

**A Case Study of
Promotional Activities of Machhapuchhre Bank
(Pokhara based branches)**

**Submitted to
Faculty of Management
Tribhuvan University
Kirtipur**

**In the partial Fulfillment of the requirements for the
Master Degree in Business Studies (MBS)**

**Submitted by
Raju Prasad Baral
Roll No 309/064
T.U. Regd. No.:7-2-48-3389-2004**

**Central Department of Management
Kirtipur, Kathmandu
2011**

RECOMMENDATION

This is to certify that the thesis:

Submitted by:

Raju Prasad Baral

Entitled:

**A Case Study of
Promotional Activities of Machhapuchhre Bank
(Pokhara based branches)**

has been prepared as approved by this Department in the prescribed format of Faculty of Management. This thesis is forwarded for examination.

Bishnu Hari Koirala

Supervisor

Prof. Dr. Jay Krishna Pathak

(Chairperson Research Department)

Prof. Dr. Dev Raj Adhikari

(Head of the Department)

Date:-

Date:-

Date:-

VIVA-VOCE SHEET

We have conducted the viva-voce examination of the thesis presented by

Raju Prasad Baral

Entitled

A Case Study of

Promotional Activities of Machhapuchhre Bank

(Pokhara based branches)

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

VIVA –VOCE COMMITTEE

Chairperson (Research Committee):

Member (External Expert):

Member (Thesis Supervisor):

Member (Center Department of Management):

Date:

DECLARATION

I hereby declare that the work reported in this thesis entitled, “**A Case Study of Promotional Activities of Machhepuchhere Bank**” has submitted to Central Department of Management, Tribhuvan University, is my Original work. It is done in the form of partial fulfillment for the Master of Business Studies (MBS) under the **supervision** and guidance of **Bishnu Hari Koirala**, Central Department of Management, Tribhuvan University.

.....

Raju Prasad Baral

Researcher

Campus Roll No: 309/064

T.U Regd.:7-2-48-3389-2004

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ABBREVIATIONS

ABBS	:	Any Branch banking Services
AMA	:	American Marketing Associations
ATM	:	Automatic Teller Machine
CBS	:	Central Bureau of Statistics
E.G.	:	For Examples
I.E	:	That Is
IFRS	:	International Financial Reporting Standards
MBL	:	Machhapuchhre Bank Limited.
NRB	:	Nepal Rastra Bank

CHAPTER I

INTRODUCTIONS

1.1 Background of the study

Banking activities were sufficiently important in Babylonia in the second millennium B.C that written standards of practice was considered necessary. These standards were part of the code of Hammurabi, the earliest known formal laws. Obviously, this primitive banking transaction was very different in many ways to their modern day's counterparts. Deposits were not of money but of cattle, grain or other crops and eventually precious metals. Nevertheless, some of the basic concepts underlying today's banking system were present in these ancient arrangements, however. A wide range of deposits was accepted, loans were made and borrowers paid interest to lenders.-(David's, G. "A history of money from ancient times to the present day" Cardiff, UK, University of Wales press, 2004, pp: 252-260).

We can trace modern-day banking to practices in the medieval Italian cities of Florence, Venice and Genoa. The Italian bankers made loans to princes, to finance wars and their lavish lifestyles, and to merchants engaged in international trade. In fact, these early banks tended to be set up by trading families as a part of their more general business activities. The bardi and Peruzzi families were dominant in Florence in the 14th century and established branches in other parts of Europe to facilitate their trading activities. Both these banks extended substantial loans to Edward III of England to finance the 100 years war against France. But Edward defaulted, and the banks failed. Perhaps the most famous of the medieval Italian banks was the Medici bank set up by Giovanni Medici in 1397. (Goldthwaite, R.A "Banks, places and entrepreneurs in Renaissance Florence, Aldershot, and Hampshire, Great Britain", 2001ert: pp 120-134)

Modern Western economic and financial history is usually traced back to the coffee house of London. The London royal exchange was established in 1565. At that time money changer were already called bankers, through the term “bank” usually referred to their offices, and did not carry the meaning it does today. There was also a hierarchical order among professionals; at the top were the bankers who did business with heads of state, next were the city exchanges, and at the bottom were the pawn shops was located. After the siege of Antwerp, trade moved to Amsterdam. In 1609 the Amsterdam the financial centre of the world until the industrial revolution. (Johnson, Paul: “A history of the Jews” New York: HarperCollins Publishers, 2002 ISBN 0-06-091533-1. pp.172-173)

By the 1390s silver was short all over Europe, except in Venice. The silver mines at kutna Hora had begun to decline in the 1370s, and finally closed down after being sacked by King Sigismund in 1422. By 1450 almost all of the mints of northwest Europe had closed down for lack of silver. The last money-changer in the major French port of Dieppe went out of business in 1446. in 1455 the Turks overran the Serbian silver mines, and in 1460 captured the last Bosnian mine . The last Venetian silver grosso was minted in 1462. Several Venetian banks failed, and so did the strozzi bank of Florence, the second largest in the city. Even the smallest of small change became scarce. Banking offices were usually located near centers of trade, and in the late 17th century, the largest centers for commerce were the ports of Amsterdam, London and Hamburg. Individuals could participate in the lucrative East India trade by purchasing bills of credit from these banks, but the price they received for commodities was dependent on the ships returning (which often didn’t happen on time) and on the cargo they carried (which often wasn’t according to plan). The commodities market was very volatile for this reason, and also because of the many wars that led to cargo seizures and loss of ships. (<http://www.washingtontimes.com/news/2002/may/12/panic-control>).

Global Banking

In the 1970s, a number of smaller crashes tied to the policies put in place following the depression, resulted in deregulation and privatization of government-owned enterprises in the 1980s, indicating that governments of industrial countries around the world found private sector solutions to problems of economic growth and development preferable to state operated, semi-socialist programs. This spurred a trend that was already prevalent in the business sector, large companies becoming global and dealing with customers, suppliers, and manufacturing and information centers all over the world. (Ethan B.kapstein, *Governing the global Economy: international finance and the state* (Cambridge, MA: Harvard University press, 2001: pp 252-260

Global banking and capital market services proliferated during the 1980s and 1990s as a result of a great increase in demand from companies, governments and financial institutes, but also because financial market conditions were buoyant and on the whole, bullish. Interest rates in the united States declined from about 15% for two year US Treasury notes to about 5% during the 20 year period, and financial assets grew then at a rate approximately twice the rate of the world economy. Such growth rate would have been lower, in the last twenty years, were it not for the profound effects of the internationalization of financial markets especially US foreign investments, particularly from Japan, who not only provided the funds to corporations in the US, but also helped finance the federal government, thus, transforming the US stock markets by fair in to the largest in the world. In 2008, the major other investment bank bear Stearns and MERRILL LYNCH were forcefully merged with JP Morgan chance and bank of America respectively. This event will reshape the future of the banking industry worldwide. In 2008, Washington Mutual collapses. It was the largest bank failure in history (Alex C. Michel's, *Good Taxes: The case for Taxing*

Foreign currency Exchange and Other Financial Transactions, Dundurn Press, 2002, pp: 85-115).

Commercial Banks

Commercial banks in Nepal are established under commercial bank Act 2031. Commercial banks are those banks, which normally pool funds from surplus units and extend those funds to deficit units for the sake of domestic production. The basic objective of commercial bank is to supply money according to the demand of customer from different economic activities. In this context, commercial banks accept deposits in different terms and conditions and provide loans for short term periods. Commercial banks are profit oriented. Hence, they are always associated with risks like credit risk, business risk, sovereign risk, financial risk, economic and market risk. According to commercial bank act 2031, “A commercial banks means bank which deal in exchanging currency, accepting deposits, giving loans and doing commercial transactions” These commercial bank have been playing an important role in the development of the country. The number of commercial banks has been increasing and there is a lot of competitions between these banks. The functions of commercial banks are: accept deposits, extend loans, agency functions, forex services. (Www.Mskender.com/bank/commercial-banks-of-Nepal)

Machhapuchhre Bank Limited

Machhapuchhre Bank limited (MBL), located in the foothills of Machhapuchhre Mountain in the picturesque town of pokhara, and is the first commercial bank to initiate banking service from the western region of the country. The name Machhapuchhre means fishtail derived from a Himalayan peak in pokhara resembles the tail of the fish. It started its banking services from October 2000

in its own land with well built three storied building with sufficient parking space and electric surveillance system. The bank started full fledges banking operation in Kathmandu from October 2004. It has many branches in Kathmandu, pokhara and other region of the country. MBL strives to facilitate its customer's needs by delivering the best of services in combination with the latest technologies and the best international practices. It has the most sophisticated "Globus banking software" enabling it to provide modern banking facilities like telemarketing, online marketing point of sale, ATM facilities, SWIFT facility, 365/evening counter services, NTC bill payment locker facility, remittance services and many more. (www.machbank.com.np).

1.2 Focus of the study

The focus of the study is mainly concerned with promotional activities of the Machhapuchre and customer's perception as well as desire towards its products/services. The study seeks to find out the level of services and its improvement as customers desire.

Promotional activities reveal that promotional tools, media used by bank for services promotion, status of product/services, opportunities, threats, customers awareness and satisfactions for this bank. The study also makes an effort to find out competitive position and public relationship with customers as like slogan of the bank or not i.e. "service with personal touch."

1.3 Statement of the problems

Over the past 30 years, the global financial system has evolved at an unprecedented pace (knight et al (2004)). First, the regime shift to flexible exchange rates for the major currencies in the 1970s made spot and forward foreign exchange markets much more efficient signaling devices for transactors'

expectations of future events. Then, secondary and derivatives markets for government and other fixed income securities broadened and deepened. Flows of timely market information grew tremendously. As private transactors in the advanced countries learned how to decompose different types of risk, markets for new financial products expanded to allow economic agents to manage, hedge or lay of risks. The legal and informational framework that is essential for essential for efficient financial markets was greatly extended and refined, and financial institutions and markets were liberalized and deregulated.

(<http://steinthal.wordpress.com/2008/05/01/telent-challenges-financial-services-companies>)

Financial services challenges are governance and risk management, Growth, human capital, market reporting merger and acquisitions and regulations and compliance. In the face of an increasingly complex and uncertain commercial, regulatory and geopolitical environment, financial services organizations are looking to develop a more proactive, systematic and integrated approach to governance and risk management. However governance risk management and compliance are still primarily seen as a regulatory obligation rather than a value driver. Effective enterprise wide risk management can help to underpin sound governance and related compliance requirements by providing a comprehensive framework of internal controls and reporting procedures. (<http://www.imf.org/external/np/seminars/eng/2006/macropr/index.htm>)

In Nepal, new situation inspires to evolve new initiatives. Concept of banking promotion cropped up after the incorporation of the second and third bank- Rastriya banijya bank and Agricultural development bank in sixties. Accordingly, banking promotion board was constituted by Nepal Rastra Bank and almost all the major financial institutions and some experts of the business communities were included in the board. Its objectives are to formulate policies for the development of banking system in the country. (Shankar Sharma, 2004:

Impact of micro finance services on poverty Alleviation, Kathmandu: SAP Nepal)

Machhapuchhre bank is performing its promotional activities of services but it is not able to promote the service effectively. Again, it is not also able to offer new and unique services to the customers. The offered services are more or less similar with other banks. Service promotion of the bank has to make more effective. Especially the problems can be presented in following questions.

1. How does the bank make the public relation?
2. What are the promotional tools that are in use by the bank?
3. What promotional media, the bank is using to flow the promotional messages.
4. What is the impact of promotional activities to its targeted customers?
5. What is the competitive position of the bank in Pokhara?

1.4 Objectives of the study

The study tries to find out the competitive level of products/services in financial market in Pokhara. This study measures the effectiveness of the slogan e.g. the messages of the slogan are matched with perception of the customers in real sense or not. The effective source advertisement of financial services and service promotional plan, strategy are also tried to search the status of the bank. The specific objectives of the study are as follows:

- ❖ To assess and analyze how the bank makes public relation with customers.
- ❖ To identify the promotional tools used by the bank.
- ❖ To find out the promotional media to flow the promotional messages.

- ❖ To assess the impact of promotional activities to its customers.
- ❖ To analyze the competitive position of the bank on pokhara.

1.5 Significance of the study

The result of the study is very much significant to the management of the MBL as well as other financial institutions to develop strategy that will the best serve the customers and increased number of them. The study will help the bank to know the perception of services among customers. According to which the top level management can improve the quality of service and make necessary adjustment. Besides this, the study is contributing to the literature of banking service promotion.

1.6 Limitation of the Study

As every thing has its good and bad parts, every researcher has to face some limitations and facilities during the completion of research work. The following summarized points are as follows,

- 1 This study is based on those customers having accounts at bank including head office, lakeside Mahendrapool, Rambazar and Bagar branches in Pokhara
- 2 The study has covered a specific subject area of marketing i.e. promotional activities of MBL; slightly touch over 3 p's of marketing mix.
- 3 Institutional customers are not selected as respondent.
- 4 The study is mainly depends on opinion based only on questionnaire filled by 100 respondents of Pokhara valley.

- 5 The some objectives of the study are completed by questionnaire filled by manager of MBL at Pokhara.
- 6 Study is to fulfill the requirement of Master degree in business studies. So the study cannot cover all the dimension of the subject matter (marketing, mix).

1.7 Organization of the study

The study is concluded with in 5 chapter namely- introduction, review of literature, research methodology, data presentation and analysis and lastly summary, conclusion and recommendations.

First chapter: includes background of the study, focus of the study, statement of the problems, objectives of the studies, significant of the studies, delimitations of the studies and lastly organizations of the study.

Second chapter: includes review of literature and review of article and journals.

Third chapter: includes research design, population and sample, nature and sources of data, data collection procedure, data processing and analysis procedure and lastly statistical tools used.

Fourth chapter: includes to analysis and presentations of data where analysis of various aspects of the study.

Fifth chapter: includes main findings, conclusion and offer suggestions to the concerned organization or groups.

CHAPTER II

REVIEW OF LITERATURE

2.1 Conceptual review

2.1.1 Introduction of marketing

In professional usage the term “marketing” has a wider meaning of the practice and science of trading. The American Marketing Association (AMA) states, “Marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders.” Marketing practice tends to be seen as a creative industry, which includes advertising, distribution and selling. It is also concerned with anticipating the customers’ future needs and wants, which are often discovered through market research. The scientific study of marketing is a wide and heavily interconnected subject with extensive academic publications. Marketing methods are also informed by many of the social sciences, particularly psychology, sociology, and economics. Anthropology is also a small but growing influence. Market research underpins these activities. Through advertising, it is also related to many of the creative arts. The marketing literature is also infamous for re-inventing itself and its vocabulary according to the times and the culture. (Kotler and Koller, 2005:p97).

Four Ps

In the early 1960s, Professor Neil Borden at Harvard Business School identified a number of company performance actions that can influence the consumer decision to purchase goods or services. Borden suggested that all those actions of the company represented a “Marketing Mix”. Professor E. Jerome McCarthy, also at the Harvard Business School in the early 1960s, suggested that the Marketing Mix contained 4 elements: Product, Price, Place, and Promotion.

Product: The product aspects of marketing deal with the specifications of the actual goods or services, and how it relates to the end user's needs and wants. The scope of a product generally includes supporting elements such as warranties, guarantees and support. Pricing: this refers to the process of selling a price of a product, including discount. The price need not be monetary- it can simply be what is exchanged for the product or services, e.g. time, energy or attention. Promotion: This includes advertising, sales promotion, Publicity and Personal selling, branding and refers to the various methods of promoting the product, brand or company .placement (or distribution): refers to how the product gets to the customer, for example, point of sale placement or retailing. (Kimuly Barlon, 2006: pp2-7)

Seven Ps

As well as the standard four P's (product, pricing, place and promotion), Services marketing calls upon an extra three totaling seven and known together as the extended marketing mix. These are, people: any person coming in to contract with customers can have an impact on overall satisfaction. Wherever as part of a supporting service to a product or involved in a total service. People are particularly important because, in the customer's eyes, they are generally inseparable from the total services. As a result of this, they must be appropriately trained, well motivated and the right type of person. Fellow customers are also sometimes referred to under 'people' as they too can affect the customer's services experiences, (e.g. at a sporting event). Process: This is the processes involved in providing a service and the behavior of people, which can be crucial to customer satisfaction. Physical evidence: Unlike a product, a service cannot be experienced before it is delivered, which makes it intangible. (M.Hughes, 2005: pp 14-16).

2.1.2 Marketing mix

The marketing mix is generally accepted as the use and specification of the four p's describing the strategic position of a product in the marketplace. One version of the origins of the marketing mix starts in 1948 when James Culliton said that a marketing decision should be a result of something similar to a recipe. This version continued in 1953 when Neil Borden, in his American Marketing Association presidential address, took the recipe idea one step further and coined the term 'Marketing Mix'. A prominent marketer, E. Jerome McCarthy, proposed a four p's classification in 1960, which saw wide popularity. The four p's concept is explained in most marketing textbooks and classes (Govinda Ram Agrawal, 2002: p 23-25).

A Marketing mix is the division of groups to make a particular product, by pricing, product, branding, place and quality. Although some marketers have added other p's, such as personnel and packaging, the fundamentals of marketing typically identify the four P's of the marketing mix as referring to: product – A tangible object or an intangible service that is mass produced or manufactured on a large scale with a specific volume of units. Intangible products are often service based like the tourism industry and the hotel industry. Typical example of a mass produced tangible object is the motor car and the disposable razor. A less obvious but ubiquitous mass produced service is a computer operating system. Price- The price is the amount a customer pays for the product. It is determined by the number of factors including market share, competition, material cost, product identity and the customer's perceived value of the product. The business may increase or decrease the price of product if other stores have the same product. Place: place represents the location where a product can be purchased. It is often referred to as the distribution channel. It can include any physical store as well as virtual stores on the internet. Promotion- promotion represents all of the communications that a marketer may

use in the marketplace. Promotion has four distinct elements- advertising, public relations, and word of mouth and point of sale (R Lauterborn, 2004:p.26).

Product mix

Product design: Product design can be defined as the idea generation, concept development, testing and manufacturing or implementation of a product (physical object or service). Product designers conceptualize and evaluate ideas, making them tangible through products in a more systematic approach. The role of a product designer encompasses many characteristics of the marketing manager, product manager, industrial designer and design engineer. The term is sometimes equated with industrial design. The role of the product designer combines art, science and technology to create tangible three-dimensional goods. This evolving role has been facilitated by digital tools that allow designers to communicate, visualize and analyze ideas in a way that would have taken greater manpower in the past. Product design is a whole of industrial design, engineering and manufacturing (V.Balkrishna,: 2002: p 305).

Product lining: product lining is the marketing strategy of offering for sale several related products. Unlike product bundling, where several products are combined into one, lining involves offering several related products individually. A line can comprise related products of various sizes, types, colors, qualities and prices. Line depth refers to the number of products variants in a line. Line consistency refers to how closely relate the products that make up the line are. Line vulnerability refers to the percentage of sales or profits that are derived from only a few products in the line. (Keller, Kevin Lane, 2002:pp.147-157).

Quality: in the vernacular, quality can mean a high degree of excellence (“a quality product”), a degree of excellence or the lack of it (“work of average quality”), or a property of something (“the addictive quality of alcohol”). Distinct from the vernacular, the subject of this article is the business

interpretation of quality. (Theodore Levitt, “Hardword business”, 2002: pp287-292).

Improvement of quality

Many techniques and concepts, often overlapping, have evolved to improve product or service quality, including: statistical process control (SPC), zero Defects, Six Sigma, Malcolm Baldrige National Quality award, quality circles requirements analysis, total quality management (TQM), Theory of constraints(TOC), quality management systems, business process management (BPM), capability maturity models. W.Edwards Deming, concentrating on “the efficient production of the quality that the market expects, linked quality and management: “costs go down and productivity goes up as improvement of quality is accomplished by better management of design, engineering, testing and by improvement of process (Louis E.Boone, David L.Kurtz, 2006: pp 65-75).

Branding

A brand is a promise. It is a bond with our employees, customers and investors, built on our heritage, our present position in the market and our reputation. The Praxair brand is not just what we say we are. It reflects the experience our customers, supplier’s investors, employees and neighbors have when they interact with Praxair. It includes how we answer the phone, how we talk about the company (both in business and social settings), how we are represented in the media, and how we present the company on the internet. Our brand is reflected in how our trucks are painted, how we treat our customers and in the quality and reliability of each of the products and services we provide to the market. Each of these functions helps to drive potential buyers to remember, understand and select our company and our product from other competitive offerings. Over time, a properly managed portfolio of brands can help lead to long term growth and profitability. Branding is a long term commitment. Brands

are built over time by regularly meeting and exceeding the expectations of customers and investors, and by consistently representing the brand in ever-changing market conditions. There are no shortcuts. Brand managers must have the vision to understand how day to day actions will impact the long term benefits of branding, and the discipline to withstand short term pressures that will ultimately do harm to both the brand and the business (Y. Fan, 2002: pp 180-192).

Trademarks

The right to adopt a trademark or brand is subject to the prior rights of others in trademarks that are confusingly similar. Prior clearance through the law department, followed by approval for use by the branding and trademark committee, must be obtained before a new mark, brand, slogan or logo may be used. Approval must also be obtained before using a trademark of another entity. Praxair's rights in a trademark or service mark are established and maintained by proper use of the mark. These rights can also be lost by improper use. Rules of proper use of trademarks and service marks in sewritten material (print and electronic) and on products have been established to emphasize their special status and protect an owner's exclusive right to use the marks to build brand recognition and equity. Therefore, all such material using a Praxair trademark or service mark must be reviewed by the law department.

(http://www.schwimmerlegal.com/2002/10/some_of_the_.html).

Packaging

Packaging is the science, art and technology of enclosing or protecting products for distribution, storage, sales and use. Packaging also refers to the process of design, evaluation and production of packages. Package labeling is any written, electronic or graphic communications on the packaging or on a separate but associated label. Packaging can be described as a coordinated system of

preparing goods for transport, warehousing, logistics, sales and end use. Packaging contains, protects, preserves, transports, informs and sells. It is fully integrated into government, business, institutional, industry and personal use. (Seung Choi, 2007: pp369-380).

Packaging and package labeling have several objectives

Physical protection- The objects enclosed in the package May require protection from, among other things, shock, vibration, compression, temperature etc. Barrier protection- A barrier from oxygen, water vapor, dust etc, is often required. Permeation is a critical factor in design. Some packages contained desiccants or oxygen absorbers to help extend shelf life. Modified atmospheres or controlled atmospheres are also maintained in some food packages. Keeping the contents clean, fresh, sterile and safe for the intended shelf life is primary function. Containment or agglomeration- small object are typically grouped together in one package for reasons of efficiency. For example, a single box of 1000pencils required less physical handling then 1000 single pencil. Liquids, powders and granular materials need containment. Information transmission- packages and labels communicate how to use, transport, recycle or dispose of the package or product. With pharmaceuticals, food, medical and chemical products, some types of information are required by governments. Marketing- the packaging and labels can be used by marketers to encourage potential buyers to purchase the product. Package design has been an important and constantly evolving phenomenon for several decades. Marketing communications and graphic design are applied to the surface of the package and (in many cases) the point of sales display. Security-Packaging can play an important role in reducing the security risks of shipment. Packages can be made with improved tamper resistance to deter tampering and also can have tampered evident features to help indicate tampering. Packages can be engineered to help reduce the risk of package pilferage: some package constructions are more

resistant to pilferage and some have pilfered indicating seals. Packages may include authentication seals and use security printing to help indicate that the package and contained are not counterfeit. Packages also can include anti-theft devices, such as dye- packs, RFID tags or electronic article surveillance. Tags, that can be activated or detected by devices at exit points and require specialized tools to deactivate. Using packaging in this way is a means of loss prevention. (Jason Yoxall, Langley Bradbury and Hayes wearn, 2006: pp 283-300).

Convenience-Packages can have features which add convenience in distribution, handling, stacking, display, sale, opening, enclosing, use and reuse. Portion control- Single servicing or single dosage packaging has a precise amount of contents to control usage. Bulk commodities (such as salt) can be divided into packages that are a more suitable size for individual households. It is also aids the control of inventory: selling sealed one-liter-bottle of milk, rather than having people bring their own bottles to fill themselves. (Jason Yoxall, Langley Bradbury and Hayes Wearn, 2006: pp 183-243).

Service

A service is the diametrically opposed non material counter piece of a physical good. A service provision comprises a sequence of activities that does not result in ownership of the outcome, and this is what fundamentally differentiates it from furnishing someone with physical goods. Service provision is a process that creates predetermined benefits by effectuating a change of service consumers, a change in their physical possessions or a change in their (in) tangible assets. By composing and orchestrating the appropriate level of resources, skill, ingenuity and experience for effecting specific benefits for service consumers, service providers participate in an economy without the restrictions of carrying stock (inventory) or the need to concern themselves with bulky raw materials. On the other hand, their invest in expertise does

require consistent service marketing and upgrading in the face of competition which has equally few physical restrictions.

(<http://www.promoservice.org/wide/service>).

Service characteristics

Service can be paraphrased in terms of their generic key characteristics. Intangibility: service is intangible and insubstantial: they can not be touched, gripped, handled and looked at smelled, tasted or heard. Thus, there is neither potential nor need for transport, storage or stocking of services. (<http://online.uis.edu/spring2002/bus322/lectures/chap01/sld040.htm>).

Perishability: Service is perishable in two regards. The service relevant resources, processes and systems are assigned for service delivery during a definite period in time. If the designated or scheduled service consumer does not request and consume the service during this period, the service cannot be performed for him. From the perspective of the service provider, this is a lost business opportunity as he cannot charge any service delivery; potentially, he can assign the resources, processes and systems to another service consumer who requests a service. Example, The hair dresser serves another client when the scheduled starting time or time slot is over. An empty seat on a plane never can be utilized and charged after departure.

(<http://www.belkcollage.uncc.edu/mjkhouja/02%20Nature.ppt>)

Inseparability: The service provider is indispensable for service delivery as he must promptly generate and render the service to the requesting service customer. In many cases the service delivery is executed automatically but the service provider must preparatory assign resources and systems and actively keeps up appropriate service delivery readiness and capabilities. (<http://members.Byronsharp.com/empgens/emp1.pdf>).

Simultaneity: Service are rendered and consumed during the same period of time. As soon as the service consumer has requested the service (delivery), the particular service must be generated from scratch without any delay and friction and the service consumer instantaneously consumers the rendered benefits for executing his upcoming activity or task.

(<http://www.amazon.com/Service-operations-Management-Financial>).

Variability: Each service is unique. It is one time generated, rendered and consumed and can never be exactly repeated as the point in time, location, circumstances, conditions, current configurations and assigned resources are different for the next delivery, even if the same service consumer requests the same service. (http://www.12manage.com/methods_servqual.html).

Price mix

Pricing strategies

There are many ways in which the price of a product can be determined. The following are the foremost strategies that businesses are likely to use.

Competition based pricing

Setting the price based upon price of the similar competitor products. Competitive pricing is based on three types of competitive product. Products have long distinctiveness from competitor's product. (Kent B. Monroe, 2003;p.40)

Cost plus pricing

Cost plus pricing is the simplest pricing method. The firm calculates the cost of producing the product and adds on a percentage (profit) to that price to give the selling price. This method although simple has two flaws; it takes no account of

demand and there is no way of determining if potential customers will purchase the product at the calculated price i.e. price = cost of production +

Margin of profit.

(http://www.cambridgestrategy.com/content/pricing_strategy_audit.php).

Creaming or skimming pricing

Selling a product at a high price. Sacrificing high sales to gain a high profit, therefore 'skimming' the market. Usually employed to reimburse the cost of investment of the original research into the product- commonly used in electronic markets when a new range, such as DVD players are firstly dispatched into the market at a very high price with compared to other strategies.

(http://www.skimming.org/strategy/price_skimming).

Limit pricing

A limit price is the price set by a monopolist to discourage economic entry into a market, and is illegal in many countries. The limit price is the price that the entrant would face upon entering as long as the incumbent firm did not decrease output. The limit price is often lower than the average cost of production or just low enough to make entering not profitable.

(http://www.pricemaker.org/pricing_strategies).

Price discrimination

Price discrimination exists when sales of identical goods or services are transacted at different price from the same provider. In a theoretical market with perfect information, no transaction costs or prohibition on secondary exchange (or re-selling) to prevent arbitrage, price discrimination can only be a feature of

monopoly and oligopoly markets, where market power can be exercised. Otherwise, the moment the seller tries to sales the same good at different prices, the buyer at the lower price can arbitrage by selling to the consumer buying at the higher price but with a tiny discount. However, market frictions in oligopolies such as the airlines and even in fully competitive retail or industrial markets allow for a limited degree of differential pricing to different consumers.

<http://www.economicshelp.org/microessay/pd/price-discrimination.htm>

Price discrimination also occurs when it costs more to supply one customer that it does another, and yet the supplier charges both the same price. Although the term “discrimination” has negative (e.g. racist, sexist) connotations in common usage, the meaning of the word “discrimination” (from the Latin word discriminator, “a distinction”) is neutral. “Price discrimination” is a technical term meaning only differentiation in price by customer, and is not intended as an accusation of illegal or unethical behavior. The effects of price discrimination on social efficiency are unclear; typically such behavior leads to lower prices for some consumers and higher prices for others. Price discriminations may be first degree, second degree and third degree in first degree price discrimination; price varies by location or by customer segment. Additionally to third degree price discrimination is exhibited are capable of differentiating between customer classes. (Kent B. Monroe, 2003:p.40)

Price mix

The distribution channel

Distribution (or place) is one of the four elements of marketing mix. An organization or set of organizations (go-betweens) involved in the process of making a product or service available for use or consumption by a consumer or business user. The other three may be a chain of intermediaries; each passing the product down the chain to the next organization, before it finally reaches the

consumer or end-user. This process is known as the ‘distribution chain’ or the ‘channel’. Each of the elements in these chains will have their own specific needs, which the producer must take into account, along with those of the all-important end-user (William D. Perreault, jr. et al, ‘basic marketing: a marketing strategy planning approach’, McGraw-Hill, 16th ed., 2008).

Channel members

Distribution channels can thus have a number of levels. Kotler defined the simplest level that of a direct contact with no intermediaries involved, as the ‘zero level’ channel. The next level, the ‘one level’ channel, features just one intermediary; in consumer goods a retailer, for industrial goods a distributor. In small markets (such as small countries) it is practical to reach the whole market using just one and zero level channels. In large markets (such as larger countries) a second level; a wholesaler for example, is now mainly used to extend distribution to the large number of small, neighborhood retailers or dealers. In Japan the chain of distribution is often complex and further levels are used, even for the simplest of customer goods. In Bangladesh Telecom operators are using different chains of distribution, especially ‘second level’. In it and telecom industry levels are named ‘tiers’. A one tier channel means that vendors it product manufacturers (or software publishers) work directly with the dealers. A one tier/two tier channel means that vendors work directly with dealers and with distributors who sell to dealers. But the most important is the distributor or wholesaler. (Louis W. stern et al, ‘Marketing channels’, prentice hall, 7th ed., 2006)

Order processing

Order processing is the key element of order fulfillment. Order processing operations or facilities are commonly called “distribution centers”. Order processing is the term generally used to describe the process or work flow associated with the picking, packing and delivery of the packed items to a

shipping carrier. The specific “order fulfillment process” or the operational procedure of distribution centers are determined by many factors. Each distribution center has its own unique requirements or priorities. There is no “one size fits all” process that universally provides the most efficient operation.

(http://www.orderprocessing.org/order_processing).

Transport

Transport or transportation is the movement of people and goods from one location to another. Transport is performed by various modes, such as air, rail, road and water. The field can be divided into infrastructure, vehicles and operations. Infrastructure consists of the fixed installations necessary for transport and may be roads, airways, waterways, canals and pipelines or terminals such as airports, railways stations, bus stations and seaports. (Edward Bardi, John Coyle and Robert Novack, 2006: Management of Transportation Thomson South Western. ISBN 0-324-31443.)

Inventory

Inventory is a list for goods and materials, or those goods and materials themselves held available in stock by a business. It is also used for a list of the contents of a household and for a list for testamentary purpose of the possessions of someone who has died. In accounting inventory is considered an asset. The word inventory was first recorded in 1601. The French term ‘inventaire’ or “detailed list of goods” dates back to 1415. The time lags present in the supply chain, from supplier to user at every stage, requires that you maintain a certain amount of inventory to use in this “lead time”. Uncertainty-inventories are maintained as buffers to meet uncertainties in demand, supply and movements of goods. Economies of scale-ideal condition of “one unit at a time at a place where user needs it, when he needs it, Principle tends to incur lots of costs in terms of logistics. So bulk buying, movement and storing brings

in economies of scale, thus inventory. Buffer stock is held in individual workstations against the possibility that the upstream workstation may be a little delayed in long setup or change-over time. This stock is then used while that change-over is happening.

<http://clearspider.com/vmipaper/clearspidervmi-2-1.pdf>

Material handling systems

For most of us material handling refers to everything from the movement of products on an assembly line to our luggage at the airport. Material handling is simply the physical movement of material from one location to another. While there is nothing really wrong with this definition, it is too broad and doesn't really tell us much about material handling in the manufacturing industry. To understand material handling, especially as we understand it here at foremost, we have to look a little more carefully at what we mean by "handling" and "material". For the plastics industry, material handling is the study of systems and equipment required for the movement of plastic resin, whether it is pellet, granule, powder or flakes. When it comes to the manufacturing process in general, the material being handled can come in any size, shape, weight or form. It can be everything from raw material, partially assembled components to finished goods. The material, in our case, is a plastic resin- a raw material that has certain properties and acts in a certain way.

<http://www.formostmachine.com/materialhandling.htm>

Warehousing

A warehouse is a commercial building for storage of goods. Warehouse are used by manufacturers, importers, exporters, wholesalers, transport business, customs etc. they are usually large plain buildings in industrial areas of cities and towns. They come equipped with loading docks to load and unload trucks; or something's are loaded directly from railways, airports, or seaports. They also

often have cranes and forklifts for moving goods, which are usually placed on ISO standard pallets loaded into pallet racks. Some warehouses are completely automated, with no workers working inside. The pallets and products are moved with a system of automated conveyors and automated storage and retrieval machines coordinated by programmable logic controllers and computers running logistic automation software. These systems are often installed in refrigerated warehouses where temperature are kept very cold to keep the product from spoiling and also where land is expensive, as automated storage systems can use vertical space efficiently. These high-bay storage areas are often more than 10 meters high, with some over 20 meters high. The direction and tracking of materials in the warehouse is coordinated by the WMS, or warehouse management system, a database driven computer program. (D.E. Kieso, T.D. Warfield and J.J. Weygandt, 2007: intermediate accounting 8th Canadian Edition. Canada)

Promotion mix

There are four main aspects of a promotional mix (or communication mix). These are: advertising- any paid presentation and promotion of sales, goods, or service by an identified sponsor. Examples: print ads, radio, television, billboard, direct mail, brochures and catalogs, signs, in-store displays, posters, motion pictures, web pages, banner ads and emails. Personal selling- A process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation. Examples: sales presentations, sales meeting, sales training and incentive programs for intermediary salespeople, samples, and telemarketing. Can be face-to-face or via telephone. Sales promotion- incentives designed to stimulate the purchase or sale of a product, usually in the short term. Examples: coupons, sweepstakes, contests, product samples, rebates, tie-ins, self liquidating premiums, trade shows, trade-ins and exhibitions. Public relations- Non-paid, Non-personal

stimulation of demand for a product, service or business unit by planting significant news about it or a favorable presentation of it in the media. Examples: Newspaper and magazine, articles/reports, TVs and radio presentations, charitable contributions, speeches, issue advertising and seminars. Direct marketing is often listed as a fifth part of the marketing mix. Sponsorship is sometimes added as a sixth aspect (www.learnmanagement2.com).

Promotional mix

Advertising

Advertising is a form of communication that typically attempts to persuade potential customers to purchase or to consume more of a particular brand of product or service. Many advertisements are designed to generate increased consumption of those product and service through the creation and reinforcement of “brand image” and “brand loyalty”. For these purpose, advertisements sometimes embed their persuasive message with factual information. Every major medium is used to deliver these messages, including television, radio, cinema, magazines, newspapers, video games, the internet and billboards. Advertising is often placed by an advertising agency on behalf of a company or other organization. Advertisements are seen on the seats of shopping carts on the walls of an airport walkway, on the sides of buses and are heard in telephone hold messages and in-store public address systems. (Shari Graydon, 2003: pp 814-825)

Type of advertising

Media

Commercial advertising media can include wall paintings, billboards, street furniture components, printed flyers and rack cards, radio, cinema and television ads, web banners, mobile telephone screens, shopping carts, web popups,

skywriting, bus stop benches, human directional, magazines, newspapers, town criers, sides of buses, banners attached to or sides of airplanes (“logojets”), in-flight advertisements on seatback tray tables or overhead storage bins, taxicab doors, roof mounts and passenger screens, musical stage shows, subway platforms and trains, elastic brands on disposable diapers, stickers on apples in supermarkets, shopping cart handles, the opening section of streaming audio and video, posters and the backs of event tickets and supermarket receipts. Any place an “identified” sponsor pays to deliver their message through a medium is advertising. (Kent Richards, 2008: pp 590-610)

Covert advertising

Covert advertising is when a product or brand is embedded in entertainment and media. For examples, in a film, the main character can use an item or other of a definite brand, as in the movie minority report, where tom cruise’s character john Anderson owns a phone with the Nokia logo clearly written in the top corner, or his watch engraved with the Bulgari logo. Another example of advertising of advertising in films is in I, Robot, where main character played by will Smith mentions his Converse shoes several times, calling them “classics,” because the film is set far in the future. I, Robot and spaceballs also showcase futuristic cars with the Audi and Mercedes-Benz logos clearly displayed on the front of the vehicles. Cadillac chose to advertise in the movie the Matrix Reloaded, which as a result contained many scenes in which Cadillac cars were used. (Masaki Kotare, and Helsen, Kristiaan, 2004: pp 260-270)

Newer media and advertising approaches

Increasingly, other media are overtaking television because of a shift towards consumer’s usage of the internet as well as devices such as T.V. advertising on the World Wide Web is a recent phenomenon. Price of web-based advertising space is dependent on the “relevance” of the surrounding web content and the traffic that the website receives. E-mail advertising is another recent

phenomenon. Unsolicited bulk E-mail advertising is known as “spam”. Some companies have proposed to place message or corporate logos on the side of booster rockets and the international space station. Controversy exists on the effectiveness of subliminal advertising (see mind control), and the pervasiveness of mass messages (see propaganda). Unpaid advertising (also called word of mouth advertising), can provide good exposure at minimal cost. As the mobile phone became a new mass media in 1998 when the first paid downloadable content appeared on mobile phone in Finland, it was only a matter of time until mobile advertising followed, also first launched in Finland in 2000. By 2007 the value of mobile advertising had reached 2.2 billion dollars and providers such as admob delivered billions of mobile ads. More advanced mobile ads include banner ads, coupons, MMS picture and video messages, advergames and various engagement marketing campaigns. (Tej K.Bhatia, 2000: pp 125-130)

Globing advertising

Advertising has gone through five major stages of development: domestic, export, international, multi-national and global. For global advertisers, there are four potentially competing, business objects that must be balanced when developing worldwide advertising: building a brand while speaking with one voice, developing economies of scale in the creative process, maximizing local effectiveness of ads, and increasing the companies speed of implementation. Born from the evolutionary stages of global marketing are the three primary and fundamentally different approaches to the development of global advertising executions: exporting executions, producing local executions and importing ideas that travel. (Charles E. Young, 2005:p. 131)

Brand promotion

A brand is a collection of image and ideas representation an economic producer; more specifically, it refers to the descriptive verbal attributes and concrete

symbols such as a name, logo, slogan and design scheme that convey the essence of a company, producer or service. Brand recognition and other reactions are created by the accumulation of experiences with the specific product or service, both directly relating to its use, and through the influence of advertising, design and media commentary. A brand is a symbolic embodiment of all the information connected to a company, product or service. A brand serves to create associations and expectations among product made by a producer. A brand often includes an explicit logo, fonts, color schemes, symbol and sound which may be developed to represent implicit values, ideas and even personality. The key objective is to create a relationship of trust. The brand and branding and brand equity have become increasingly important components of culture and the economy, now being described as “cultural accessories and personal philosophies”. In non-commercial contexts, the marketing of entities which supply ideas or promises rather than product and services (e.g. political parties or religious organizations) may also be known as “branding”. (James Gregory, 2003: pp: 145-151)

Direct marketing

Direct marketing is a sub-discipline and type of marketing. There are two main definitional characteristics which distinguish it from other types of marketing. The first is that it attempts to send its messages directly to consumers, without the use of intervening media. This involves commercial communication (direct mail, e-mail and telemarketing) with consumers or business, usually unsolicited. The second characteristic is that it is focused on driving purchase that can be attributed to a specific “call-to-action.” This aspect of direct marketing involves an emphasis on traceable, measurable positive responses from consumers (known simply as “response” in the industry) regardless of medium. If the advertisement asks the prospects to take a specific action, for instance call a free

phone number or visit a website, then the effort is considered to be direct response advertising (www.etymonline.com/index.php).

Types of direct marketing

Direct mail

The most common form of direct marketing is direct mail, sometimes called junk mail, used by advertisers who send paper mail to all postal consumers in an area or to all consumers on a list. Any low-budget medium that can be used to deliver a communication to a customer can be employed in direct marketing. Probably the most commonly used medium for direct marketing is mail, in which marketing communications are sent to consumers using the postal service. The term direct mail is used in the direct marketing industry to refer to communication deliveries by the post office, which may also be referred to as communication delivered by the post office. Which may also be referred to as “junk mail” or “ad mail” and may involve bulk mail? Junk mail includes advertising circulars, catalogs, free trial CDs, pre-approved credit card applications, and other unsolicited merchandising invitations delivered by mail or to homes and businesses or delivered to consumers mailboxes by delivery services other than the post office.

(http://en.TDM.org/wiki/direct_marketing)

Telemarketing

The second most common form of direct marketing is telemarketing, in which marketers contact consumers by phone. The unpopularity of cold call telemarketing (in which the consumer does not expect or invite the sales call) has led some US states and the US federal government to create “no-call lists” and legislation including heavy fines. This process may be outsourced to specialist call centers. In the US, a national do-not call list went into effect on October 1, 2003. Under the law; it is illegal for telemarketers to call anyone who

has registered themselves on the list. After the list had operated for one year, over 62 million people had signed up.

(<http://www.templetons.com/brad/spamterm.html>)

Couponing

Couponing is used in print media to elicit a response from the reader. An example is a coupon which the reader cuts out and presents to a super-store check-out counter to avail of a discount. Coupons in newspapers and magazines cannot be considered direct marketing, since the marketer incurs the cost of supporting a third-party medium (the newspaper or magazine); direct marketing aims to circumvent that balance, paring the costs down to solely delivering their unsolicited sales message to the consumer, without supporting the newspaper that the consumer that the consumer seeks and welcomes.

(<http://www.couponinfonow.com/>)

Direct response television marketing

Direct marketing on TV (commonly referred to as DRTV) has two basic forms: long form (usually half-hour or half-long segments that explain a product in detail and are commonly referred to as infomercials) and short form which refers to typical 0:30 second or 0:60 second commercials that ask viewers for an immediate response (typically to call a phone number on screen or go to a website). TV response marketing-i.e. infomercials—can be considered a form of direct marketing, since responses are in the form of calls to telephone numbers given on-air. This both allows marketers to reasonably conclude that the calls are due to a particular campaign, and allows the marketers to obtain consumers phone numbers as targets for telemarketing. (DRTV) (<http://www.direct-response-television.com>)

Personal selling

A sale is the pinnacle activity involved in selling products or services in return for money or other compensation. It is an act of completion of a commercial activity. The “deal is closed”, means the customer has consented to the proposed product or service by making full or partial payment (as in case of installments) to the seller. A sale is completed by the seller, the owner of the goods. It starts with consent (or agreement) to an acquisition or appropriation or request followed by the passing of title (property or ownership) in the item and the application and due settlement of a price, the obligation for which arises due to the sellers requirement to pass ownership, being a price the seller is happy to part with ownership of or any claim upon the item. (Sid Davis, 2005: pp 540-545).

The sale can be made through:

Direct sales, involving person to person contact, buying facilitation method, pro forma sales, agency-based-sales agents (real estate, manufacturing), sales outsourcing through direct branded representation, transaction sales, consultative sales, complex sales, consignment, telemarketing or telesales, retail or consumer. Door-to-door or traveling salesperson. Request for personal – an invitation for suppliers, through a bidding process, to submit a proposal on a specific product or service. An RFP is usually part of a complex sales process, also known as enterprises sales. Business-to-business-business-to-business sales are much more relationship based owing to the lack of emotional attachment to the products in question. Industrial/professional sales are selling from one business to another. Electronic-Web-business-to-business and business-to-consumer, electronic data interchange (EDI)-A set of standard for structuring information to be electronically exchanged between and within businesses (frank Rumbauskas, 2006:p.192).

Public relation

Public relation is the practice of managing the flow of information between an organization and its public. Public relation often referred to as PR- gains an organization or individual exposure to their audiences using topics of public interest and news items that do not require direct payment. Because public relations places exposure in credible third party outlets, it offers a third party legitimacy that advertising that advertising does not have. Common activities include speaking at conferences, working with the press and employee communication. PR can be used to build rapport with employees, customers, investors, voters or the general public. Almost any organization that has a stake in how it is portrayed in the public arena employees some level of public relations. A number of specialties exist within the field of public relations, such as media relations, investor relations or labor relations. Public relations and publicity are not synonymous but many public relations campaigns include provisions for publicity. Publicity is the spreading of information to gain public awareness for a product, person, service, causes or organizations, and can be seen as a result of effective PR planning. (Phil Hall, 2007:pp121-130).

Publicity

Publicity is the deliberate attempt to manage the public's perception of a subject. The subjects of publicity include people (for example, politician and performing artists), goods and services organizations of all kinds and works of art or entertainment. From a marketing perspective, publicity is one component of promotion. The other elements of the promotional mix are advertising, sales promotion and personal selling. Promotion is one component of marketing. But the publicist cannot wait around for the news to present opportunities. They must also try to create their own news. Examples of this include: and that people that contest, art exhibitions, event sponsorship, arrange a speech or talk, make an analyses or prediction, conduct a poll or survey, issue a report, take a stand

on a controversial subject, arrange for a testimonial, announce an appointment, invent then present an award, stage a debate, organize a tour of your business or projects, issue a communication. (Thomas Calcagni, 2007: pp 512-520)

Sales promotion

Sales promotion is the one of the four aspects of promotion mix. (Other three parts of the promotional mix are advertising, personal selling and publicity/public relation) 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 display, rebates, free travel, such as free flights. Sales promotion can be directed at either the customer, sales staff or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called consumer sales promotions. Sales promotion targeted at retailers and wholesaler are called sales promotions. Some sales promotions particularly ones with unusual methods, sales force promotion tools are also used. The promotional mix also contains sales force promotion.

<http://www.economist.com/business/displaystory.cfm>

Promotional model

A promotional model is a person hired to drive consumer demand for a product, service, brand or concept by directly interacting with consumers. A promotional model can be female or male and typically is attractive in physical appearance and not only provides information to the consumer about the product or service, but makes it appearing to them in some way, enabling the consumer to identify with the product, service or the company that offers it. While the length of interaction with the consumer may be short the promotional model delivers a live experience that reflects on the product or service he or she is representing.

<http://www.promotionalmodels.com>

Trade show model

It works a trade show floors pace or both and represent a company to attendees. Trade show models are typically not regular employees of the company but are freelancers hired by the company renting the booth space. They are hired for several reasons. Trade show models make a company's booth more visibly distinguishable from the hundreds of other booths with which it competes for attendee attention. Also, trade show models are articulate and quickly learn and explain or disseminate information on the company and its product and service and can assist a company in handling a large number of attendees which the company might otherwise not have enough employees to accommodate, therefore increasing the number of sales or leads resulting from participation in the show. Trade show models can be skilled at drawing attendees into the booth, engaging them in conversation and at spurring interest in the product, service or company. (<http://www.kombo.com/article.php>)

Spokes model

A spoke model is a (sometimes disparaging) term to describe a spokesman who has been hired on the basis of their appearance and celebrity rather than their credibility. A spokesman is someone engaged or elected to speak on behalf of others. The term spokesman, invented to replace the conventional spokesman, is a typical example of a gender-nature neologism. In the present media-sensitive world, many organizations are increasingly likely to employ professionals who have received formal training in journalism, communications, public relations and public affairs in this role in order to ensure that public announcements are made in the most appropriate fashion and through the most appropriate channels to maximize the impact of favorable message and to minimize the impact of unfavorable messages. Popular local and national sports stars (such as Michael Jordan or Bob Uecker) are often chosen as spokespeople for commercial advertising.

(<http://www.prweb.com>)

Promotional strategy

Promotion-push and pulls strategies

Push

A “push” promotional strategy makes use of a company’s sales force and trade promotion activities to create consumer demand for a product. The producer promotes the product to wholesalers, the wholesalers promote it to retailers promote it to consumers. A good example of ‘push’ selling is mobile phones, where the major handset manufacturers such as Nokia promote their products via retailers such as Carphone Warehouse. Personal selling and trade promotions are often the most effective promotional tools for companies such as Nokia –for example offering subsidies on the handsets to encourage retailers to sell higher volumes. A ‘push’ strategy tries to sell directly to the consumers, by passing other distribution channels (e.g. selling insurance or holidays directly). With this type of strategy, consumer promotions and advertising are the most likely promotional tools. (G. Edward Hinkelman and Sibylla putzi, 2005:p.144)

Pull

A ‘pull’ selling strategy is one that requires high spending on advertisement and consumer promotion to build up consumer demand for a product. If the strategy is successful, consumers will ask their retailers for the product, the retailers will ask the wholesalers, and the wholesalers will ask the producers. A good example of a pull is the heavy advertising and promotion of children’s toys-mainly on television. Consider the recent BBC promotional campaign for its new pre-school program- the fimbles. Aimed at two to four –year-olds, 130 episodes of fimbles have been made and are featured everyday on digital children’s channel, CBeebies and BBC2. as part of the promotional campaign,

the BBC has agreed a deal with toy maker Fisher-price to market products based on the show, which it hopes will emulate the popularity of the Tweenies. Under the term of the deal, Fisher-price will develop, manufacturer and distribute a range of Fimbles products including soft, plastic and electronic learning toys for the UK and Ireland in 2001, BBB worldwide (the commercial division of the BBC) achieved sales of 90m pounds from its children's brands and properties last year. The demand created from broadcasting of the fimbles and a major advertising campaign is likely to "pull" demand from children and encourage retailers to stock fimbles toys in the stores for Christmas 2002. (Dowling and Grahame Robert, 2004:p.266)

Service promotion

Service marketing is marketing based on relationship and value. It may be used to market a service or a product. Marketing a service-base business is different from marketing a goods-base business. There are several major differences, including:

1. The buyer purchase are intangible
2. The service may be based on the reputation of a single person
3. It's more difficult to compare the quality of similar services
4. The buyer can not return the service

Service marketing mix adds 3 more p's, i.e. people, physical evidence and process, service and follow-through are keys to a successful venture. The major difference in the education of services marketing versus regular marketing is that instead of the traditional "4p's," Service marketing also includes the services cape referring to but not limited to the aesthetic appearance of the business from the outside, the inside and the general appearance of the employees themselves. Service marketing has been relatively gaining ground in the overall spectrum of educational marketing as developed economies move

father away from industrial importance to service oriented economies. (S.peter, and J. Rada, 1998:pp.45-50, vol.6)

There are five characteristics to a service, which will be pointed below.

1. Lack of ownership
2. intangibility
3. inseparability
4. permissibility
5. Heterogeneity

Promotional challenges of financial services

Financial services

Financial services organizations are facing the most serious and prolonged crisis since the 1930s. Contagious uncertainty, instability and resulting write-downs are infecting ever more sections of the market. Funding is drying up. Equity values are becoming ever more volatile. Demand for financial products and services are falling back amid an accelerating slowdown in the global economy and dip in business and consumer confidence. Organizations will need to demonstrate through understanding and control of their risk to rebuild investor confidence attract funding and stabilize their businesses in the short-term. Going forward, many may need to transform their business models and associated performance objectives and incentives as part of a more sustainable long-term approach to value creation.

(<http://steinthal.wordpress.com/2008/05/01/talent-challenges-for-financial-service-companies/>).

While demanding, the current market environment could open up valuable opportunities for growth. Strongly capitalized groups are in a favorable position

to pursue ambitious acquisition and business development strategies. Firms that can effectively manage costs and enhance understanding of individual consumers evolving needs will be able to build enduring and profitable client relationships. Emerging markets and alternative investment sectors also continue to offer significant potential for expansion. (<http://www.pwc.com/Extweb/industry.nsf/docid/519EA4df816D2A185256AE6006A8466>).

Financial services challenges

1. Governance and risk management
2. Growth
3. Human capital
4. Market reporting
5. mergers and acquisitions
6. Regulation and compliance

Governance and risk management

In the face of an increasingly complex and uncertain commercial, regulatory and geopolitical environment, financial services organizations are looking to develop a more proactive, systematic and integrated approach to governance and risk management. However, governance, risk management and compliance (GRC) are still primarily seen as a regulatory obligation rather than a value driver. Effective enterprise-wide risk management can help to underpin sound governance and related compliance requirements by providing a comprehensive framework of internal controls and reporting procedures. The enterprise-wide approach focuses both on familiar financial risks and harder-to-measure strategic, operational and reputation risks. The results are enhanced stakeholder confidence and sustainable value creation. A global CEO survey carried out by

price water house coopers in 2003 revealed that among companies where enter-prises-wide risk management is a priority, with most including both quantifiable and hard –to-measure risks in their program, more than two-thirds believed that it had improved their ability to take appropriate risks to help create value.

(<http://www.imf.org/external/np/seminars/eng/2006/macropr/index.htm>).

Growth

Surveys of CEOs, CFOs and other senior executives consistently cite growth as either their chief or one of their leading priorities. Growth is also one of the key indicators by which analysts judge companies. Growth in financial services is being bolstered by the opportunities of demography, emerging markets and ever more innovative products and services. Yet, organizations also face the challenges of mounting competition, more complex regulation and ever more exacting customer expectations. Effective growth strategies are therefore likely to cut across all operating processes and functional boundaries. Key priorities include ensuring that the business model takes full account of customer's needs, tax, financial and regulatory considerations and the organizations capacity to change the way it does business. In turn, the objectives and criteria for success need to be clearly measured. Creating operations that can retain and deliver profits from customers through their lifetime will demand a significant investment in data gathering and relationship management and may therefore require a shift in the prevailing cost-income model. This includes a re-think of training, re-ward and performance management strategies including a move from volume-based incentives to rewards geared to client satisfaction and the profitability of the customer over the lifetime of the relationship. Success will also require timely and insightful metrics on customers evolving attitudes and performances (Palgrave Macmillan journals in its journal the Geneva Papers on Risk and insurance, 2001: pp.37-43).

Human capital

No company can thrive without quality people at all levels. What does evolve is the skills base. As the financial services sector increasingly focuses on developing and sustaining enduring and profitable relationships, the coming years are likely to see an ever greater need for customer-facing capabilities. Other key requirements include people with the data analytical expertise needed to profile clients changing product demand and service expectations. The quality of customer-facing staff is especially critical in fostering loyalty, developing opportunities for cross-selling and managing complaints that could damage client satisfaction. (www.european-retail-academy.org/media/download/EMJB-current-challenges)

How PWC is assisting financial services organizations

Price water house coopers can help financial institutions to develop effective human capital strategies capable of improving customer focus and delivering revenue growth. This includes helping organizations to make the most effective investment in people, develop customer-centre rewards strategies and integrated their approach to human resources. Organizations operating in today's world are facing some of the greatest people management challenges in the history of business. But how will these challenges impact business over the next decade?

Managing tomorrow's peoples: the future of work in 2020, is a report developed by price water house coopers human resources services practice hypothesizing the future of people management and the issue that might arise. It also contains results from a global survey of 3000 millennial from the US, china and the UK who represent a generation just joining the workforce, to test their views and expectations on the future of work. (www.bernet-partner.ch/Modulefiles/Mod_files/8/FilePath/VW_Web.pdf)

Market reporting

The quality and breadth of market reporting is becoming ever more strategically critical at a time when financial services organizations are facing increasing competition for investment, both from within the sector and from other industries. Effective communications can build lasting market confidence by conveying the strategies and future potential of the enterprise. This includes both financial and non-financial value drivers in areas such as innovation, product design and customer relationships. On the flip-side, opaque reporting can be penalized with a risk margin and higher cost of capital. The impact of Basel II, Sarbanes-Oxley and international Financial Reporting Standards (IFRS) have provide a further catalyst for improvement by imposing enhance regulatory demands in areas such as risk management and, in turn, raising the bar for analyst, investor and rating agency expectations. A more systematic and sophisticated framework of information and analysis can not only meet regulatory requirements, but also prove invaluable in enhancing the basis for tactical and strategic decision- making.

(<http://www.g1.com/Solutions/industry/Financial-services/Challenges-and-opportunities.html>).

How PWC is assisting financial services organizations

Price water house coopers has a global network of specialists who can help companies develop effective and sustainable frameworks for meeting new market reporting requirements including Basel II, Sarbanes-Oxley and IFRS. We can also help organizations meet stakeholder demands for more credible and transparent disclosure.

(WWW.associatedcontent.com/article/financial_service_marketing_some_challenges).

Mergers and acquisitions

The credit crunch is changing the face of global banking. Ancient institutions have found themselves unable to continue to operate independently while seemingly well capitalized, aggressive institutions see the potential for growth opportunities. Depressed market and currency valuations mean financial services institutional should be considering their peers not just as competitors but also as potential partners, parents or subsidiaries. In today's global market, that may mean looking far beyond your usual competitive set.

(www.euractiv.com/en/financial_services/interviewfinancial.challenges/artical-166).

Regulations and compliance

Financial services organizations are grappling with the biggest shake-up in regulation for a generation. Implementing reforms ranging from Basel II and Sarbanes-Oxley to the ever growing array of anti-money laundering provisions has been a costly and complex challenge. Companies in the EU face the additional hurdle of complying with a raft of directives emanating from the European Commission Financial services Action plan, including MIFID and Solvency II. The potential payback should include a more informed basis for decision-making and greater strategic assurance in the face of the ever increasing complexities and uncertainties of modern financial services business. More effective embedding of compliance and related governance and risk management into frontline operations could help financial services organizations to realize the business benefits of their investment. For example, the scenario analysis required by Basel II could help to provide a more granular and forward-looking approach to capital allocation and the setting of credit limits. Ultimately, today's compliance costs would still appear modest when compared to the billions that can be wiped off share values if lapses in probity, business conduct or financial reporting come to light. Indeed, the increasing

pressure to improved controls and accountability is coming from investors, customers, employees and other key stakeholders, not just governments and supervisory bodies. Companies may therefore need to look beyond narrow regulatory expectations to develop a more holistic and proactive approach to compliances- one that embraces broader ethical and strategic considerations. (<http://www.charteris.com/sectors/fsm/challenges.aspx>.)

Promotion of banking services in Nepal

Dimension of banking promotion in Nepal

New situation inspires to evolve new initiatives. Concept of banking promotion cropped up after the incorporation of the second and third bank- Rastriya banijya bank and agriculture development bank, Nepal in sixties. Accordingly, banking promotion board was constituted by Nepal Rastra Bank and almost all the major financial institutions and some experts of the business communities were included in the board. Its objectives are to formulate policies for the development of banking system in the country. Such development would not only fulfill one of the statutory functions of NRB but also help cause close relationship between bank and business communities. Banking promotion would, in effect, lead to national development. Since initial years the board has deliberated on banking policy from the national perspectives. The board adopted the policy of compensation to commercial banks. And later to ADB/N as well, for the likely loss they might incur in branches directed to open by NRB. (NRB, 2003: Economic report, Kathmandu: Nepal Rastra Bank)

NRB directed commercial banks to advance loans to small entrepreneurs of agriculture, small industries and services in 1974. as per the directive, commercial banks began to finance to needy borrowers without much stress on collateral but on the viability of the project. This was the shift from traditional to modern way of banking. This was the first example of directed credit in the country like in South Korea and other parts of the region. Priority sector credit

for the above three sectors was, and still is, the need of the economy. However, due to internal and external factors, the priority sector has remained in the shade in the national economy. NRB is allowing other commercial banks also to do banking transaction for the government, as a part of banking facility to the public. This seems important from the view of decentralization of banking services in the country, as a banker to the government NRB issues national saving certificates, Bonds etc. in order to make efforts to mobilize such public savings for investment NRB should, one way or the other, evolve a mechanism which would disseminate information to each potential district and facilitate investment in the governments financial instruments. As at mid-July 2001 ownership of individuals in the total government bonds has not exceeded 20.4 percent. With little more endeavor, the percentage can be increased tremendously. Lack of decentralized information to the public is also responsible for the percent status. (K.R Kharel, 2002: Economics, Kathmandu; Sukunda pustak Bhandar)

Another step towards banking-promotion should be the use of non-operative or recurring deposits in each and every deposit taking institution of the country. Nepal bankers association can play a co-urinating role in such a move. This type of deposit seems suitable to those who want to save regularly but till now are finding themselves uncomfortable to bank with. In fact, many banks do not encourage this type of deposits because they should part with a little more interest rate but collect small savings per month. In poor a country like Nepal, forced savings, in one form or the other, can increase saving habit of the people. Banks should take care of small savings as well. Banks marketing strategy should include, as per the demand, those clients who want to admit their children to medical or engineering collage. Technical education is very costly today even in Nepal. Since this loan is of medium term, interest rate and other charges should be within the reach of the lower middle or middle class family.

Interest rate, including other charges should be between 10 to 11 percent while margin should be just nominal. Then only, genius students can study in well-known universities. In fact, such a loan can be beneficial to the financing banks after hire purchase loan which is a lucrative business to them. If individual perception counts, this author is not in favor of vehicle- loans for personal use for two reasons; mostly unproductive and more expensive also from pollution point of view. There should be survey of potential banking-business under the initiatives and co-ordination of NRB, along with other banks. Some more areas of investment might appear (David Luenner, 2006:pp.327-358 journal of Economic and Financial Review).

Current issue in banking supervision

In the past, the business of bank supervision was focused on validating banks transactions, particularly the value of loan portfolios, which have been historically the principle sources of problems for banks. In the process, supervisors would go through the balance sheet, assuring themselves that a banks assets and liabilities were essentially as started and that its reserves and net worth were real. Traditional forms of supervision are important regulatory tools but have some severe limitations. In particular, they are labor intensive and narrow in focus, as they look at many transactions to assess the condition of individual financial institutions at a point in time. They were focus on detecting minor mistakes rather than overall financial soundness and risk management aspect of the banks. Traditional supervision provides a snapshot of an institutions condition at a point of time. It is transaction oriented and usually more labor intensive than risk-based supervision, thereby straining the scarce resource of most regulations. Stability of the financial systems has become the central challenges to bank regulators and supervisors throughout the world. Supervisory authorities all over the world are gradually moving towards

adopting risk-based supervision. (Shivaraj shrestha, 2004, “effective domestic debt management in Nepal”, NRB samachar, 49th anniversary issue)

There is now a growing stress to adopt a more risk focused comprehensive approach, which is likely to contribute positively in the supervisory functions. Through scrutiny of system and procedures prevailing in supervised bank is an integral part of on-site inspection, there is scope for more focus on the risk profile of the banks. Supervisory bodies in the world are seeking more focused, responsive and tailored approach to supervision. Nepal Rastra Bank is committed to adopt the best supervisory methods and practices and has been constantly endeavoring to enhance the sophistication and efficiency levels of its supervisory processes. In line with this philosophy, NRB has been continually updating the rules, regulations as well as the supervisory practices to deliver effective supervision (NRB, banking supervision annual report 2005).

Risk based supervision

The current supervisory process adopted by the bank supervision department is applied uniformly to all supervised institutions i.e. commercial banks. The current approach is largely on-site inspection supplemented by of-site monitoring and the supervisory follow-up and action commences with the detailed findings of annual financial inspections. The process is based on CAMELS/CAELS approach where capital adequacy, assets quality, management aspects, earnings, liquidities and sensitivity to market risk are assessed keeping in view the legal requirements of the Acts and directives. The on-site inspections are conducted, to a large extent with reference to the audited balance sheet dates and cut-off dates of financial years. The of-site surveillance plays a supplemental role. While in several external jurisdictions, the supervisory process extensively leverage on the use made of these resources in Nepal is rather limited. This is gradually changing with the introduction of long form audit report (www.nrb.org.np, “banking supervision annual report 2005”)

Basel core principles

The core principles for effective banking supervision, promulgated by the Basel committee on banking supervision, set out the minimum standards that are considered necessary for effective supervision. Core principles have been used by countries as a benchmark for assessing the quality of their supervisory systems and for identifying future work to be done to achieve a baseline level of sound supervisory practices. Experiences has shown that self-assessment of countries compliances with the core principles have proven helpful for the authorities, in particular in identifying regulatory and supervisory shortcoming shortcomings and setting priorities for addressing them. Several of the principles embrace risk based supervision and encapsulate the concepts is a brief document and covers a variety of topics, it cannot fully explain the key differences between risk based supervision and traditional regulatory practices or provide a systematic explanation of all the basic element that would enable a regulatory agency to implement risk based supervision. Although supervisory practices and processes are always evolving and improving over time, it is helpful to subject supervisory arrangements to securities against internationally accepted benchmarks, and to consider where improvements can be made. To be effective, any such assessment must be undertaken. It is to easy for supervisors to assert critically that exiting arrangements represent best practice when closer analysis would reveal otherwise. Realizing the importance of the core principles, NRB with technical support from IMF has completed a self assessment highlighted area which needs improvement and in order to correct those deficiencies and action plan has been prepared. NRB has already taken initiatives to address those deficiencies in accordance with the action plan (Debesh Bhowmik, 2004: Globalization, Internal Trade and Financial Integration).

Basel II, concept and its implementation in Nepal

With a view of adopting the international best practices, NRB has decided to adopt capital adequacy framework based on Basel II document realized by Basel committee on banking supervision. The complexity and sophistication of the Nepalese financial market didn't warrant advanced approaches like the IRB approach or the standardized approach. Hence, NRB adopted the simplified standardized approach for credit risk, basic indicator approach for operational risk and net open exchange model for the market risk. Reminiscent of the international coverage of capital measurements and capital standards, this framework also builds around three mutually reinforcing pillars, viz. minimum capital requirements, supervisory review process and disclosure requirements. The first pillar aligns minimum capital requirements more closely with banks actual underlying risks. In concept, the first pillar is similar to the existing capital framework, in that, it provides a measure of capital relative to risk. The second pillar-supervisory review process-allows supervisors to evaluate a banks assessment of its own risks and determine whether that assessment seems reasonable. It is not enough for a bank or its supervisors to rely on the calculation of minimum capital under the first pillar. Supervisors should provide an extra set of eyes to verify that the bank understands its risk profile and is sufficiently capitalized against its risks. The third pillar- market discipline-ensures that the market provides at another set of eyes. The third pillar is intended to strengthen incentives for prudent risk management. Greater transparency in banks financial reporting should allow marketplace participants to better reward well-managed banks and penalize poorly managed ones. The coming year shall see a parallel run on the capital adequacy of the banks under both Basel I and Basel II banks are required to compute their capital adequacy requirements, based on this framework, on a quarterly basis. The so arrived result should be reported to their respective board of directors as well as to the

NRB in the prescribed formats. Any shortfall in the capital adequacy requirement in accordance with this framework shall not constitute a default during this review period. However the failure to submit the returns stipulated in this framework shall constitute non-compliance. The accord implementation Group (AIG) constituted to support to the Basel II implementation is continuously monitoring and providing support to this process. This group also recommended necessary changes to the framework based on the ground of the need and justification of such changes (Binod Atreya, “concept of Basel II and its implication”, Banking promotion report, 2007: pp 25-30).

2.2 Research review

Narayan gurun (2007), “a case study on brand equity of Gunilo products” gunilo agro-brand product was the first firm that conceptualized and implement product of our traditional foods items in a systematic and well-planned manner. It has successful established a good position in the market from 7 years. The firm has always been focusing on quality product at reasonable price to its customers.

Gunilo product is marketed under Shital agro products on the ownership of Bondu karki. It is a pokhara based women headed private enterprises committed to provide urban consumers access to traditional Nepalese food. This enterprise was registered in the year 2055 B.S. under cottage and small-scale industry in Kaski.

OBJECTIVES

- ❖ To assess brand awareness of Gunilo products
- ❖ To measure brand loyalty of GP
- ❖ To analyze the value perception among customers about Gunilo product

- ❖ To assess the overall image of the brand
- ❖ To assess the view of retailers about the brand in comparison to other competitive brand.

FINDINGS

- The distribution of GP is limited only within PKR valley, awareness level is very low, total respondents-303 only 33% respondents were found aware of the products.
- Sales persons were found to be the main sources of customer's awareness of the products, 41% through sales persons, and 30% from shop display, 13% friends, 11% advertisement, 3% from other sources and 2% from family members.
- Brand loyalty varied by gender and value perception whereas occupation does not have any effect on the brand loyalty of the products.
- The mostly cited reason for buying this product is taste-42% and 38% of high quality.
- Since the products daily consumed household items, the main buyers of the product were found to be the married women.

Liladhar Adhikari (2059), "Effect of Sales Promotion on Brand Choice (with ref. to motorbike)

OBJECTIVES

- ❖ To find out the brand distribution of motorbike among consumers
- ❖ To find out the types of sales promotional tools used for making of motorbike in Pokhara
- ❖ To find out the more influencing factors in the future buying of motorbike

- ❖ To assess the relative important attached to the various factors namely technical competencies, price, and fuel efficiency and after sales services etc.
- ❖ TO find out the major criteria used by the buyers while buying the particular brand of motorbike.

FINDINGS

- 26 dealers of motorbike in Pokhara in that time
- 26-45 age group is the largest buyers group of the motorbike
- Most of the buyers having intermediated and graduate level of education
- Most of the customers having less then 20000 earnings per month
- Hero Honda, Yamaha, Kawasaki, Kinetic holds 62% of market
- Indian brand hold 72% of motorbike market in pokhara
- Job holders gave more priority in price and fuel efficiency than business buyers of motorbike.
- Sales promotion scheme is less important than the attributes like technical competence of brand, fuel efficiency, price, resale value of brand, after sales services given by dealers

Umesh Singh Yadav (2005), “A comparative Study of adv. Media selection and Usage Practice of Mfg. and Service Industry in Pokhara.”

OBJECTIVES

- 1) To find out the media usage pattern of industries for adv.
- 2) To analyses the selection criteria media that is the best suited in adv.

- 3) To analyses the annual adv budget of mfg .And service industries.
- 4) To have comparative study of media usage and selection practice in mfg. And service industries.
- 5) To analyses the effect of adv in creating awareness generating sales and image buildings.

FINDINGS

- 1) Comparatively more no of service industries are found using media for adv .Than mfg industries.
- 2) 84% industries are found of using media and 16% were not found familiar with adv. media.
- 3) Mfg. industries have first preference on usage of print media is given to the local newspapers, secondly, they prefer business publication, thirdly, magazines, fourthly, bill board painting then to banner displays and lastly to counter displays.
- 4) In services industries both print and electronic media is excessively used for adv. 44% of them do so. Remaining 34% use print media, 10 % use electronic media and 12% don't advertise at all.
- 5) Adv. Budget for mfg. industries-20000-50000
- 6) Adv. Budget for service industries-50000-100000
- 7) Some of the service industries were found that they advertise just for establishing relation with others.

Laxmi Prasad Baral (1996), "A Comparative Study On The Communication Effect of Adv. And Brand Preference, A Case study of Instant Noodles-Yum-Yum and Rara

OBJECTIVES

- 1) To examine the effectiveness of adv of rara and yum yum noodles.
- 2) To bring into focus on the selection between the brand preference and advertisement
- 3) To examine the popular media for adv in case of instant noodles
- 4) To know strengthen and weakness of adv of instant noodles.

FINDINGS

- 1) The Rara noodles is in the maturity stage in the market while yum yum is in growth in stage
- 2) Most of the agencies having sound financial condition and strong means and resources evaluate the effects of adv from time to time
- 3) Consumers give more preferences to the quality and less preference to the brand
- 4) The electronic media, the radio Nepal and NTV are mostly used media for commercial media advertisement
- 5) NTV is the most popular media in ktm valley. The radio Nepal hold the second and Newspaper is in third position respectively
- 6) Most of the agencies were found giving adv to daily newspapers
- 7) Instant noodles are popular in Ktm valley in comparison to the other region of the country.

Research Related Articles/International Thesis

Promotion strategies in for banking services: case study of Nordea in Estonia

ABSTRACT

The issues of promotion are becoming more and more complicated as internationalization of financial services continuous to increase. In the latter

years, the Baltic States have emerged as attractive markets for many western countries, and several banks have initiated operations there. The purpose of this thesis is to gain a better understanding of international banks promotions strategies in the Baltic States. In order to reach our purpose we have conducted a case study of a Nordic retail banks promotion strategy in Estonia. For our data collection we have used interviews and documentations. Our studies show that the most important promotional tools for financial service are personal selling and advertising. In order to create awareness of the brand and established personal relationships. The external factors influencing the choice of promotion strategy are technology orientati0n of the industry, cultural aspects, competitiveness of the market and economic factors. Adaptation of the promotion strategy is performed to a great extent, due to customer's different performances and expectations, as well as local conditions of the host country, however, banks attempt to standardize their promotion as much as possible in order to reduce costs and reach economies of scale. (Anna Grankvist; Carolina Kollberg; Anna Person; 2004)

Title: Empirical analysis of interest banking adopting in Poland

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ABSTRACT

Purpose- This paper seeks to identify empirically the factors underlying the decision to adopt online banking in Poland.Design/methodology/approach-the sample used in this study is based on 3,519 interactive questionnaires completed by Polish internet users. The dichotomous decision of whether to adopt internet banking services was linked, via binomial Logistic Regression, to numerous explanatory variables. Findings- Generally, the behavior of polish internet users

and that of consumers in more developed countries exhibit similar traits. One of the dominant relationships that has been observed in our study is the link between the decision to open an online account and the perceived level of security of internet transactions. Experiences with the medium of internet and certain demographic variables also proved to be robust predictors of the adoption status. Moreover, this inquiry documents that advertising appears to be efficacious and that online banking interacts with consumption of other products offered by banks. These findings imply that financial institutions can encourage customers to use this cost-effective distribution channel through carefully-planned actions. Practical implications- the results presents in this paper can be of assistance to banks that either operate in Poland or intend to design a pan-European strategy. Useful insides are also provided with regards to market segmentation, security and strategies fostering the acceptance of online banking. Originality/value- The analysis is based on a large sample and broadens our understanding of the attitudes towards innovative financial products by considering factors rarely discussed in prior literature. Michal Polasik, Tomasz Piotr Wisniewski (international Journal of Bank Marketing, 2009, vol. 27, issue-1, pp 32-52)

Title: financial services and markets tribunal rules on application of financial promotion regime

ABSTRACT

Purpose-the purpose of this paper is to describe the financial services and markets tribunal ruling on the application of the financial promotion regime, involving fox Hayes V. financial services authority. Design/methodology/approach –the paper outlines the facts surrounding the case and comments on the ruling. Findings- The tribunal disagreed with the FSA that the applicant had acted negligently or recklessly. Originality/value- The paper highlights the lack of clarity and guidance on the part of the FSA as

to exactly which firms on its list of unauthorized firms it considered as “boiler rooms” and which it did not. Jonna Gray “Journal of financial regulation and compliance”, 2008, vol.16 pp.192-199)

Title: internet banking adoption strategies for a developing country: the case of Thailand

ABSTRACT

Purpose: the objectives of the paper is to identify the factors that encourage consumers to adopt internet banking services in Thailand and to use the study’s findings to develop strategies for banks on how to maximize the rate of adaptation. Design/methodology/approach- Quantities research with a sample size of 600 achieved by sending questionnaires to 15 people in each of 40 large companies in Bangkok. The study is based on the decomposed planned behavior. Findings- the attitudinal factors that appear to encourage the adaptation of internet banking in Thailand most are “Features of the web site” and “Perceived usefulness”, while the most significant impediment to adoption is a perceived behavioral control, namely “External environment”. The significant moderating factors are gender, educational level, income, internet experiences and internet banking experiences, but not age. Research limitations/implications- in this study, encouragement factors are those that are able to be controlled by banks, while impediment factors are those that are not able to be controlled. Practical implications-it is essential for banks to facilitate encouragement and restrict impediment factors. In addition to the direct “pull” mechanism (in respect of the impediment factors). Originality/value – the study identified a number of specific strategies that Thai banks could follow to maximize the adoption of internet banking. (Bussakorn Jaruwachirathanakul, Dieter Fink “Internet Research”, 2005, vol.15, iss: 3, pp.295-311)

Title: An Exploratory Report of Sales Promotion Management

ABSTRACT:

Investigates the role and management of sales promotion in US companies, reports on a study intended to identify factors that influence sales promotion management. Concludes that the product categories and the firm's position within the category are related to sales promotion behavior, with similarity in sales promotion behavior among firms in similar product marketing environments. (Robert Kimball "Journal of Consumer Marketing", 1989, Vol.6, Iss: 3, pp.65-75)

w York : HarperCollins publishers ,2002 ISBN 0-06-091533-1.pp. 172-173)

By the 1390s was short all over Europe, except in Venice. The silver mines at kantar Hoar had begun to decline in the 1370s and finally closed down after being sacked by King Sigismund in 1422. By 1450 almost all of the mints of northwest Europe had closed down for lack of silver .The last money –changer in the major French port of Dieppe went out of business in 1446 in 1455 the Turks overran the Serbian mines , and in 1460 captured the last Bosnian mina . The last Venetian silver gross was minter in 1462 .Several Venetian banks failed and so did the stress banks of Florence, the second largest in the city .Even the smallest of small change became scarce. Banking offices were usually located near centers of trade, and in the last 17 th century, the largest centers for commerce were the port of Amsterdam, London and Hamburg . Individuals could participate in the lucrative East India trade by purchasing bills of credit from these banks, but the price they received for commodities was dependent on the sips returning (which often' didn't happen on time) and on the cargo they carried (which often wasn't according to the many wars that led to plan). The commodities marker was very volatile for this reason, and also because of the many wars that led to cargo seizures and loss of ships (<http://www.washingtontimes.com/news/2002/may/12/panic-control>).

CHAPTER III

RESEARCH METHODOLOGY

3.1 Introduction

Research methodology is the process of arriving to the solution of the problem through planned and systematic dealing with the collection, analysis and interpretation of fact and figure. This methodology refers to the various sequential steps to adopt by researcher in studying as problems with certain objectives in view. To find out such solution of problems, various statistical techniques are applied according to the nature of phenomena. This chapter includes research design, population and sample, nature and sources of data, data collection procedures data processing and analysis procedures and last statistical tools used.

3.2 Research design

This study is covered with the branches of MBL at Pokhara. It is followed case study research design. The data are collected within the location of Pokhara valley from customers of respondents. Information or data are also collected from staff of the bank. Opinions of respondents are compiled for the analysis of data to search results.

3.3 Population and Samples

The population of the study is commercial banks and its branches. But the study is based on the branches of MBL at Pokhara as sample. 100 customers of bank branches are the respondents from which the data are collected.

3.4 Nature and sources of data

Major sources of data used in the study are primary as per the requirement of the study. As per primary sources of data, the first category of respondents is a senior staff of the branch. Some data are also used which are sourced by official website, annual general meeting report book and brochures etc.

3.5 Data collection procedures

Two distinct set of questionnaires are prepared and these are presented to the respective respondents as a customers and staffs of a bank with brief introduction of the nature of the study. Questionnaires were self administered. Field visit is the major method to collect data from respondents.

3.6 Data processing and analysis procedure

The responses are categorized, tabulated, processed and analyzed. Primary data (opinions of respondents and senior staffs of bank) are processes and computed to show weighted mean, value and percentages. The data are also cross tabulated on the basis of age sex education and income level etc.

3.7 Statistical tools used

Collected and processed data have been analyzed by using statistical techniques such as percentages, weighted mean and value used to find out the rank wise services of the offered to the customers.

CHAPTER IV

PRESENTATION AND ANALYSIS OF DATA

Introduction

This chapter contains presentation and analysis of data collected from sampled customers and manager of MBL by using the self administered questionnaires set. Data are presented on table and graphical forms i.e. bar diagram, pie chart and scatter diagram. Every aspects of market promotion i.e. publicity and public relation, advertising, sales promotion, direct marketing and personal selling are linked with service of MBL. Presentation and analysis of data include there aspects by focusing to customers view i.e. personal relationship status of MBL, promotional tools and media used by the bank, the impact of promotional activities over the customer, brand loyalty, challenges to the bank in Pokhara, awareness about bank services, satisfaction level of customer by bank's services and competitive situation of bank in pokhara.

The analysis of managers view regarding the future plan, organizational structures, establishment of marketing department, promotional tools, rank wise media used by bank, mechanism of service delivery, competitive situation, current main challenges for financial services, impact of service promotional activities towards targeted customers, developing public relation and suggestions for banking service promotion are presented in order.

4.1.1 Profile of respondents

Table 4.1

Education, gender and age group of respondents

Gender/Age/Education	Master	Bachelor	Intermediate	Literate	Total	Percentage
Male	6	15	30	14	65	65
Female	4	13	7	11	35	35
Total	10	28	37	25	100	100
Percentage	10%	28%	37%	25%	100%	
Less than 25 of age	2	19	3	2	26	26%
26 to 55 of age	29	26	2	7	64	64%
Above 55 of age	0	10	0	0	10	10%
Total	31	55	5	9	100	100%

Sources: Questionnaire

According to the above Table 4.1, 65 percent respondents are male where as only 35 percent respondents are female. 26 percent respondents having age of less than 25, 64 percent respondents are 26 to 55 of age and 10 percent respondents age is found above 55. 10 percent respondents have education of master's degree, 28 percent respondents have bachelor's degree, 37 percent respondents have intermediates and 25 percent respondents are literate.

Table 4.2
Income level of respondents yearly

S.N	Particulars	Respondents	Percentage
1	Less then one lakhs	12	12%
2	1 to 2 lakhs	67	67%
3	2 to 3 lakhs	8	8%
4	3 lakhs and above	13	13%
		100	100%

Sources: Questionnaires

According to the above table 4.2, 12 percent respondents have income level of less than one lakh, 67 percent respondents have income level 1 to 2 lakhs, 8 percent respondents have income of 2 to 3 lakhs and 13 percent respondents have income level of 3 lakhs and above.

4.1.2 Promotional tools used by MBL for its service promotion Customers opinion

Table 4.3
Personal relationship status

Particulars	No of respondents	Percentage
Like as slogan of MBL-service with personal touch	18	18%
Like other banks	48	48%
Polite speeches	34	34%
total	100	100%

Source: Questionnaire

According to the above table 4.3, 48 percent respondents have felt that the MBL's relationship towards customers is like as other banks personal relationship style. 34 percent respondents have focused on the option-polite

speeches. Only 18 percent respondents have focused on slogan of the bank. These data are presented in following diagram also.

Diagram 4.1

Personal relationship status

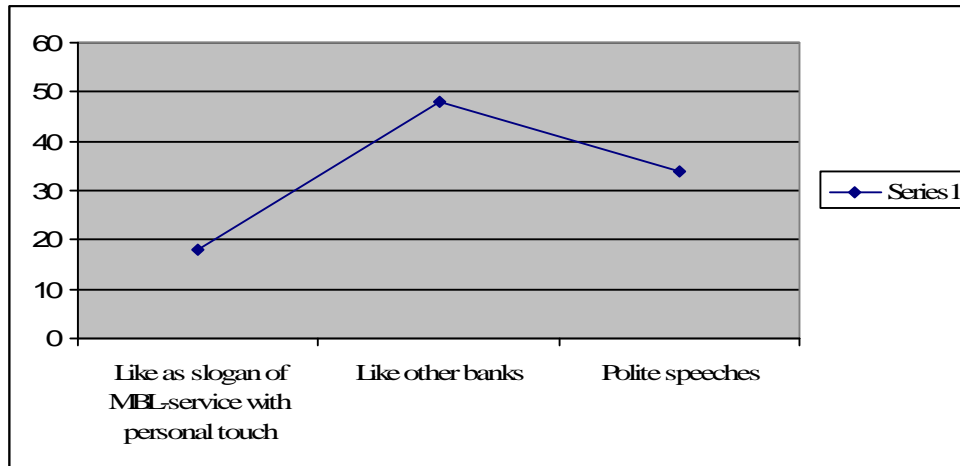


Table 4.4

Direct marketing activities

Particulars	No of respondents	Percentage
Mobile banking	42	42
Internet banking	24	24
ATM/debit card	34	34
Swift transfer	0	0
Fax transfer	0	0
total	100	100

Sources: Questionnaire

According to the table no.4.4, 42 percent respondents have viewed that mobile banking is more suitable for customers, 34 percent respondents have focus on ATM/debit card and 24 percent respondents have focus on internet marketing.

No any customer has chosen other direct marketing service options as a suitable for customers. The data are presented in diagram as follows:

Diagram 4.2

Direct market activities

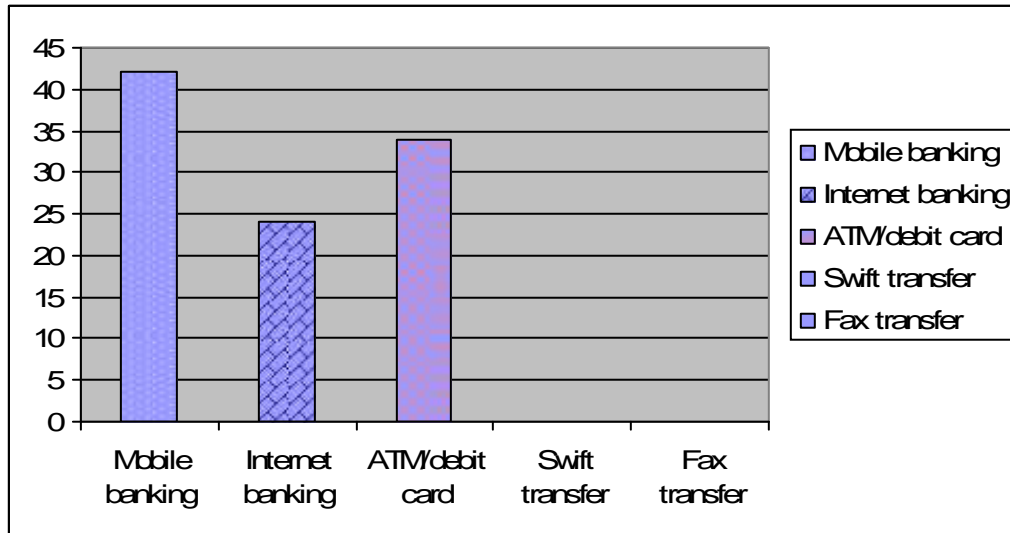


Table 4.5

Sales promotional tools used

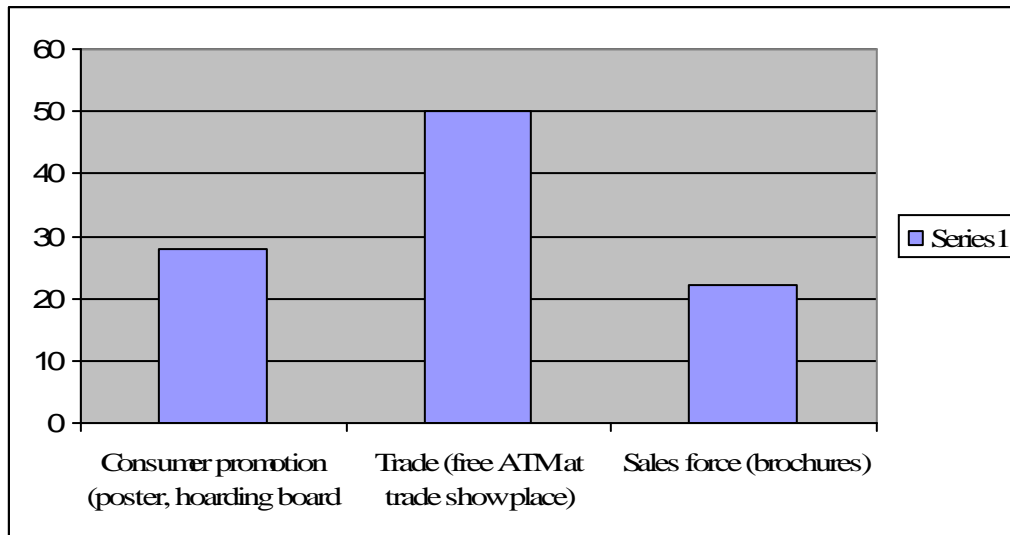
Particulars	No. of respondents	Percentage
Consumer promotion (poster, hoarding board)	28	28
Trade (free ATM at trade show place)	50	50
Sales force (brochures)	22	22
total	100	100

According to above table no4.5, 50 percent customers have focused that the effective sales promotional tools is trade promotion, 28 percent respondents

have focused on customer promotion and 22 percent respondents have focused on sales force promotion tool used by the bank. The data are resented in diagram.

Diagram 4.3

Sales promotional tools



4.1.3 promotional media used Customer’s opinion

Table 4.6

Advertising media used by MBL

Particulars	No. of respondents	Percentage
Radio/TV	41	41
Brochures/posters	51	51
Neighbors	6	6
Others	2	2
total	100	100

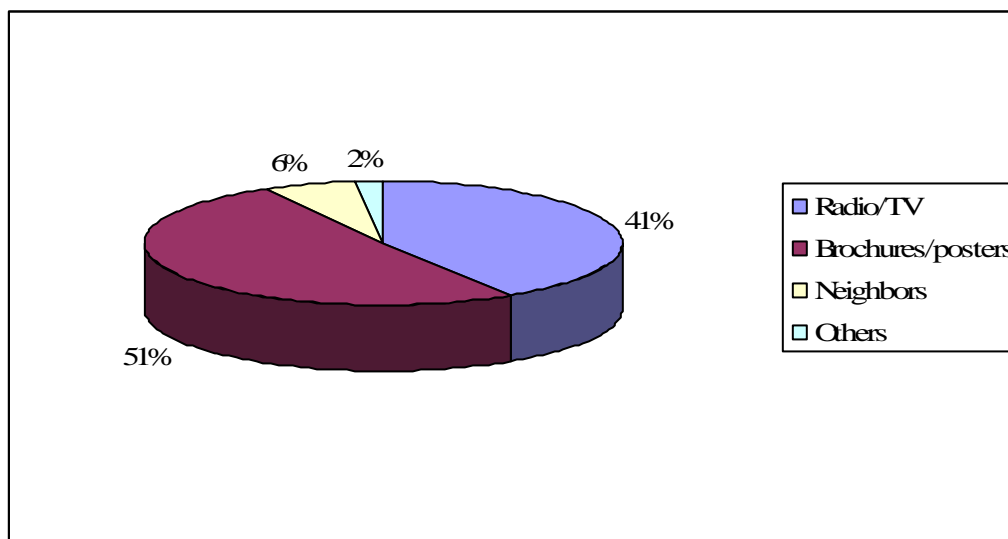
Sources: Questionnaire

As shown in the table 4.6, 51 percent respondents have known about the bank through brochures/posters related to its services. 41 percent respondents have

focused on radio/TV as a suitable media to communicate information of the bank to customers. 6 percent respondents have given importance to neighbors and remaining 2 percent respondents have focused on other source of information delivery to customer's i.e. company's account.

Diagram 4.4

Identification sources



4.1.4 The Impact of promotional activities

Table no.4.7

Satisfaction level of customers

Particulars	No. of respondents	Percentage
Highly satisfied	2	2
Satisfied	66	66
Moderately satisfied	32	32
Dissatisfied	0	0
Total	100	100

Sources: Questionnaire

In the table no.4.7 revealed that 66 percent respondents are satisfied with services provided by the bank to the customers. 32 percent respondents are feeling moderate satisfaction and remaining 2 percent respondents are highly satisfied. These data are presented in following diagram.

Diagram 4.5

Satisfaction level

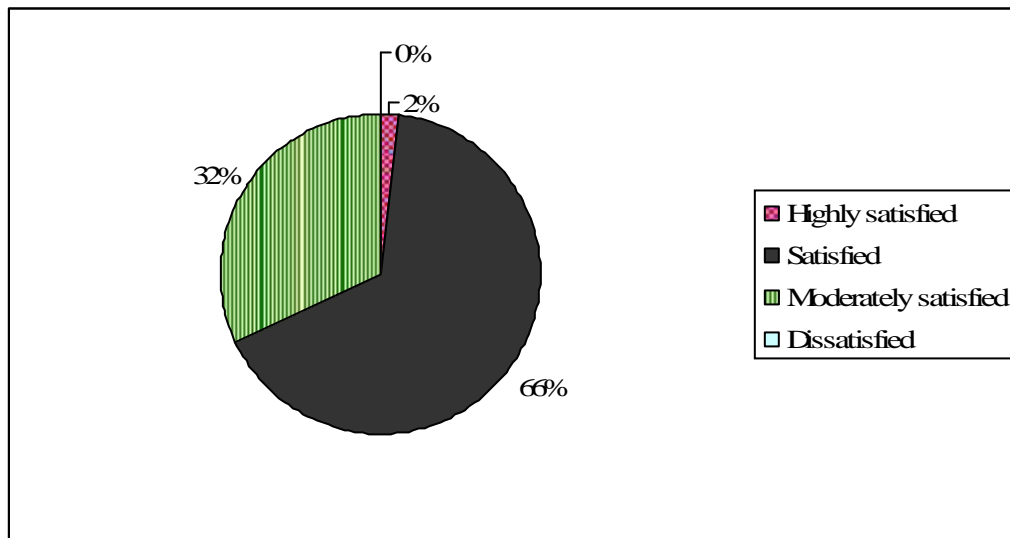


Table 4.8

Risk wise services offered by the bank to the customers

Particular	Excellent	Very good	Good	Satisfactory	Bad	Total
365/evening counter	15	25	40	20	0	100
Landline/mobile bill payment	12	23	47	18	0	100
ABBS	8	30	40	20	2	100
ATM	3	15	25	43	14	100
Accommodation and parking	2	14	28	54	2	100
Response of staffs	4	24	26	44	2	100
Slogan	10	26	24	38	2	100
Attractive deposit scheme/ locker facilities	4	25	26	45	0	100

Source: Questionnaire

A demonstrated by the above table no. 4.8, the bank has offered different kinds of services for the customers. They viewed that the top three services of the bank are 365days/evening, landing/postpaid mobile bill payment and ABBS respectively. Such services e.g. service like as slogan of the bank, attractive deposit/locker facilities and behavior of staff are moderate in position. Almost customers opined that ATM/debit card service of the bank is bad in position. Rank wise services of the bank are found by using

Statistical tool i.e. weighted value and mean.

Service/level	Exe.	V.G	G	SATF	B	Sum(E ×R)	Sum (E×R)/100	Rank
Rank level	1	2	3	4	5			
365days/evening counters	15	25	40	20	0	265	2.65	1
Landline/post. Mob. bill pmt.	12	23	47	18	0	271	2.71	2
ABBS	8	30	40	20	2	278	2.78	3
ATM	3	15	2	43	14	350	3.50	8
Accommodation and parking	2	14	28	54	2	340	3.40	7
Response of staff	4	24	26	44	2	316	33.16	6
Slogans	10	26	24	38	2	296	2.96	4
Attractive dep. scheme/locker facility	4	25	26	45	0	312	3.12	5

Note: where E- extent level, R-response, E×E-excellent, VG-very good, G-good, SAFT-satisfactory, B-Bad, Sum (E×R) - weighted value, sum (E×R)/100-weighted Mean. The lowest mean value indicates the first position or best service offered by the bank.

4.1.5 Competitive position of MBL in Pokhara

Table 4.9

Brand loyalty status of MBL

Particulars	No. of respondents	Percentage
Highly loyalty	40	40
Moderate	58	58
Low	2	2
Total	100	100

Sources: Questionnaire

According to the table 4.9 proved that 58 percent respondents are moderately loyal towards the brand. 40 percent respondents are highly loyal and remaining 2 percent respondents are in very low level of brand loyalty. These data are presented in following diagram.

Diagram 4.6

Brand loyalty

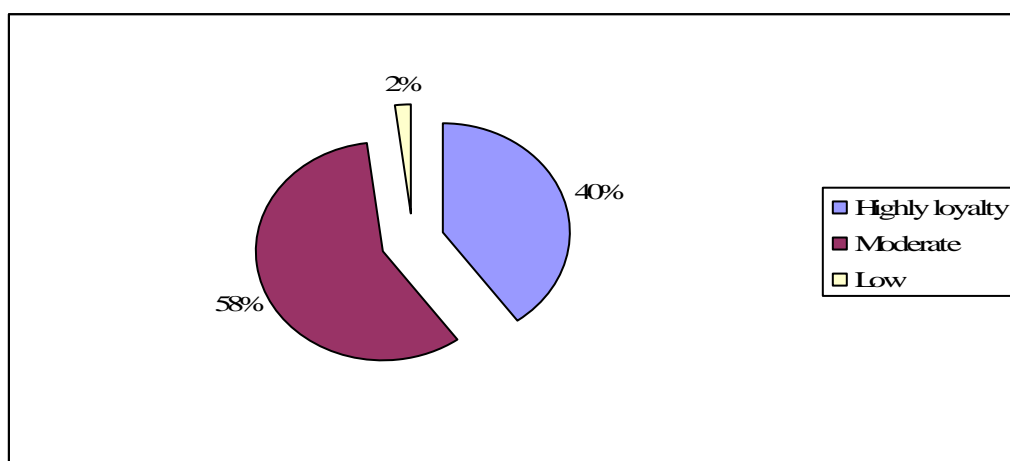


Table 4.10

Challenges for MBL for its service promotion

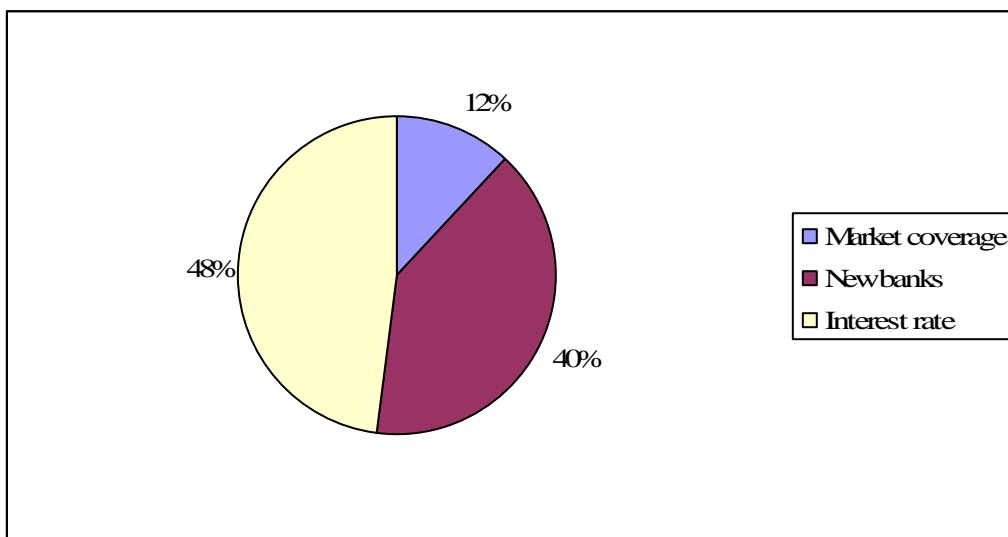
Particulars	No. of respondents	Percentage
Market coverage	12	12
New banks	40	40
Interest rate	48	48
Total	100	100

Sources: Questionnaire

According to the table no.4.10 customers have pointed major challenges to the bank. 48 percent respondents have paid attention on interest rate i.e. competitive market interest rate on deposit and loan. 40 percent respondents have alerted on emerging new banks and remaining customers have focused on market coverage strategies set by the bank.

Diagram 4.7

Challenges for MBL



As per the survey of respondents as a staffs, they have suggested such planning of the bank to promote the service/products of the bank as follows,

- 1) Visa electron card with own switching system equipment.
- 2) Addition of at least 10 ATM at different places
- 3) Modification of existing products/service and launching new products on changing banking environment
- 4) Bank has planned to make multilateral agreement with remittance agencies for effective remittance services.
- 5) More focus on implementation of new capital adequacy framework under BASEL II requirement directed by NRB.

According to the views of customers, they have forwarded different suggestions for service promotion. The main suggestions are,

- 1) 26 percent respondents have focused on improvement of ATM system; SCT network and more machines should be kept.
- 2) According to 24 percent respondents, bank should kept active and well trained staff at counters, online fund transfer system should be applied, IT and marketing department should be established and visa and credit card should be launched as new product of MBL.
- 3) According to 15 percent respond, bank should increase interest on deposit and decrease on loan, make effective human resource management to provide faster service to the customers and smart lady staff should be kept at counters.
- 4) According to 20 percents, bank should keep additional cash counters for more and faster service, it can open not only evening counter but also morning counters, top level of management should review complaints on time to time for product or service modifications, updating existing technology and maintain on MBL,s slogan.

- 5) Remaining respondents have focused on mainly three matters i.e. extra charges should not be taken on ABBS, collaboration with other banks to create innovative options for customers e.g. agreement between Laxmi and Himalayan banks i.e. both customers of these banks can deposit and withdrawal of cash in both banks counters and one front desk staff should be kept besides a/c opening department for preliminary information.
- 6) According to the opinion of senior staffs of MBL, the product of bank should be educated to the customers through media and display boards etc.

4.2 Major findings

As per above presentation and analysis of data, following findings are summarized.

- 4.2.1 48 percent respondents have felt that the MBL's personal relationship with customers is like as other bank, 34 percent respondents have felt that the personal relationship is in the form of politeness and 18 percent respondents have felt that PR is like as slogan of MBL.
- 4.2.2 42 percent respondent have focused on mobile banking as a suitable direct marketing activity service of MBL, 34 percent respondents have felt that ATM/debit card and 24 percent respondents have felt the suitable direct marketing activity as a internet banking
- 4.2.3 50 percent respondent have felt that the effective sales promotional tool is the trade promotion, 28 percent respondents have focused on consumer promotion and 22 percent respondent have focused on sales force promotion.
- 4.2.4 As pointed out by the manager, the bank has line and staff organization structure. Advertising is the best promotional tool for service promotion.

- 4.2.5 Majority respondents have known about the bank through brochures/posters/hoarding board.
- 4.2.6 Broadcasting is known as the effective promotional media for service promotion.
- 4.2.7 66 percent respondents are satisfied with MBL's service, 32 percent respondents are moderate in level and only 2 percent respondents are highly satisfied.
- 4.2.8 As per respondents, 365days/evening counter service is found to be the best product/service of the bank. This service lies on the first position.
- 4.2.9 The landline/postpaid mobile bill payment service is found to be the better product /service of the bank.
- 4.2.10 ABBS service is found to be a good product/service of bank. This service lies on third good position.
- 4.2.11 The service like as slogan of the bank is found to be the fourth good position product/ service of the bank.
- 4.2.12 The attractive deposit scheme/locker facility service is found to be the fifth good level of product/service of the bank limited.
- 4.2.13 The behavior of staff as a service is found to be the sixth level of service of the bank.
- 4.2.14 The accommodation/parking service is found to be the seventh level of product or service of the bank.
- 4.2.15 The ATM/debit card facility as service is found to be the bad or last level of product of the bank.

CHAPTER V

SUMMARY, CONSULTATION AND RECOMMENDATIONS

Summary

In the most primitive time i.e. the third millennium BC, banks kept grains, cattle and later precious metal such as gold, diamond etc. Greek temples as well as private and civic entities conducted financial transaction such as loans, deposit, currency exchange and validation of coinage. The oldest banks are the bank of Venice, Amsterdam and Hamburg. Global banking started in 1970's. Worldwide banking and capital market services proliferated during the 1980's and 1990's as a result of a great increase in demand from companies, government and financial institutions. By the end of 2000 a year in which a record level of financial services transaction with a market value of \$10.5 trillion occurred. The top ten banks ranked by market share, seven were large universal type banks and four indeed; by the end of 2001 the market capitalization of the world's 15 largest financial services providers included four non-banks. In 2008, Washington mutual collapses. It was the largest bank failure in history.

MBL located in the foothills of Machhapuchhre Mountain in the picturesque town of pokhara, is the first commercial bank to initiate banking services from the western region of the country. The name Machhapuchhre means fishtail derived from a Himalayan peak in Pokhara resembles the tail of a fish. It started its banking services from October 2000 in its own land with well built three storied building with sufficient parking space and electronic surveillance system. The bank started full-fledged banking operation in Kathmandu from October 2004. it has many branches in kathmandu, pokhara and other region of the country.

The chapter of literature review involves conceptual and research reviews. In conceptual review includes concept of marketing, marketing mix, promotional mix, promotional strategy, service promotion and promotion of banking service in Nepal. Research review includes master degree dissertations; research related to journal, articles published at national as well as international level. The chapter of presentation and analysis of data comprises personal relationship status, promotional tools and media used, brand loyalty status, service promotion challenges, satisfaction level of customers and competitive position of the bank in Pokhara.

The research is conducted about promotional activities of Machhapuchhre bank limited (a case study of pokhara based branches). The major objectives of the study are to analysis public relationship with customers, promotional media and tools used by the bank and competitive position of the bank in pokhara. While conducted a research, the population is defined in terms of banking customers of MBL in pokhara valley. The sample size taken as only 100 customers in pokhara based branches of the bank like, Chipledhunga, Nayabazar, Bagar, lakeside branches. Both primary and secondary data are used. Primary sources include questionnaire survey to customers and opinions of senior of the bank. Secondary sources include official website brochures etc. the descriptive statistical tools have used e.g. weighted mean, value and percentages etc.

The majority respondents have known about MBL through brochures and hoarding board. The top three service of the bank are 365- days/evening counter service, landline/postpaid mobile bill payment and ABBS. The worst service of the bank is ATM/Debit card facility. The competitive market interest rates are the main challenges of the bank. Most of the customers viewed that service of the bank is not like as slogan i.e. service with a personal touch. The bank has line and staff organizational structure and broadcasting media and advertising tool are mostly used for service promotion.

Conclusion

The research is conducted in order to find out promotional activities of financial services at MBL in Pokhara. The major findings drawn from the analysis are as follows, the most effective promotional tools are brochures and hording boards in advertising of financial services. About ranking of services provided by the bank, the top three services or facilities are -365days/evening counter facilities, landline/postpaid mobile bill payment services and any branch banking services. The majority customers have criticized about its ATM/debit card facilities also have viewed that the services are not in par with its slogan i.e. service with personal touch. At the same time, most of the customers agreed that its SMS or mobile banking service is very effective and efficient.

At last, according to overall view of customers, that services provided by MBL have provided moderate level of satisfaction. The bank has been already providing evening counter service. Customers have also demanded for morning counter services. The bank has to improve ATM/Debit card facility. The bank should review of customer's complaints on timely basis to modify the services/products of the bank to become more competitive.

Recommendation

Basically the study has focus on opinion of customers and manager of bank. By considering to the analysis of data and major findings of this research, following recommendations are prescribed.

The bank has to update banking technology on time-to-time or launch new banking technology for MBL for providing customer satisfaction and to sustain in competitive market etc.

The bank has to establish morning counters along with evening counters to provide more service to the customers.

The bank has to maintain its slogan i.e. service with a personal touch.

The bank has should update banking technology to create fund transfer system on online.

The bank has should improve ATM/Debit card system to provide better and effective service to the customers.

The bank should adjust interest rate on deposit and loan for customers as compared to other banks service and interest rates.

The bank should use advertising tool and broadcasting media effectively and efficiently for the promotion of banking services.

The bank should maintain its brand loyalty or image at banking sector in Pokhara.

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APPENDIXES

Questionnaire for senior staff of the Bank.

Dear Sir

In order to fulfill my course requirement of master of business studies (Marketing) degree from T.U. I am conducting a research related to promotional tools of banking of financial services. I request you to help me by fulfilling out the following questionnaire. Your participation will help to find valid and reliable result of the study. I believe that findings of the study will be useful to me, consumer and bank itself.

Are my responses confidential?

Yes, confidentiality is maintained in the following ways.

-) Facts of confidential values aren't been asked for as far as possible
-) Facts are only used for requirement of my study.

More ever, I assure you that information you provide will not be used other than fulfilling my study requirement.

Please note the following while answering

-) There are no rights or wrong answers, all of your response will be correct.
-) Base your answer on your own opinions, not on how some one else would expect you to answer.

Personal information section

- a) Name
- b) Position
- c) Department
- d) Experience
- e) Qualification

1) Which organizational structure exists in your bank?

- a) Line b) Line and staff c) Functional d) Committee e) Matrix

2) Do you have marketing department in your bank?

- a) Yes b) No

3) Which promotional media of the following are in use in your bank? Please rank these (1-6)

- a) Printing b) Broadcasting c) Publishing d) internet marketing e) word of mouth
e) other

4) Which promotional tools among the following are in use in your bank? Please rank these (1-5)

Questionnaire for customers

Dear sir/madam

In order to fulfill my course requirement of master of business studies (Marketing) degree from T.U. I am conducting a research related to promotional tools of banking of financial services. I request you to help me by fulfilling out the following questionnaire. Your participation will help to find valid and reliable result of the study. I believe that findings of the study will be useful to me, consumer and bank itself.

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Please note the following while answering

-) There are no rights or wrong answers, all of your response will be correct.
-) Base your answer on your own opinions, not on how some one else would expect you to answer.

Personal information section

- a) Gender (i) male (ii) female
- b) Profession
- c) Education
- d) Age
- e) Income level yearly
- I) Less then 1 lakh II) 1-2 lakh III)2-3 lakh IV) 3 lakh above

Opinion section

- 1) from which sources among the following you come to know about the service/
product of MBL
- I) Radio/ TV II) Broachers/ Posters III) Neighbors IV) Others

2) What is your opinion about MBLs services?

Particular	Excellent	Very good	Good	Satisfactory	Bad	Total
365/evening counter						
Landline/mobile bill payment						
ABBS						
ATM						
Accommodation and						

parking						
Response of staffs						
Slogan						
Attractive deposit scheme/ locker facilities						

3) Are you satisfied with the services provided by MBL?

- a) High satisfaction b) Satisfaction c) Moderate
d) Dissatisfaction e) High Dissatisfied

4) Which is brand loyalty of MBL exists in Pokhara?

- a) Highly loyal b) Moderate loyal c) Low loyal

5) Which is the most challenges for MBL in current situation in banking sector in Pokhara?

- a) Market coverage b) New banks c) interest rate d)

Others

6) In your opinion, how kinds of Products/service are offered by MBL to the customers?

- a) b)
c) d)
e) f)

7) What types of Personal relationship is in use by MBL for its Prime customers?

- a) Personal relationship is as slogan of MBL
b) Like other Bank
c) Polite speeches
d) Others

8) Do you have any suggestions for the promotion of Product or services at HBL?

- a)
b)
c)