	46
Radio	8	8
Newspaper	6	6
All	40	40
Total	100	100

Source Field Survey 2013

Figure: 4.13

Media on Advertisement



The table and figure show that out of the total respondent, 46 percent of people choose T.V, 8 percent chose radio, 6 percent choose newspaper and 20 percent of people choose all these media to watch/listen/read the programs and news.

Table: 4.14

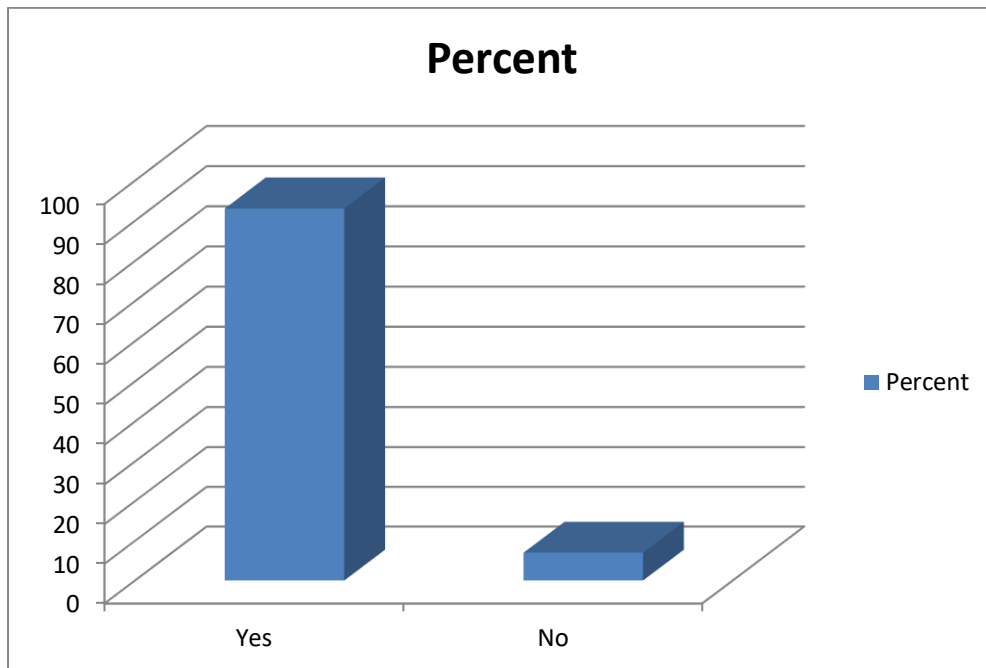
Interest on Advertisement

Options	No	Percent
Yes	93	93
No	7	7
Total	100	100

Source: Field Survey 2013

Figure: 4.14

Interest on Advertisement



Out of total 100 respondents, 93% of people show interest on advertisement and 7% of people not interest on advertisement

Table: 4.15

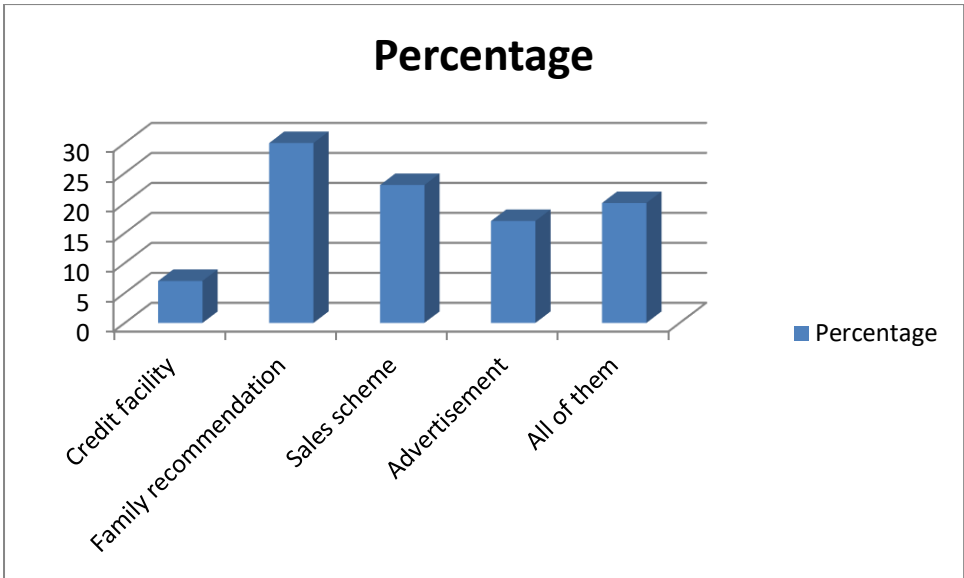
Factors Influencing in Buying Process

Options	No	Percentage
Credit facility	7	7
Family recommendation	30	30
Sales scheme	23	23
Advertisement	17	17
All of them	20	20
Total	100	100

Source: Field Survey 2013

Figure: 4.15

Factors Influencing in Buying Process



From the above table and figure it is observed that family recommendation, sales scheme and advertisement and all of them are influencing factor in buying process. Out of total respondents 30 % of the respondents are influencing by family recommendation, 23% are sales scheme, 20% all of them, 7% are credit facility.

4.1.8 Brand Change Behavior of Consumer

To understand about the brand change behavior of consumer, the researcher puts the following questions to the respondent, “Do you change the brand if other brand provides the very effective sales scheme?”

Table: 4.16

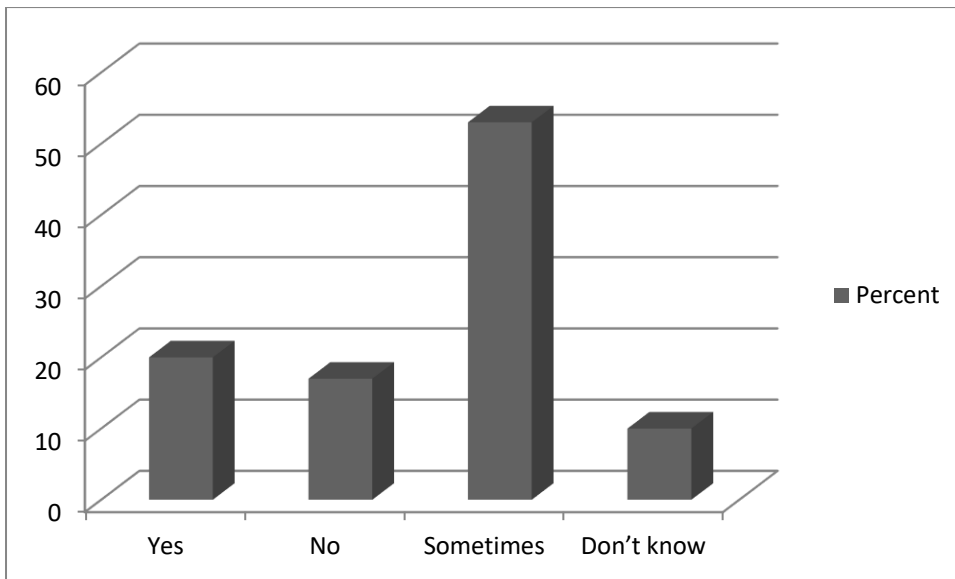
Brand Change Behavior of Consumer

Options	No	Percent
Yes	20	20
No	17	17
Sometimes	53	53
Don't know	10	10
Total	100	100

Source: Field Survey 2013

Figure 4.16

Brand Change Behavior of Consumer



Above table and figure show the frequency of decision of respondent in changing brand, influencing by effective sales promotional of other brand.

Out of total respondents, 20% of the respondent agreed with question provided, 17% of the respondent are not agreed with question, 53% of the respondent answered that they sometimes change their brand if they are influence by sales promotion and 10 % of the respondent are unaware about the changes in brand.

Hence, it concludes that most of the respondent changes their brand by influencing other brand offers.

Table: 4.17

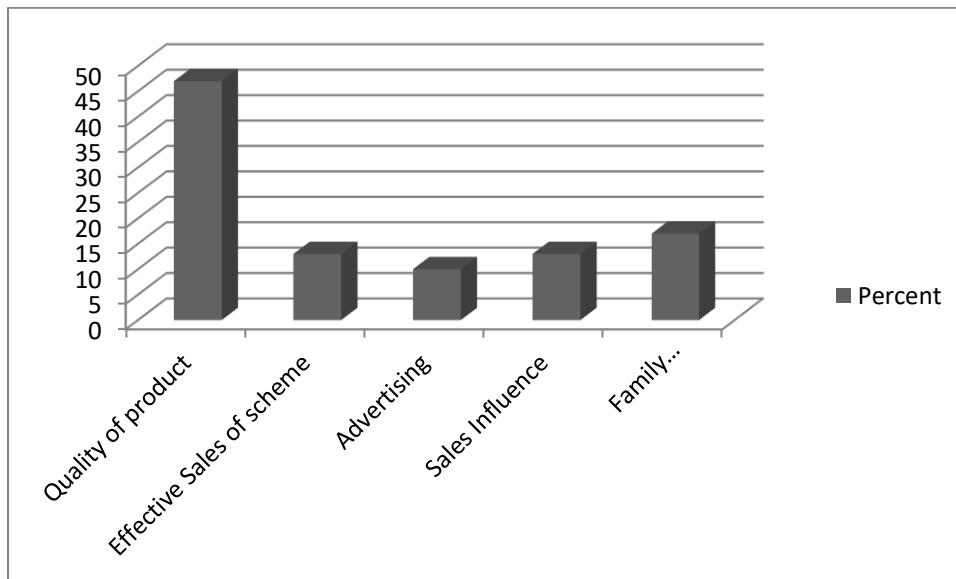
Factors Consider in Brand Change

Options	No	Percent
Quality of product	47	47
Effective Sales of scheme	13	13
Advertising	10	10
Sales Influence	13	13
Family Recommendation/other	17	17
Total	100	100

Source: Field Survey 2013

Figure: 4.17

Factors Consider in Brand Change



The above table and figure show the factors that the respondent take into consideration while changing their brand. Out of total respondents 47% respondent changes their brand due to quality product, 13% of respondent change their brand by effective sales scheme, 10% are influenced by advertising, 13% are influenced by seller influences, 17% are influenced by family recommendation and other. Hence, it can be concluded that quality of product plays the significant role in changing the brand of product.

4.1.9 Dealer Survey Analysis

Dealers survey deals with survey done in the dealer, shops to know market situation, sales expenditure records and sales promotion tools and technique. In this survey researcher distributed 30 questionnaire.

Table: 4.18

Factors Effecting in Sales of Consumer Product

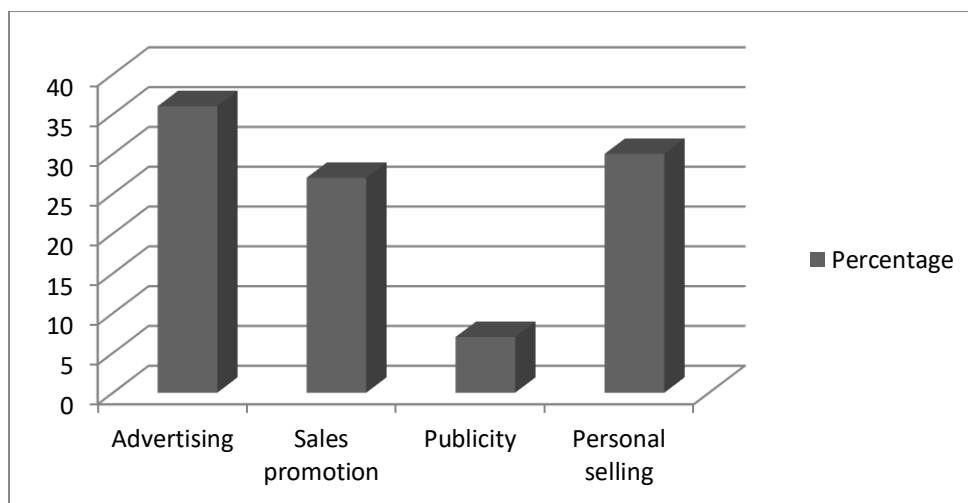
Factors	Respondent's No	Percentage
Advertising	11	36
Sales promotion	8	27
Publicity	2	7

Personal selling	9	30
Total	30	100

Source: Field Survey, 2012

Figure: 4.18

Factor Affecting in Sales of Consumer Product



Out of total respondent 36% of the respondent chose advertising as the effective promotion tools, 27% of the respondent preferred sales promotion as an effective tools where as 7 and 30 percent of the sales effectiveness is covered by publicity and personal selling of the respondent survey.

It concludes that advertising is the most important factor in the sales of product. It aware the customer about the products and it attributes, personal selling and sales promotion also plays the significant role in sales of product.

4.2 Analysis of Sales Promotion Tools

Sales promotion tools are directed towards the consumers, sellers or channel members and sales force of the company. Therefore there are three types sales promotion namely consumer promotion, trade promotion, and sales force promotion. For each target group usually separate sales promotion tools are offered.

Consumer promotion tools are always directed towards motivating the target customer. Trade promotion tool is also known as dealer promotion tool which is directed towards motivating the marketing intermediaries. Whereas sales force promotion tools are directed towards motivating the organizational sales personnel or force.

Table: 4.19

Sales Promotion Tools

Consumer Promotion	Trade Promotion	Sales Force Promotion
Free samples	Free goods	Sales contest
Coupons	Allowances	Trade shows/conventions
Rebates	Price-off	Gift item
Premium/Gifts	Sales contest	Promotional kits
Price off	Gift items	Bonus and commission
Contests/prizes	Credit facilities	
Displays/Demonstration	Trade show	

(Sources: Field survey 2013)

It can be concluded that consumer promotion plays the vital role in sales promotion .the role of dealer promotion and sales promotion is also very important in sales promotion. Among the various consumer promotion, price discount, financing facility, warranties and gift has highly influences consumer to purchase the goods.

4.3 Analysis of Sales Data

Sales data of Real Juice has taken from distributor located in Kalanki in Kathmandu. It was given monthly basis and different flavor. In this part, the researcher has tries to present and evaluate the data of sales and sales promotion expenses used by both companies to promote their product. The sales and expense data present all the flavor of different size of the Juice.

The collected data has been presented in table and diagram and bar diagram for the simplicity and easy to understand the actual picture. The researcher used only the previous five years data.

The secondary data shows that sales data of Real Juice increasing year by year. Data can be presented by chart and graph (trend value) also (Sow Table in Annexes).

Table: 4.20

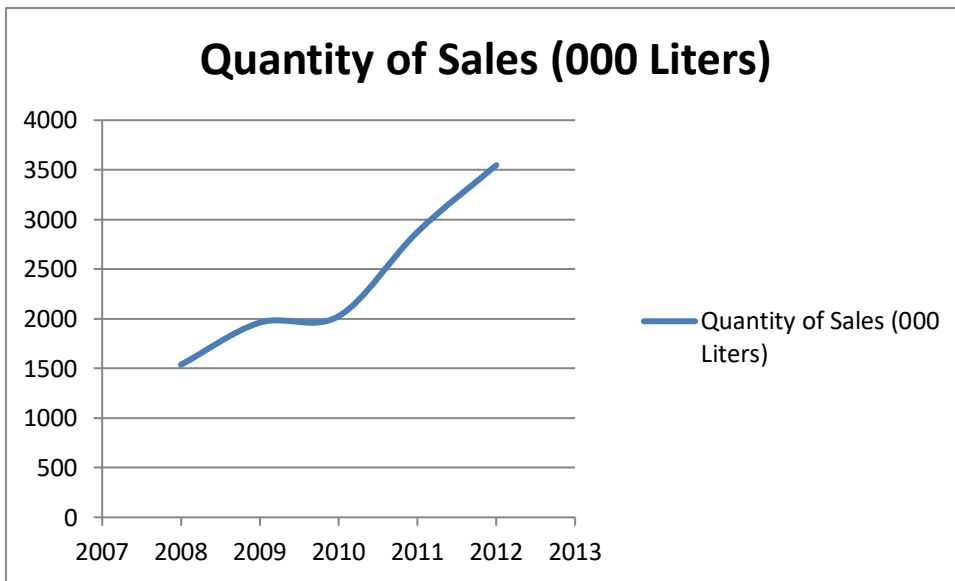
Quantity of sales of Real Juice

Years	Quantity of sales (000 Liters)
2008	1537.54
2009	1961.57
2010	2026.3
2011	2875.05
2012	3547.31

(Sources: Company's report 2012 end)

Figure: 4.21

Time series of sales volume of real juice



4.4 Sales Data of Advertisement of Real Juice

Table: 4.21

Sales and Advertisement Expenses (NRs in Lakhs)

Year	(X) Sales (000)	(Y) Adv. Expenditure (in Lakhs)
2008	1537.54	423.46
2009	1961.57	487.46
2010	2026.3	935.46
2011	2875.05	1557.46
2012	3547.31	1915.54

N=5	$\sum X=9072.72$	$\sum Y=9129.38$
-----	------------------	------------------

(Sources: Company's report 2012 end)

Solⁿ:- Let sales be the X and advertisement expenditure be the Y

Here no. of year n= 5

$$r_{xy} = \frac{n\sum xy - (\sum x)(\sum y)}{\sqrt{n\sum x^2 - (\sum x)^2} - \sqrt{n\sum y^2 - (\sum y)^2}}$$

$$r_{xy} = 0.579 \text{ (using correlation formula form above data)}$$

Hence, the correlation between sales and advertisement expenditure are lies on the moderate degree of correlation.

4.5 Finding of the Study

The major objective of the present study to see sales promotional tools are effective or not on the sales of the cold drink .as we learn that sales promotion are effective tool to increase sales so the major findings are as follows.

- People like to drink cold drinks.
- Most of the people have drinking habit
- Though Real Juice falls in the category of cold drinks if the question arises about juice people like Real juice.
- Real juice liked by people of all group but it is more popular among school students.
- People are aware about sales promotional activities out of them most of the people know about discount, cash prize coupon. But discount is effective promotion tool than other tools.
- Discount is effective tool because if you want to purchase something you will get immediately discount after you paid cash, you don't have to wait for prize.
- The sales of Real Juice increasingly month by month but the ratio of sales is higher when the company launched the sales promotion program .this indicated that is positive relationship between the sales and sales promotion. If expense on sales promotion increase the sales increase in a high speed.

- The sales of one brand does not affect negatively to the sales of other brands. As the observation shows that the trend of other brand also increasing.
- Real Juice drinkers have particular choice of brand but the absence of this brand they prefer to other brand
- All media is not popular among the people. Only electronic media (specially) is very popular among the people and people who watch and listen media notice the ads. The percentage of people watching ads. During the entertainment program are higher than for information program.
- It is found that there is always ads in media and different kinds program sponsored by Dabur
- From the experiment it is known that if expenses on the sales promotion increase the sales of the product will be increases.
- Larger number of people is interested on promotional contents that manufacture launches as various occasions.
- Sales promotion program has positive impact on dealers wholesaler retailer and consumer

4.6 Practices of Sales Promotion in Nepal

The present world is going to be globalization .due to globalization the firms has been bearing more competition. In Nepalese context, there are tough competitions among the manufactures. Only producing the product, is not success in the marker. For the success sales promotion becomes necessary tools for the producers. Now different types of sales promotion tools and techniques have been applied to get target goal in Nepal.

Various noodles manufactures have provided cash prizes, gold and other jeweler prizes etc. marketers of woolen offer grand sales during the summer. Manufactures of toothpaste provide extra tooth paste and tooth brush free. Several airlines provide lucky draw scheme of free ticket.

Kantipur publications offered one year's membership free to customer 10 hour internet Himal Media Ltd offered one "Yashhiks" camera free to its customer for three year membership of Himal Magazine Hotels of Pokhara provide "four package program" to promote internal tourism.

Gorkhapatra has provides “Yuva Munch” of “Muna” free to customers. Himalayan Bank provides Life Insurance, Free Home, Lakhapati program facility to its saving account holders.

Many marketers of varied products and services regularly offer Price-off Discount, Bonus, Gifts, Rebates and sample product to their customers in many occasions on purchase or use of specified product in specified quantity Galaxy, other Surya Tobacco Company and other Himalayans company organize contests in sports and games to promote their name in the market.

In medicines multinational companies organize sales contests and provide prizes to the best performers. They also provide several gifts items such as Notebook, Pen, Clocks, Towel, Calendar, and Sample Medicine to the retail shops and Doctor.

Almost all manufactures provide commission and bonus to its distributors to resellers for dealer or trade promotion. Similarly they provide the coupons, discount, price off prizes to its customers and also provide the different prizes to sales forces of owns sales staffs.

Coca-cola and Pepsi Coal companies also provide different types of cash, discount liquid free. Sometimes they provide many schemes to the consumer as well as dealer and sales force. Many shops in Kathmandu give price off special discount during festival.

These are the some practices of sales promotion prevailing in the market.

CHAPTER: V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

In marketing an important function of management has become challenge to every marketing professional. Creative ideas are coming up at a fast pace. The style of sales promotion is not the same as before. Sales promotion and advertising still hold a dominant position in the marketing position in the promotion mix.

Sales promotion is a short term direct inducement or incentive to the sales force, distributors or the consumers with the primary objectives of creating immediate sales. The sales promotion is offer on different forms. It depends on time, situation and place. An effective marketer offers both creative and attractive scheme.

Advertising, publicity, personal selling etc became usual that same the consumer hardly get existed by these techniques. In the meantime sales promotion came as a panacea for the as the number of brands increase in the market. The rewarding offers made through sales promotion method prove to be more attractive to consumers. As a result sales promotion has received greater attention and efforts of the sales force the encourage, sales to stock product and to persuade consumers to try the product.

In Nepal the increasing importance of sales promotion of sales promotion in marketing as compared to media advertising over the past fifteen years, is the result of success achieved thoroughly sales promotion. The reason behind this has been the challenge of competition faced by business and industry during the later part of this century. Sales promotion refers to the use of different promotion tools to stimulate or to crate immediate sales.

Dabur Company Real Juice which was established in private sector who constantly offers prizes and other tools as promotional techniques. This companies practice the sales promotion method to achieve the following objectives.

- To offset the impact of a new competitive products
- To create demand for a new product
- To pursue other brands users
- To get rid of completion
- To establish purchase habit to the initial users
- To increase immediate sales
- To recover the sales

- To meet the competition
- To simplify and encourage to work of salesmen to sell

In conclusion, sales promotion covers a wide variety of short term incentive tools designed to stimulate the consumer dealer and organizations. promotion tools include warranties, pop display, coupon, free goods, trial purchase, premium, prize, demonstration, price off display allowances, push money , credit facility, bonus, commission , discount etc. sales promotion expenditure now exceed now advertising expenditure and growing faster rate. If sales promotion will continue, it plays growing role in total promotion mix and became a backbone of sales management.

5.2 Conclusion

On the basis of major findings the study has reach to the following conclusion.

- Most of the consumer like Real Juice but is more popular in children and teenagers.
- Sales promotion activities do positive impact on sales of Real Juice
- These studies find that discount most accepted as well as effective and widely used of sales promotion tools.
- Electronic media is very popular among the people .among them T.V, Radio. F.M is very popular for promotion.
- The present study finds that consumers have not particular choice of brand. So the concept of brand loyalty is not found in Nepalese consumer. 55.33 percent said not if their favorite brand is not available they want to shift other brand. so they can easily be directed towards one particular brand to other particular brand .
- Most of the consumer purchases Real Juice because of quality of the product.
- Price factor did not play any role in the purchase of Real Juice.

According to retailers they sell more Real Juice because of popular and taste of good.

In summary, increasing sales of one brand does not affect negatively to the sales of other brand. They can increase their sales through promotional activities and create own separate new market.

Sales promotion is very powerful and effective tools which can easily boost the sales. However, the study clearly shows that sales of Real Juice covers largest market shares.

5.3 Recommendations

On the basis of findings of the present study, the following recommendations are made

- The sales promotion have perfect positive impact on the sales of Real Juice. So the company should expenses wisely in promotion activity. So the company should select of the mode of sales promotion. The expense should make wisely, in the selection of period to launch, the seasonal sales promotion expenses etc.
- The company should identify the new sales promotion tools which are compelled to change their brand and attract the new users
- The electronic media is very popular T.V, F. M, Radio should be use for electronic advertising. The advertisement should be more entertaining and informative.
- The promotion program should be integrated. To announce the sales promotion program media should focus to their target, coverage and effectiveness.
- To achieve the goal of sales promotion, the company must concentrate in consumer as well as dealer promotion. For this purpose, discount, credit facility, gift and other attracting tools should be designed and implemented for consumer. Dealer also plays the vital role in selling a particular brand of product. So extra benefits should be given to encourage the sale.
- If the suggestions are to be followed properly by the industries the positive impact on sales as well as the image of the companies and also the image of the cold drinks among consumer would be positive.

At last but not least, sales promotion covers a wide range of short term incentives tools designed to stimulate the consumer market, the channel member, and the organizational personnel. Sales

promotion expenditures now exceed advertising expenditures and are growing at faster rates. So Nepal too use of these marketing techniques is increasing highly. The use of sales promotion is very important if it is used in a systematic manner. Thus sales promotion is an offer of different tactical promotional tools to stimulate or to create immediate sales.

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T.U*

Questionnaires

Questionnaire For Distributors

Name _____ age _____
Address _____ Occupation _____
Sex _____ ss _____
Qualification below SLC [] S.L.C [] Intermediate [] Graduate []
]

1 How long have you been running this business?

Before 10 yrs [] before 5 yrs [] before 1 yr [] recently []

2 Which companies juice are you selling in your shop ?

Dabur [] Duger [] Chaduary Group [] Bottlers [] Barun Beverage []

3 which factors are mostly affected in sales of product ?

Rank them advertising [] sales promotion []

Pubilicity [] personal selling []

4 Which factor is contributes behind selling particular brand of juice?

Credit facility [] consumer demand [] more sells []

High profit [] effectives sales scheme [] high commission [] others []

5 which brand Juice you sale more?

Real juice [] Rio [] Slice [] Frooti [] Fanta / coao-cola []

6 what types of sales schemes are being offered by the companies ? Tick them

Quantity discount [] cash discount [] credit facility [] samples [] gift [] others []

7 which type of promotional offers influence the customer?

Advertising [] sales promotion [] publicity [] personal selling [] others []

8 which company's sales promotion strategy is good?

Dabur [] Dughad [] Bottlers [] Chaduray group [] Barun beverages []

9 Do the consumer give the priority in sales promotion scheme ?

Yes [] No [] Few []

10 Do the seller can play any role in selling the product of any brand ?

Yes [] no []

11 which types of schemes do you prefer most ?

Free goods [] allowances [] price off [] preinium/ gift [] quantity discount [] credit facility []
others []

12 who are your target customer?

High income [] Middle income [] lower income [] All of them []

13 which media is suitable to announce the sales promotion offers ?

Print(kantipur) [] Electronic(T.V, Radio) [] Hoarding Board [] Others []

14 Do you have any suggestions for Dabur company {Real juice } about sales promotion ?

.....

Questionnaire for Retailers

Name _____ age _____

Address _____ Occupation _____

Sex _____

Qualification below SLC [] S.L.C [] Intermediate [] Graduate []

1 What are the brand of Juices do you have in your shop

Real juice [] Rio [] Frooti [] Slice [] Fanta/coke [] Due/Pepsi []

2 which brand you sell more ?

Real [] Rio [] Frooti [] Slice [] Fanta/ coke [] Due/[Pepsi []

3 what ages of people come to your shop to buy cold drinks?

5-10 [] 10-20 [] 20-30 [] 30-40 [] 40 above []

4 In your opinion which colddinks is good in quality?

Real juice [] Rio [] slice [] Fanta/coke [] Due/pepsi []

5 why you are selling the colddrinks?

Good taste [] Good sale [] Good commission [] Good scheme []

Which company give you good commission ?

Dabur [] chaduary [] Duger [] Bottlers [] Barun Beverreage []

7 if you substitute the brand against consumer's want would they accept ?

Yes [] No [] Depend upon the situation []

8 which brand has good marketing strategy ?

Dabur [] chaduary [] Dugar [] Bottlers [] Barun beverahes []

9 in which cold drinks you give stress for selling ?

Real juice [] Rio [] Slice [] Frooti [] Fanta/coke [] Due/ pepsi []

10 which factor they consider in buying decision?

Quality [] Price [] Offer/Discount [] Advertisement [] Family Influence []

All of them []

11 Do your customers consider price differences while buying colddrinks ?

Yes [] No []

Questionnaire for consumers

Name _____ age _____

Address _____ occupation _____

Qualification below SLC [] S.L.C [] Intermediate [] Graduate []

1 Do you drink Juice?

Yes [] No []

2 Normally in which time you take juice?

Breakfast [] Tiffin [] lunch [] dinner [] any time []

3 how often do you buy juice?

Once a day [] twice a day [] thrice a week [] more than that []

4 which one is most favourite cold drinks ?

Real juice [] Rio juice [] frooti [] coke/ pepsi [] slice []

5 Do you know about sales promotion offers?

Yes [] No []

6 Which type of sales promotion tools are you familiar with?

Consumer promotion [] Trade promotion []

Sale force promotion [] All of them []

7 Do you prefer particular brand of product?

Yes [] No []

8 Which factor do you most consider in buying decision?

Quality [] Price [] Offer/Discount [] Advertisement [] Family influence []

All of them []

9 Do you change your brand by influencing others sales promotion offer?

Yes [] No [] Sometimes [] don't know []

10 which media you had used to take the information about the Juice?

T.V [] Radio [] Friends [] All of them []

11 Do you already decide upon which brand to buy before going to shop to buy it?

Yes [] No []

12 If there is not your brand of Juice in any shop, what will you do ?

I will wait for favorite brand []

I will take any other available brand []

13 In the basis of quality how you evaluate the Juice

Good

Don't know

Real juice

Rio

Frooti

Fanta

Coke/pepsi

Slice

14 Do you give the price preferences while purchasing Juice?

High [] Moderate [] Low [] don't know []

15 If any competitor brand gives you be attractive scheme do you change your brand?

Yes [] No []

16 who will take decision to buy the Juice in your family?

Father [] Mother [] Sister/Brother [] yourself [] any other member []

17 Any information about the juice?

.....