

ROLE OF ADVERTISING IN BRAND PREFERENCE OF SOFT DRINK

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RECOMMENDATION

This is to certify that the thesis

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**Role of Advertising in Brand Preference of Soft
Drink**

has been prepared as approved by this department in the prescribed
format of faculty of management. This thesis is forwarded for evaluation.

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DECLARATION

I hereby proclaim that the thesis work entitled "**Role of Advertising in Brand Preference of Soft Drink**" submitted to Shaheed Smriti Multiple Campus, Faculty of Management, Tribhuvan University is my original work for the partial fulfillment of the requirement for the Master's Degree of Business Studies (MBS) under the supervision of Mr. Surendra Regmi Lecturer of Shaheed Smriti Multiple Campus, Tandi, Chitwan.

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LIST OF ABBREVIATIONS

MBS	:	Master's Degree in Business Studies
No.	:	Number
P.	:	Page
%	:	Percent
&	:	And
AMA	:	American Marketing Association
B.S.	:	Bikram Sambat
CBS	:	Centre Beauro of Statistic
Ed.	:	Edition
FM	:	Frequency Modulation
NTV	:	Nepal Television
i.e.	:	That is
TU	:	Tribhuvan University
US	:	United States
USA	:	United States of America
Ads	:	Advertising
LTD	:	Limited
RNAC	:	Royal Nepal Airlines Corporation

Chapter- One

INTRODUCTION

Every manufacturer, producer, marketer or businessman wants to promote their business, product or goods. It is the essential parts of the business. Once goods are produced, they must be placed in the market. For this a product has to undergo through promotional campaign. Promotional campaign comprises advertising trade promotion and consumer promotion, personal selling, direct marketing, public relation and publicity. A company allocates a reasonable budget to promote the products which it produces. Unless the consumer is aware of the product, its quality, its characteristics and its effects and to what extent it satisfies the needs of consumers, it is difficult to sell the products or place a product in the market. In the market, there are a lot of products which may satisfy the needs of the consumers. As such it is desirable to prove a particular product more prominent, useful and suitable in comparison to other products made and supplied by competitor.

Advertising is both a means of communication as well as an important tool of promotion. Communication is an integral part of daily life of the human being. In the business world effective transmission of communication is a vital need. A manufacturer needs to communicate with the existing and potential consumers. He or She has to have information about the market relating to what kind of product they need, at what time, at what price and at what terms.

With this information, He or She could inform the consumers about the availability of the products. In the absence of this information, producer

cannot produce as per the demand of the consumer who will only buy the products they already know.

If consumers think a brand is good in comparison with other available brands in terms of fulfillment of needs, wants and other prejudices then they develop positive attitude towards a brand and purchase them. If this action is repeatedly happened with a specific brand, that is known as brand loyalty.

To find out brand loyalty frequently purchasing action of product class must be required. Brand loyalty is a great asset of a company which is not expressed in numerical form. It is completely unseen but gives result of full enjoyment.

Advertising affects favorably the consumers' choice, because it helps the consumers to exercise his power of sovereignty in the most appropriate way, advertising acts as a counselor or a guide to a consumer.

Advertising is one of the important tools of promotion and it is also most important aspect of marketing programme. Advertisements are made to sell goods and to persuade and influences customers to buy a product. Companies may want to give something away, seek or exchange or know what they offer or what customers need. Advertising is also necessary to make a brand image and position the product in the minds of the customers

Price indicates the value of the products and promotion communicates these aspects to the potential buyers.

“Promotion is the element in an organizations marketing mix that serves to inform, persuade, remind the market regarding the organizations product and services.”

Stanton W. J.

Promotion has its own objectives and functions. Basically promotion has three objectives which play a vital role in the marketing of any products.

A. Informing

B. Persuading

C. Reminding

A. Informing

One of the most important objectives of promotion is to inform consumers about the usage, benefits and features of the product. The information may include the name and address of advertisers or the sellers also. If a new Product is to be launched pre information may be communicated to the consumers in the market.

B. Persuading

Only informing the consumers about the products may not influence the consumers towards the products. In order to influence them, the advertiser must persuade or appeal to use the products. Here the advertiser must be able to assure consumers satisfactions.

In a competitive market, communication to the consumers is very important. This type of communication is known as persuasive communication.

C. Reminding

The advertiser cannot rest after communicating the information about the product. Consumer may forget about the availability of the product in the market. So, the advertiser should repeat the communication process to remind the consumer that the products are still available and can still fulfill their desires. The major reason of reminding consumers is to retain their preferences for the products.

For the purpose of effective marketing it is important that there are promotional efforts from the side of advertisers. The advertisers aspire to check their performances by promoting their product in the competitive market.

A product can be presented and promoted in a several ways and advertising is one of them. advertising is compared to other aspects of promotion, reaches a large group of consumers through the vehicles of mass communication. The advertisement message is directed towards a large group of customers who are scattered in different markets. It is a decisional factor for the marketing manager to blend all promotional tools like advertising, personal selling, publicity and sells promotion to arrive at a right promotional mix.

Each elements of the promotional tools has its unique characteristics and each is complementary and supplementary each other.

1.1 Advertising

Advertising is non –personal presentation of marketing message through various media such as newspaper, magazines, cinema, and outdoor posters and sign, direct mail, radio, television catalogues etc.

It is often said marketing in the absence of advertising is like winking Eye to a lady in dark.

"Advertising is the non personal communication of information usually paid for and usually persuasive in nature about products services or ideas by identified sponsors through the various medias." [Courtland L. Bovee/William F. Arens-1986]

So confidently we can say business without advertising is just like physical body without backbone. Experts of advertising have said, advertisement should follow the ‘VIPS’ model which mean:

- V = Visible – viewer should be able to see the ad from far.
- I = Identified – who has sponsored?
- P = Promise – whatever is said in ad that must be fulfilled.
- S = Singlemindedness – to draw the attention of viewers towards the products.

1.1.1 Personal Selling

Personal selling uses salesman to communicate verbally with the prospective customers. In addition salesman may use various means like the telephone, mail, email, internet e-commerce or other media to send and receive messages. The basis of personal selling is the face to face presentation between the salesman and the customer. This direct contact in personal selling is a distinct method which is different from other forms of promotion.

1.1.2 Sales Promotion

It covers other sales activities that supplement the function of personal selling and advertising. It includes displays, shows and exhibition demonstration. Sales contests samples and other activities which are usually non-recurrent in nature but it is geared to generate new sales and create market demand.

1.1.3 Publicity

Publicity is that form which cultivates good-will towards products or creates company image. To gain good-will, advertiser should supply the media with interesting news items about a company or its products which has commercial significance involving non-payment for space or time given by such media.

1.2 Relationships between Marketing and Advertising

The concept of markets finally brings us full circle to the concept of marketing. Marketing means managing markets to bring about exchanges and relationship for the purpose of creating value and satisfying needs and wants. Thus we return to our definition of marketing process by which individual and group obtain what they need and want by creating and exchanging product and value with others.

Marketing is the performance of business activities that direct flow of goods and services from producer to the consumer or users

Simply we can say benefit to the buyer and profit the seller is marketing.

Business is conducted to satisfy the needs of the consumer. Products which do not reach the consumer or remain unsold are dead stock which will ultimately result in the wastage of time and resources.

Hence marketing becomes the prime business activity because it is directed to the fulfillment of the needs of the consumers; this provides the rationale for the existence of the business. To accomplish the business objectives marketing programmes give emphasis to various elements like product, price, distribution and promotion. This concept is known as the marketing mix is very useful in determining the significance of advertising in the total marketing programme.

Advertising is basically related with the element of promotion “Promotion is the company's attempt to stimulate sales by directed persuasive communication to the buyer.”

Philip Kotler

In addition to advertising, personal selling, sales promotion, publicity are all elements of the promotional mix. There are sometimes preferred as promotional blend as there are tools of promotion.

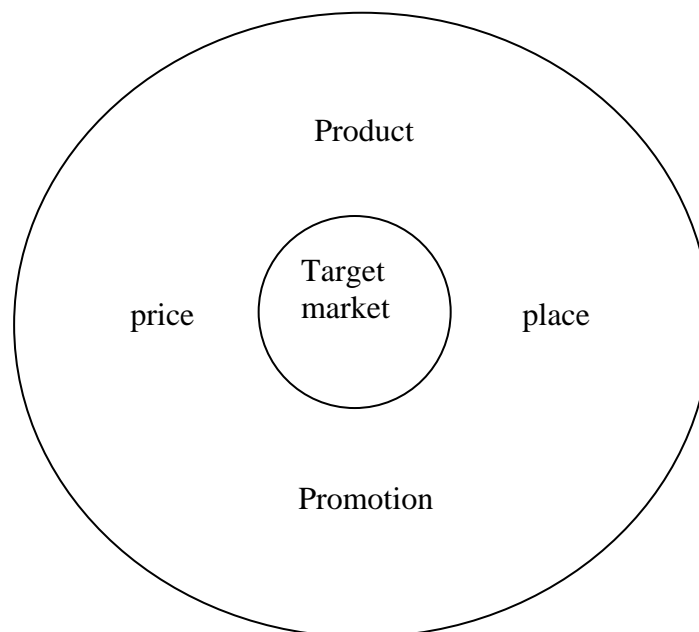
1.3 Advertising as a Supplement to the Marketing Mix

It has been said that advertising is an important component of the marketing mix. Advertising as a part of the total marketing mix influences the sale of the product, as do the other variable of the mix. Together with the product or brand, price, channel of distribution and personal selling, advertising attempts to reach the marketing objectives. When a firm introduces a prestige product with a premium price, advertising should reinforce the idea of the high quality and prestige of the product by associating it with prestigious people, place and events.

“Marketing mix is one of the key concepts in modern marketing it refers to a set of variables that the business use to satisfy consumer need.”

Philip Kotler

Figure No. 1.1



Four p's of Marketing

Marketing mix may be considered as four p's (4p's) namely product, price, promotion and place. Every company should deeply study about

the marketing mix to run its business. Those companies who want to establish their reputation or marketing trend should have an effective knowledge in the marketing mix. The four p's are explained below.

1.3.1 Product

Product is any thing that can be offered for the consumer satisfaction product can differ in size, quality, feature brands and packing etc. It is the most important variable of marketing mix. A company should consider the quality of the product before penetrating the market. According to the test and quality of the product, the advertisement will have to present. In an advertisement, the advertiser should never forget to include/explain its quality and test of the product. This explanation is done through advertisement. So, advertising is directly related to the product.

1.3.2 Price

It is another variable of marketing mix that generates sales revenue. Customer pay price to buy products for fulfilling their needs and finally to be satisfied as result of product usage. Price is determined in such way that the firm is able to sell its products successfully i-e target customers could afford to buy. Pricing also involves establishing policies regarding credit and demand. These variables are taken into actual potential competition and government regulations. The price mix includes following decisions.

1. Setting the list of the price
2. Discount and allowances to provide price flexibility
3. Terms of sales

1.3.3 Promotion

Promotion deals with informing and persuading the customer regarding the organizations' product. Promotion mix includes all the activities

under taken to communicate and promote products among the target audience. Company should follow effective promotional tools to inform the consumers about the product. A good marketing manager always looks toward effective promotional Medias to compete with other brands. This mix has great importance to stimulate sales. The elements of promotion mix are as follows:

1. Advertising
2. Sales promotion
3. Personal selling
4. Publicity
5. Public relation

1.3.4 Place

Place is another variable of marketing mix which determines the availability of product to the consumer. The place mix deals with selecting channels and outlets through products are moved into the hands of customers. Moreover, it also involves with the arranging physical movement of product into different market segments. A good marketing manager always thinks of an effective channel and physical distribution system for smooth flow of the goods at the right time, at the right place and to the right person or right market. The place mix includes the following decisions. On the basis of place, the advertisement has to advertise the product to their target market. If our target group is in the Terai then the advertisement must be in accordance to the customer environment of the Terai region.

1. Channel of distribution
2. Physical distribution activities

1.4 Advertising is an integral parts of promotions

Promotion: promotional activities include such activities as advertising personal selling, publicity and multitude of sales promotional. Measures such as fairs, sampling, contests, composing etc. These sales promotional tools, coupons, contest, premiums, sampling etc are highly desirable. They possess two characteristics.

- A. Communications: They gain attentions and usually provide information that will try to lead consumer to the product.
- B. Incentives: They include distinct invitation to engage in the transaction. Company use sales promotion tools for quicker response. Sales promotion can be used to dramatize product offer and to boost sagging sales. Sales promotion effects are usually short term and not effective in building long- run brand preferences.

1.5 Types of Advertising

There are different types of advertising. In order to understand the better concept of advertising, it is better to classify it and there after learn about advertising.

1.5.1 Classification by target audience

Advertising aims to drawing attention of a particular segment of the population to a product. If the appeal made by advertising is wrongly directed. It is useless when the target audience has not been properly identified. Advertising messages are addressed to other then prospects, it is the waste of advertising.

Right targeting demands, right segmentation, choosing a right market coverage strategy and right product positioning. There are many classifications of target audiences. Following are the major kinds.

I. Consumer Advertising:

Most Television, radio, newspaper and magazines ads and displayed are meant for consumers. They are sponsored by the manufacturer of the product or the dealer who sells the product. They are usually directed at the ultimate consumer of the product. But some of them are for the person who buys the goods for someone else.

II. Business advertising:

Business advertising is little bit complicated. The end product is a combination of many manufactured and bought parts. Many components lose their identity in the end product.

Business advertising is invisible because unless you actively involved in some business you are not likely to see it. Business advertising on the other hand tends to be concentrated in specialized business publication or professional journals like Ross muraraka's 'purchase journal. In direct mail to business establishment or trade show like TRADE EXIBUTION catalogues and brochures are example of business activities.

The basic appeals used are rational. The appeals to patronize are mostly emotional.

1.5.2 Classification by Geographic area

On the basis of territory, advertising is classified in four categories. This classification is based on the area covered by the advertising.

i. International advertising:

The advertising which aims at foreign market can be said international advertising. For example advertising of coca cola, Pepsi, Konica, Philips etc.

ii. National advertising:

Some advertising aims at the customers of various regions of the country, such advertising is called national advertising and its sponsors are called national advertiser. The majority of advertising we see on primitive network, television and radio is national advertising like advertising of Wai-Wai, super top of national coverage.

iii. Regional advertising

Many products are sold in only one area or region of the country. Advertising for mountaineering may be for a particular region. The region might cover several states but not the entire nation. Regional advertising is found in India and USA.

iv. Local advertising

Local advertising has limited coverage such advertising many have emotional and national appeals to the customers. Restaurants, departmental store and automobile dealers who have located in a particular city of local s

1.5.3 Classification by media

Advertising can be classified on the basis of media used to transmit the message. Advertising media is any paid means used to present an advertisement its target audience. The principal media used in advertising are newspaper, magazines, radio, television, direct mails etc.

1.5.4 Classification by Function or Purpose

On the basis of sponsor's general objectives, advertising is classified. Some advertising is designed to sell the product whereas some is not so.

i. Product vs. non Product Advertising

Product advertising is meant for selling product or services. Advertising for selling wai-wai, Coca-Cola, real juice and nursing home is designed to sell products and services. Some advertisements are designed for arts and charities, they are known as non-product advertising.

ii. Commercial vs. non commercial advertising

A commercial advertising promotes selling of goods, services and ideas for a business with the expectation of making a profit. Ads for horlicks, cars are for making profit. A non commercial advertisement is sponsored by or for a charitable institution, civic group or religious or political organization. Some times non commercial ads are made to raise funds for a noble cause. For instance, national lotto ads for the help of SAF games and sometimes not like family planning, adult literacy etc.

iii. Direct Action Vs Indirect Action Advertising

When the intent of the advertisement is to bring about immediate action, is called direct action advertising. But sometimes the attempts are made to build the image of a product of familiarity with the name and package which are meant for an indirect action. Their objectives are to influence readers, viewers and listeners to purchase a specific brand or facilitate in product positioning.

1.6 Statement of problem

It is the common saying in Nepalese society that the person who pleads may sell wheat flower and the person who cannot persuade may not sell crud. That is 'Bolneko Pitho Bikchha Nabolneko Dahi Pani Bikdaina.' similar thing is applicable in marketing as well. Present day is an era of tough competition and sophistication. Without appealing, it is very difficult to sell even better goods. Advertising is essential for brand

preferences to customer. As such advertising plays a vital role in promotion efforts by familiarizing, awaring, informing and influencing the consumers to buy the products and helps them in making buying decisions.

Nepal is developing country and facing a number of problems in the field of advertising. Nepalese business environment has been witnessing the introduction of a variety of products in the market but they are heading toward failure due to the lack of sound advertising activities. The message about the product doesn't reach the consumer. This may be due to low interest of consumers or inappropriate framing of the message. Some of the reasons are:

1. The receiver receives the message but they do not understand it in the intended by the advertiser
2. Most of the people are illiterates so the desired information from advertiser may not perceived by illiterate people.
3. Nepalese product are unable to compete with foreign products, due to various factors like taste, branding, quality, packaging and technology
4. Due to the low economy the targeted group may not have access to various medias which the advertiser may choose to communicate.
5. Most of the media are centralized in urban area and media of advertisement are not development in rural areas.
6. Low purchasing capacity of the Nepalese consumers.

1.7 Objectives of the study

The primary objectives of most advertisement are to stimulate the user to buy a particular brand of product offered for sales by the advertiser. Similarly, this study tries to fulfill these following objectives.

1. To study the role of advertising activities of soft drinks
2. To analyze the effectiveness of advertising on brand preference.
3. To evaluate the effects of the advertisement on the consumer.
4. To evaluate the importance of advertisement for making buying decision than other promotional tools.

1.8 Significance of the Study

Now a days marketing is not an easy job. There are numerous manufactures with a variety of products in the market. Most of the manufacturing enterprises are suffering from poor performance due to lack of proper management of advertising activities. So, proper advertising activities is most important for every enterprises to earn profit. No organization can run with out profit for long time.

By advertising suitable brand preference is possible. Advertising makes wide spread distribution possible. Though personal selling is an effective means for establishing a product and preference in the market; however it is the costlier means in comparison to mass selling. It is not as pin pointed as personal selling but, it can reach large number of potential customers at the same time. In fact today most promotional activities blend both personal selling and mass selling. This may bring a company to a profitable it's product in the market.

“Advertising is paid non-personal communication from an identified sponsor using mass media to persuade or influence an audience”

Wells, Burnett and Moriarty

Advertising is also helpful in product differentiation for potential customers. Advertising should be made useful assistance to brand preference meanwhile it can create an image about product in consumer's perception which directly affects on brand choice.

In the context of Nepalese market competitive advertising tries to develop selective demand for a specific brand rather than product which may satisfy the ego. Competitive advertising is a successful tools in brand choice of consumer products.

This study is also helpful in generating a data as to what extent advertising support in brand preference that exists in Nepalese consumer product while making decision for low involvement product like Coca cola.

1.9 Issues of Research Problems

Following issues will be analyses in the study:

1. Does advertising contribute to brand preferences?
2. What is the best promotional way for brand preference?
3. Do consumers give specific brand preferences because of advertising?
4. What is the role of advertising in the brand preferences?

1.10 Limitation of Study

It is very difficult to study broadly because it becomes cumbersome and lengthy, so due to the lack of proper time, finance and knowledge, it is better to focus on limited study matter. Some limitation of study are as follows:

- a) The study will cover only three year data.
- b) The respondents are the residents of Chitwan only
- c) It is based on the response of different consumer to whom questionnaires will be served.
- d) The study is based on information received from respondents selected with random sampling.
- e) This study will base broadly on secondary data provided by company and partially on primary data discovered.
- f) Being a student financial resource is another factor which may limit the scope of study.

1.11 Plan of the Study

This study has been organized into five different chapters, which are defining below:

1. Introduction

This is first chapter and its includes general concept of advertising, brand preferences, it also gives a brief description of the issues to be studied, the importance of the study and what the study is going to seek.

2. Review of Literature

The second chapter that deals with review of literature and review of related study. This chapter discusses the theoretical concept of advertising, definition of advertising, historical background and various advertising media available in Nepal and their role of present advertising situations and other related matters.

3. Research Methodology

The third chapter deals with introduction research design, nature and source of data, population and samples, data gathering procedure, analytical tools used and limitation of research methodology.

4. Presentation and Analysis of Data

The fourth chapter deals with presentation of related data collection from different sources and analysis of them to reach closer to the actual result by using financial and statistical tools and technique. The received data will be analyzed, and way of analysis. This chapter mainly deals with the issues in the light of the theoretical prospective.

5. Summary, Conclusion and Recommendation

The last chapter provides summary, finding, conclusion and recommendation. The finding will be discussed and conclusion shall be stated suggestions, with regards to the role of advertising in brand preference shall be put here.

Chapter - Two

REVIEW OF LITERATURE

2.1 Conceptual Review:

The previous chapter highlighted the concept, problems, objectives and focus of the study. This chapter review of literature is the theoretical framework that provides the basis and inputs for this study purpose.

According to Howard K. Wolf and Prem R. Pant, “The purpose of literature review is to find out what research studies have been conducted in one’s chosen field of the study and what remains to be done. It provides the foundation for developing comprehensive theoretical framework from which hypothesis can be developed for testing. The literature survey may also minimize the risk of pursuing the dead-end in research” (Wolf K. Howard & Prem R. Pant, 2005: P-30).

This thesis is mainly based on the field of advertising activities. Advertising activities being one of the vital parts of marketing is no doubt of great importance for a manufacturing company to make excellent sales plan. Realizing the importance of study of advertising activities in chitwan this thesis has been started. So, to demonstrate how the overall marketing sales management and brand preference is affected by study of consumers’ behaviors all the possible means has been used.

This thesis is based on effect of study of advertising activities in brand preference. So, related articles, different books, internet search as well as

previous studies relating to same subjects have been consulted to make it more reliable.

Advertising is a communication link between the seller and the buyer. Advertising does not end with the flow of information from the seller to buyer; it goes further to influence and persuaded people to action or belief.

The objectives of advertising are to stimulate to buy a particular brand of product offered for sale by a particular seller

The whole advertising campaign is centered to increase sales either by converting people from competing brand or by increasing the size of market for the product. it is an important element in modern marketing process and it can produce consistently profitable results provided the entire structure is sound.

Advertising is ultimately intended to increase sales and profit by influencing persuading customers and building image of a product as well as company reminding for repurchase and communication information related about product and company.

2.2 Functional Aspect of Advertising:

Advertising is not purposeless process. It performs some functions that are to create a positive psychological image about the product. It also brings something deliberately to the notice of some one else. It functions are to be categorized as marketing, communication, education as well as economic and social function. All these are described in brief as follows:

2.2.1 Marketing Function:

Companies are established to manufacture and sell products for making money by selling goods and earning profit. For this purpose, a company has to adopt marketing strategy. Marketing strategy is a combination of various marketing elements. The marketing is an inclusion of variety of

elements known as the four P's i-e product, price, place and promotion. Advertising falls under the heading of promotion. Advertising involves presenting the message to the potential customers usually through the mass media to large group of people that is target audience. It is economy comparisons to personal selling.

2.2.2 Communication Function

At present the communication of information is one of the basic function and objectives of advertising. In all forms of advertising some message are communicated to a group of people. The response to the message is known by receiving feedback from the receiver of the communication the message is carried by the media- the postal department or T.V or newspaper.

At the earliest time, advertising had its beginning with the outdoor signs carved in clay, wood or stone and they are used by the Greeks and the Romans. Since people were unable to read the signs were the symbols of goods for sales, for example, a boot for shoe maker's shops.

In a sense, the entire marketing processes a large content of communication. The products communicate distinctive image of the products, glamour or prestige. The brand name communicates physical and psychological attributes of the products. Ads in telephones directories, newspaper classified ads and legal notice published by various organization and governments' bodies are primarily communications of message through advertising. Advertising is a tool of communications has certain important characteristics which distinguished it from other tools of marketing communications like personal selling, sales promotion, publicity and public relations.

2.2.3 Educational Function:

Through advertising, people or target group learns about the products its attributes, its uses and carefulness to be adopted during the use of the product. Advertising puts forwards appeals to the customers. Rational appeals are directed towards the thinking faculty of the target group. Here the functional benefits are highlighted as in case of economy in operating expenses can be achieve from the motorcycle which have electronic regulator.

Fear appeal or negative emotional appeal teaches the customer to use proper toothpaste or other materials to avoid tooth decay or bad breath. Fuel saving by four stroke bikes is one of the examples of its educative functions. Sometimes it makes customers aware of untried things, technological advancement help reduce accidents, waste of natural resource and contribute to build a better understanding and appreciations. Advertising teaches the customers a number of better things which are beneficial things to lead a better life.

2.2.4 Economic Functions:

Advertising gives (impetus) to consumers to bye new products and to repeat purchase and give industrial buyers important information about available products and service. Advertising reduce cost of distribution as the personal selling cost effectives. It leads to lower cost and higher profits. It kindles' new hopes and desires in the consumers, who then strive hard to earn more and purchasing power, advertising gives a fill to economic activities and causes an increased demand. Factories than expands their output to meets this increase demand, which brings about economic of scale and lower unit cost. Advertising is a highly paid profession. It is also high profile profession. Advertising adds value to the

products and accounts for its success in many cases. It therefore deserves better payment.

2.2.5 Social Function:

Philip Kotler expressed Advertising is any paid form of non personal presentation & promotion and ideas goods or services by an identified sponsor. (2004: P-630)

According to oxford Advanced Learner's Dictionary' advertisement is a notice, picture or film about a product, job or service so this clearly depicts that this is an act of letting the target group know, hear or come across with the intentions behind the purpose of the advertising. Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor. Advertising is paid non-personal communication from an identified sponsor using mass media to persuade or influence an audience.

Culture is the most fundamental determinant of a customer's wants and behaviors. Every society has cultural values distinguish one social group from another. Each culture contains smaller groups of sub cultural that provides more specific identifications and .socialization for its members.

We except advertising to promote socially oriented objectives like discontinuance of smoking, the elimination of drug abuse. Advertising responds to our cultural values. Ads copy, which is not consistent with our cultural values, is generally avoided core cultural values may be changed, such as early marriages.

Advertising enables the people to select the product that best matches their social needs and cultural value .advertising effect and society has led to important social and legal changes.

2.3 Other Marketing Activities Associated with Advertising:

Marketing is intended to increase the sales of goods or services. Various kinds of advertising are associated with marketing of product or services.

Marketing executives decide about the marketing mix elements to be used, and the promotion in which they are to be blended into their marketing program. Almost all consumer goods manufacturers and many industrial products marketers include advertising in their marketing mix. Together with other elements of the mix such as personal selling and sales promotion activities, the point of purchase displays, coupons, premium offers, demonstration and trade shows, advertising insures that these important functions lead to a successful marketing program of selling mass-produced, mass-marketed consumer products. Advertising attempts to inform and persuade a large number of people with a single communication.

2.3.1 Advertising and Salesmanship

Advertising is a persuasive process to convince a prospect and to make a decision to buy a product or service or an idea. Salesmanship comprises all personal and impersonal activities, finding, securing, and developing a demand for a given product or services and consummating the sales of it. A sales man spends much of his time in deciding which people he should see and making his sales approach to each.

The fundamental differences between advertising and salesmanship can be stated as follows: "When a persuasive communication is directed towards a single individual, it is an act of salesmanship. When it is directed towards large groups of individuals, it is called advertising"

Kemmeth A. Longman

Individual by contrast, broadcast commercial and print advertisement are presented to a group of people whom the advertiser does not know as individual. It is difficult to classify which one is salesmanship and which

one is advertising. A salesman decides to send a letter containing information about his product. This may be salesmanship but when, communicates through the same letter to the large group of people on a mail list would be an act of advertising.

A person may read over entire magazine without noticing its advertisement but it is unlikely that salesman calling on him will go unnoticed. Secondly salesman is more effective than advertisers in separating the prospect from the non prospect. Thirdly, there is sufficient possibility of clearing of misunderstanding and answering all question asked by customer on the spot. But on the other hand, advertisers may not be aware of the misunderstanding of the message if any.

However, advertising is much more effective and efficient. It is also cheaper is comparisons to salesmanship activities on individual basis “it is difficult to measure the effectiveness of advertising however sales person receive immediate feedback during their interacting and can see how their message are getting across.”

Chunawala, Kumar, Sethia, Subramanian, Sunchak

It is terribly inefficient for mass market producers, where advertising mass communication tool scores over it. Conclusively, it can be said that advertising and salesmanship both are marketing public communicating where as salesmanship is an individually designed program.

2.3.2 Advertising and Sales Promotion

Advertising predisposes a person favorably for a product/service/idea moving his toward its purchase. Sales promotion takes over at this print it

makes the consumers take a favorable decision by providing one or other kind of direct inducement, example, discount, price off, gift, coupon etc. it either informs or persuade or reminds about a product or service. Most of the times it is indirect in its approach and has along term prospective, e.g. building up a company image or brand image.

Sales promotion is short term approach, a direct approach and expect of sales. Advertising is more frequent and repetitive then sales promotion.

Distinction between advertising and sales promotion can be as “Sales promotion is the temporary after of a material reward to consumers or sale prospects, whereas advertising is the communication of the information”

Kenneth A. Longman

From above it is clear that advertising may well be medium through which a sales promotion is made. But it is not itself an act of promotion. The distinction also brings out an important fact about advertising. An advertisement by definition transmits a persuasive message, but the persuasive element is not necessarily the Ads itself when a sales promotion offered is the subject of an advertisement, the promotion is the persuasive element and the advertisement is tan information channel. Through sale promotion is non recurrent selling efforts, they supplements the advertisement and personal selling.

2.3.3 Advertising and Publicity

Though both are the means to promote selling and advertising after used in place of publicity however, both are different are in nature. Publicity is

defined as non personal stimulation of demand for a product / service unit by planting commercially significant news about it in a published medium or obtaining favorable presentation of it on radio, TV or stage that is not paid for by the sponsor. To significant distinction image, publicity is not openly paid for secondly presentation is not programmed. The major things with regard to the advertising and publicity are concern is the marketers have less control over the publicity than they have over advertising. Publicity may be negative or positive or both.

2.4 Advertising and Brand Preference

A brand is a name sign symbol or a combination of them which is intended to identify the goods or services or seller from those of competitors

If a consumer think brand is goods in comparisons with other available brands in terms of fulfillments of needs, wants and others prejudice than they develop positive attitudes towards a brands and purchase them. If this action is repeatedly happened with a specific brands loyalty.

To find out brand loyalty frequently purchasing action of product class must be required. Brand loyalty is a great asset of a company which is not expressed in numerical form of balance sheet. It is completely unseen but gives results to full enjoyment. Brand loyalty is defined as:

1. The biased (non random)
2. Behavioral response (purchase)
3. Expressed overtime
4. By some decision making unit
5. With reference to one or more alternative brands out of a set of sub brands

6. A function psychological process (i.e. decision making evaluation)

Consumers have sovereignty they free to choose what they want to buy and what they want to spend on a product. No one can force them to buy a particular product. Buying a product is one thing and buying the best is another. Buying the best depends on his ability to select the best among the wide range of job enhancing consumer ability by providing varieties of required information.

"Brand loyalty result from an initial trial that is reinforced through satisfaction leading to repeat purchase." [Leon G. Schiffman- 2000]

Advertising affects favorably the consumer's preference because it helps the consumer to exercise his power of sovereignty in the most appropriate way, advertising act as a councilor or a guide to the consumers.

Brand preference depends upon the relationship that is created between the brands and the consumers, and a reason that is given for creating that relationship. A brand is a sum of physical, functional and emotional values. Brand preference helps to relates to consumers needs in specific need terms. Advertising primary job is to given a identity to the brand and make it individualized.

The task of advertising is to give brand a 1st class ticket thorough life. The role of advertising is to invest of brands with a set of association, favorable connotations or positive psychological overtones. Brand image is engineered by advertising.

Advertising helps the consumer in the following way.

1. It informs the consumers about all products and services available for sales.

2. It explains the feature the relative merits of each product or services. So, that he can have comparative account for making wise selection.
3. It aware the consumer as to what a product is, how it differ from other in the line? What it does for him?
4. It acts as a guide to the consumers the present market is flooded with a variety of product. The best position alternation to satisfy their needs.

2.5 Manufacturer and Advertising

It is obvious that the manufacturers produce goods not for themselves rather for the consumers with a view to sell them for profit only such goods are produce which can satisfy the needs of the customer unless a product can satisfy the needs of customers it cannot have sale ability.

So, in order to sell the product, the manufactures must have to bring the product, it used to notice of the customer. For this purpose they have to take full advantages of advertising as a major weapon. To popularize their product or services .they are prepared to spend a lot of advertising because it pays in return.

Advertising yields benefit in the following ways.

1. It increases and stabilizes the sales turn over.
2. It maintains the existing market and explores news.
3. It contains products price.

2.6 Advertising and Consumers

Advertising is not only centered to the benefit of the producers but also to the satisfactions of needs, wants of consumers by transforming the benefits of productive efficiency of final users.

The role of advertising can not be less valuable in respect of buying decision. It influences greatly the decisive thinking of the customer. The present complex world of the countries has been providing with a variety

of product such as an extent that it is very difficult for customer to select the particular product which can satisfy his needs efficiently and satisfactorily. Each producer claims of the superiority of his product in comparison to others while selecting the product which one to select is very difficult task. In such a case, it is the advertising which can lead a customer to select the best one.

Most often it is said that advertising is misleading to some extent and give false promise and introduce unbelievable description of a product and undesirable consumers plunge deep in such false assurances. Such exaggeration of merits induce some to make wrong judgment of facts, but these advertising doesn't secure only lasting effect and prove it futile.

Through advertising is considered unethical when:

1. It gives false information.
2. It makes exaggerated.
3. It is absence or immoral
4. It is the against the nation of public interest.

Unethical advertisement is bad business popular governments have development developed does or don't for advertisers. Consumer protection act is prone to control such as advertising should be valued for its own shake. Consumer consciousness also pressurizes the advertisers to be ethical and truthful.

However, the advertising generates the better standard of living and stimulates the desire for better things in life. In this way, advertising making great service to the customers.

“The modern kitchen the modern home and the modern office, which now use products unheard a decade ago, are testimony to what advertising can do to improve our standard of living.”

Chunawala, Kumar, Sethia, Subramanian, Sunchak

2.7 Media for Advertising

The objectives of all public about the right product or services or idea at the right times through the right medium consequently. The right selection the right media is crucial to success in advertising, through equally important factors are the message the timing the place and the target group.

Management usually divides the various functions of their business into three broad areas; production, finance, and marketing. Among these areas, marketing is one of the most important and critical area. It is about connecting with people. Whether we classify people as consumer, or ‘a target group’, or ‘a segment’, marketing is about understanding their needs, beliefs, behaviors, and aspiration. It’s about the matching company’s capabilities with customer’s want. Thus, marketing refers to all business activities aimed at i) Finding out who customers are and what they want. ii) Developing products to satisfy those customer's need and desires and iii) Getting those products on to the customer’s hands. In its simplest terms, ‘Marketing is the process that companies use to satisfy their customer’s needs and make a profit. (Maharjan-2005, P.3)

According to American Marketing Association (AMA), “Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas; goods and services to create exchange that satisfy individual and organizational objectives”. This definition has been widely accepted by academics and practitioners. In the above definition, there are

many activities mentioned like pricing, promotion, and distribution. Among these, promotion is one of the important activities which give a way to communicate with the firm's audiences to achieve certain goals. Promotion has been defined as 'the coordination of all seller- initiated efforts to set up channels of information and persuasion to sell goods and services or promote an idea'. (Ray – 1982, P.8)

"A Sound conceived adverting campaign should have one or more objectives. Objectives help the marketing firm to determine what is to be accomplished through the advertising campaign. It also facilitates the evaluation of the campaign through a comparison of result with the initial objective." [K. D. Koirala- 1995]

Advertising is defined as a paid non-personal communication from an identified sponsor using mass media to persuade or influence an audience. So, the standard definition of advertising has six elements. First, advertising is a paid form of communication. Second, not only is the message paid for, but the sponsor is identified. Third most advertising tries to persuade or influence the consumer to do something, although in some cases the point of the message is simply to make consumers aware of the product or company. Fourth, the message is conveyed through many different kinds of mass media, and fifth, advertising reaches a large audience of potential customers. Finally, because advertising is a form of mass communication, it is also non-personal.

Advertising media links in the communication chain, the advertising media that are available today include traditional print, electronic out of home and direct mail and variety of new often untried, media trends, these media are beginning to overlap. Advertising offer to wide choice of channels for transmission of message and create maximum interest by offering adulate knowledge of the new product.

Following are the terms that refer to this activity of advertising the most effective media strategy and media research.

“The current size of the Ads and publicity market is estimated at NRS 75 corer only, which is very meager amount in all the sense.”

The print media dominates the market sharing estimated Ads revenue of Rs 35 corer. Kantipur leads with estimated Ads revenue of Rs 20 corer followed by the Gorkhapatra with revenue of Rs11 corers.

NTV and Nepal Radio jointly lead the electronic media having Ads revenue of Rs 9 corers each. Recently lunched private FM radios are coming up fast under the leadership of kantipur FMs which have estimated Ads revenue of Rs 110 corer. Out door advertisements and publicity including hoarding boards, banners and wall painting gives away items etc get another Rs 20 corer in the industry.

2.8 Development of Advertising in Nepal

Nepalese society has known advertising and its usefulness to the business. They knew that even a superior product can not be sold if the advertiser fails about it. In early stage the need and wants was very limited and the product was also very limited. They know about the product because the exchange system was largely accepted.

In later period, written government orders information were used for communication purpose. such orders or information were pasted at the place where the public were able to see them with the passage of time, the thing has changed, Nepalese newspaper, magazines, radio Nepal broad cast, Nepal television service and development of advertising agencies are the cases of development of advertising in Nepal.

Each during the Rana period, public announcer went through the streets announcing the opening and closing of gambling period during the Laxmi Pooja and other occasion.

The first advertising agency was established in 2017 B.S then the advertising business got the path of development. The advertisers were very few at that time .the advertising is only about the official notice and information. Advertising was seldom done in private newspapers. The advertisement from the radio Nepal was not in practice the organized advertising was not felt necessarily by the radio and newspaper. The Nepal advertisers established in 2017 B.S had to limit its services only in the press cutting service indeed of artistic and attractive advertising news, magazines for the press cutting it used to take Rs. 76 per a year.

In order, Nepal printing and advertising was the second, which was established in 2020 B.S the advertising agency started advertising service to the Nepal bank LTD, RNAC and Janakpur cigarette factory and some official and semi government offices. it also started printing service as well as sponsoring advertising which was a difficult task at that time . There was scarcity of quality manpower servicing facilities for starting advertisement.

2.9 The Advertising Media Available in Nepal

Now the need of advertisement is felt everywhere or in any country whether that is developed or underdeveloped. The message is communicated verbally or in written form or with pictures or both. Nepal is not exception to it. All advertising media are available in Nepal is analyzed here.

2.9.1 The Radio Nepal

The radio Nepal was established on 20th chaitra 2007 B.S .a t the out set ,the transmission coverage was 4.5hours through a 250- watt transmission

over the year , the radio Nepal has strengthen its institutional capacity and diversified itself in term of programmed format technical efficiency and national wide coverage . The shortwave broad casting of the radio Nepal covers almost the whole country and even some part of India as well. The medium wave transmission covers about 80 percentage of population. The areas where medium wave transmission fails to cover in cooperation with local participation, services are gradually extended through frequency modulation

The medium wave transmission centers operating in all five development region broadcast news , songs and music in various national language in addition to news broadcast news, songs and music in various national languages in additional to news broadcast in Nepal. Ever private sector agencies have been issued license to operate radio broad casting centers through FM transmission with a view to broad cast information and entertainment oriented program. The radio Nepal provides program for duration of 15 hour daily with 5 hour in the morning and 10 hours including after noon and evening. However on public extending the total duration to 17 hour despite 2 hour regional broadcasting.

2.9.2 Introduction of Radio Nepal

The radio has greater reach in both urban and rural areas. Radio has become secondary medium for TV owners but its potential reach is higher especially among poor families in urban areas. Advertisers like to use radio as a reminder medium. According to ketch gupta radio is always used in addition to not instead of another medium.” The radio Nepal’s program on information and education constitute 40 percentage of the total programming and entertainment program cover the remaining 60 percentage including commercials.

There are five medium wave transmission station located in.

1. the western development region in Dharan
2. The central development region in Kathmandu
3. the western development region in pokhara
4. the mid western development region in surkhet
5. The far western development region in Dipayal.

2.9.2.1 The FM Program

The concept of FM program is still new to many people. Fm has been thrown open private producer. The marketing potential of the channel will be develop as its availability to attract the listeners and the advertisers.

In consonance with the policy of forgoing ahead in tune with the changing broadcasting scenario. The radio Nepal lunched transmission of the first FM channel in Nepal on the 30th of kartik 2052 BS. The FM channel air program on MHZ on the FM band through a 1 K.W transmitter installed at Kathmandu. A state of the art studio with stereo facilities has been established at Singhadardaur with sufficient to broadcast program in live.

It plays music and passes on information on public utility services like traffic airlines. The phone in the program has become very popular.

“The FM transmission began initially with one hour 45 minutes breakfast shows on an experimental basis for a one and half month and went on six hours regular program from the first poush 2052 with the objectives of

further expansion. The program on the FM channels is directed to the Kathmandu valley segment and cater to grow entertainment information needs of a younger and Glamorous generation”

2.9.3 The Nepal Television (NTV)

Credit goes to J.L Baird who invented T.V and thereafter the supremacy of radio which reigned over a period of 50 years from 1920 to 1970 was slashed by its arrival in America. It was effective then and still is. Its impact is so deep that with in a decade it speared over to European countries Canada, Australia, America, & Japan.

As a means of reaching a mass audience no other medium today has the unique of sight, stand and movement, the opportunities to demonstrate the products the political to use effects the believability of seeing it happen right before yours eyes and the empathy of the viewers from the advertising viewpoint, television has been most effective means of media.

Television broadcasting started in Nepal on regular basis on 2041 BS. T.V broadcasting services of Nepal (NTV) which with limited resources, now broadcast its program for 114 hours a week basis through its 3 studio, regional program production and broadcast center in Kohalpur (Banke), Murtidanda (Illam), Mnjedenda Bhadetar (Dhunkuta), Jalesshowar (Mohottari), Hetauda (Makanpur), Daunne (Nawalparasi), Phulchauki (Lalitpur), Kakani(Nuwakot), Sagangkot(kaski), Tansen (Palpa), Butwal (Rupandehi), Harse (Surkhet) and 11 broadcast centers in other locations in the nation.

It is estimated that about 47% of the population living in 32% of area of Nepal can watch the program of Nepal Television (NTV) program to

increase broadcast capacity & extending reception are coverage are underway.

2.9.4 The Newspaper

Today is the era of information, without newspaper, it is very difficult for a person to service in the society. Every person of the society wants to be informed of the events happening day to day. It has become integral part of the life. Newspaper is one that gives news, views, ideas, interpretations, opinions comments and explanations regarding the social, economical, political, educational, moral, cultural, ecological, methodological developments and the like.

The role of newspaper can't be underestimated today even after the transmission of news and views through radio and television.

Where as marketing is concern red, it has been backbone of advertising program as it is the most powerful message carrier. It is supportive to all the media out of its total space, 45% goes to advertisements and the rest for textual matters it also depends upon the circulation of the newspaper. The newspaper which has wide network and boarder circulation certainly gets more advertisement.

The newspaper provides a unique, flexible medium for advertiser to express their creativity. The newspaper is a mass medium that is read by almost everybody. It is good for advertising; it is a good vehicle for the purpose. While selecting media for advertisement, one must slick to a good medium have wide circulation and is able to cover the targeted areas.

These newspaper are published in many language that is Nepali, English, Newari, Maithili, Hindi and in many others language. There are bilingual newspapers as well as. Out of above, the major coverage is made by Nepali that is appropriate 72%.

2.9.5 Conditions for Acceptance of Advertisements in Government Newspaper

1. Advertisements are accepted in a good faith & the corporation accepts no responsibility whatever regarding the benefits of the advertiser. The corporation doesn't accept any liabilities of the contents of advertisement delay, omission or errors in publication, forwarding replies etc.
2. Each advertisement must clearly bear the name, signature and address of advertiser.
3. Every effort will be made to insert advertisements on the dates desired, the advertisements will be published on the earliest possible dates.
4. Ordinary printing mistakes shall not oblige any free reprint.
5. Cancellation or alteration accepts only in advance notice in writing.
6. Claim for adjustments for errors must be made from the dates of insertion.
7. Advertisements against public interest or morals will not be accepted.
8. All rates are subject to alternation with out prior notice.
9. Minimum size of advertisement 3 c.m.
10. A fraction over and above 0.4 cm will be considered as one centimeter.

Expect few additional terms all terms and additional terms and condition are also applicable to all newspaper as well like. The advertiser/ advertising agency must secure the necessary written permission of parties concerned if pri-published photos or documents are used in advertisement. This also applies to statements/ quotas attributes to living/ decrease or lost persons etc.

2.9.6 The Magazines

Magazines are more suitable to regional or national advertising program. More ever, it has advantages in different ways. This can really be used strictly local coverage. Through magazines advertiser can reach any market segment in term of different demographic variables like age, sex, income, occupation, educational level, and so on. They offer different color excellent reproduction quality, believability quality and authority, permanence and prestige at an efficient cost. However they require long lead time. They have problems in offering, reach and frequently and they are subject to heavy advertising competition and the cost of advertising in same magazines or group of magazines cover readers with a particular interest. Advertisements are directed to formers bankers, teachers and others. Therefore they are selective in nature of their audience.

While selecting magazines, the advertisers must consider the publication circulation, its readership, its cost and mechanical requirements. Several factors are conducive to the determination of its rate. They are its primary and secondary readership. The no. of subscription and vender sales and the no. of copies.

The chief advantages of magazines advertising are the manners in which magazine select their audience, simultaneous inform coverage of the

entire nation, thoroughness with which the magazines is read coupled with its longer life and its multiple readership, opportunities offered, the advertiser to reproduce in life like fashion in full color if he chooses his production use and its consumers advantages and completeness of presentation.

2.10 The Review of Related Study in Nepal

This study is not the first study about the role of advertising activates in brand preference. In order to proceed further, the related literature has been reviewed and their findings and methods have been given as follows:

1. Prakash Raj Pandey: A study of “Advertising in Nepal” (Degree dissertation submitted to IBACPA), TU, Kathmandu, 1980 BS.

The major findings of his studies are as follows:

Advertising is the main method of promotion practiced in the countries.

- Effect of advertising is generally not evaluated.
- Advertising in the company is handled by persons in the senior position when there is a separate advertising section in the company.
- The advertising programs are not well co-ordinate with other element of marketing and promotional strategies.
- Publication media, radio and cinema are the most used media for commercial advertising. But there are few alternatives. The Gorkhapatra is the only medium with any significant circulation.
- Advertisement related to business is presented in simple language and are found to be more effective.

- Both the advertisers and advertising agencies recognized the need of advertising in the present context of their market in the Nepal.
- The advertisers, advertising agencies and the mass media are yet to create an environment of mutual understanding and help.

2. Another thesis by S.K. Upadhaya “ Radio advertising and its impact on purchasing act in consumers goods” is notable here and his major finding are as follows:

- Both consumers and advertisers recognize the need of advertising (especially media) in the present context of the kathmandu market.
- For promoting product, advertising is the main method used by the producer.
- All the advertising business is conducted by senior personnel, but there is no separate selection for conduction advertising.
- Of all the advertising media available media in Nepal, the radio advertising ranked top in the list.
- Most of the consumers consider utility aspect while buying the products.
- The major percentages of the listeners listen the radio advertising seldom. The percentages of regular listeners are very few.
- The effect of advertising is to be seen on new products rather than an old or existing product.
- The effective forms of media to reach the hearts of consumers are radio, cinema and periodicals, which ranked 1st, 2nd, and 3rd respectively.

3. Another study with respect to communication effects to advertising has been made by R.P. Giri the dissertation is “A study on the

communication effects of advertising and brand preference of instant noodles.”

The major finding of studies is as follows:

- Most of the uneducated people of Kathmandu valley could not say anything about the advertisements.
- Of all the advertising media available in Nepal, the radio has proved itself a leading one to create awareness customer about the advertised products, edible (safe to eat) goods liked instant noodles after that film/line slide comes orderly.
- In case of the newspaper advertisement the Rara has attracted many customers because of its style of photo presentation while the maggi has attracted its customers with the help of layout headlines.
- The weak side of the newspaper advertisement of the Rara has been headline and topography and photo presentation in case of advertisement of maggi
- In case of radio advertisement, the Rara has attracted its customers mainly with the help of vocals. After then, comes expression and music while music has played a pleading role to attract the customers incase of maggi’s advertisement. After the set of expression and vocal come orderly.
- The newspaper advertisement of the Rara has created more of its gain than in case of the advertisement of the maggi.
- Advertisement qualities of instant noodles have made no change of brand preference.

4. “A study of brand loyalty” is a dissertation made by Mr. Yogesh pant, and has the following findings:

- Nepalese consumers give high importance to brand in both the consumer durable goods and the consumer non- durable goods.
 - Most of the consumers are found buying the products brand rather than by inspection.
 - Brand awareness of the Nepalese consumers is found to be high.
 - Brand loyalty is independent of the consumers store loyalty.
 - Brand loyal consumers are not to be influenced by special deals such coupons, free samples, discounts etc.
 - The brand loyal consumers are found to be least influenced by price activity and advertisement.
5. Mr. G. R. Sharma has made a study named “the movies stars endorsement in advertising “and the dissertation has the following findings.
- The youth of the selected soap brands are highly aware of the brand endorsed by movie stars on non – endorsed brand.
 - Message of recall is highly associated with movie stars endorsement in advertising.
 - The product quality of advertised brand is found major factor contributing to the believability of the message. the believability of message is depended upon consumers perception and among of the brand .
 - An effective advertisement creates association of felling with certain events or certain ways of life styles.
 - The advertisers have ignored the matching of the product personality with the requirement of the life styles of the stars.
 - An effective advertisement is supposed to create positive attitude towards it among the audiences.

6. The other study on “communication effects of advertisement and brand preference” made by Mr. laxmi Prasad baral has following findings.

- Instant noodles are in different product life cycle and they require different media and technologies of advertising in different stages.
- There is a high degree association between brand preference and advertisement qualities.
- The advertisement is still traditional and ordinary in nature and style.
- It is necessary that advertising should be more attractive, informative and enjoyable both readers as well as listener.
- Advertising should be constructive for long time impression by making more moral and social responsibility.
- While selecting advertising media the marketer should be unique and distinctive according to the requirement of the target market.

7. In another study of Rajendra Krishna shrestha “ the role advertising in brand choice and product positioning” has the following findings:

- Nepal television is the most popular media within Kathmandu valley and radio Nepal holds the 2nd position along with among the youth generation FM broadcasting is also being popular.
- Most of the respondents are in favors of entertaining types of television advertisements.
- Most of the markets are using electronic media to advertise their product such as radio, TV are supposed to be effective media while considering the situation of Nepalese market.
- Advertising is the main source of information about popular brand as well as mostly sensitive subject in the country in course of promotion.

- Consideration of different variables while purchasing is not significantly different due to the age, sex, and family size.

The above mention is the major research works carried out by different researchers on the related field in the marketing in T.U.

Chapter - Three

RESEARCH METHODOLOGY

3.1 Introduction:

Theoretical concept and background information regarding marketing has been already described in the earlier chapters. Besides this review of literature with possible review of relevant ideas and research finding has also been described. In the selection of appropriate research methodology, the study and analysis in this chapter has helped a lot.

Research methodology is the way to solve the research problem systematically. It facilitates the research work and provides reliability, and validity to it. C. R Kothari defines “Research as a scientific and systematic search for pertinent (important) information on specific topic” (1995: P-1).

It refers the various sequential steps to be adopted by a researcher during study to solve the problem. It would be appropriate to mention that research project is not susceptible to any one of for completing the inflexible sequence of step and the types of problems to be studied that determine the particular steps to be taken, and their order too. To find out the existing position of different brands of Softdrink in Chitwan, following mentioned methodology has been adopted.

3.2 Research design

Research design is the main part of a thesis, or if any research work. It has plan structure and strategy to obtain answer to research question through the investigation, and data analysis. This research design of this study is an exploratory in nature. The main aim of this study is to find out the existing position of different brand of softdrink and analyze significance of product, price and promotional activities adopted by the firm or company. In this survey, the research design is adopted on the basis of information analysis and it suggests the measurement tools to enhance the marketing activities of the softdrink. To meet the objectives, raw data related to thesis study were collected through the questionnaire method.

Here, analysis descriptive types of survey research design have been adopted to evaluate and analyze the market to different brands of softdrink.

3.3 Nature and Source of Data

In the research, primary data collected from Chitwan have been used. Some secondary data have been also included, for fulfilling study. Most of the information is collected from primary source through the questionnaire and oral conversation with concerned wholesalers, retailers and consumers.

3.4 Population

The population of the study consist all those consumers who consumed soft drinks. The samples chosen differ in regard to academic background, financial background, age, sex and profession. The population represents

the resident of Chitwan either visits Chitwan for the different purpose or also job holder of Chitwan.

3.5 Sampling

Sampling provides more useful results-faster and at less cost than would be possible by attempting to collect data from all units of interest.

The target population of this study is very large. It is almost impossible to include the whole population, so out of this population only 86 respondents were used.

Respondents have been taken from different urban area, and the method used for this study is judgmental sampling is that population under study is very large and other factors are time resources.

Even though the sample size is very small in a comparison to all the population, sufficient efforts have been given to make the sample represent the whole population. The number which already included in the sample are from the different professions, age groups, incomes groups, education background and both sex. In this survey all respondents give response to fill questionnaire.

3.6 Data Collection Procedure

For the purpose of collecting data from consumers structured questionnaires were developed. The questionnaires are almost care fully designed to support all the objectives of the research and opened question included in questionnaire is presented in the last of this proposal.

3.7 Data Collection and Analysis Techniques

All the questionnaires were distributed and collected by the research herself. So there was not any delay in collection of questionnaire

distributed to consumers. Every questionnaire was thoroughly checked after the collection of all the questionnaires distributed. All the questionnaires were found correct in the style of filling.

The same responses of the collected questionnaire were arranged into one place under respective headline, and the total responds were counted. The total response was presented in one master table for necessary adjustment to attain the objectives.

The analysis of master table based on basic data is analyzed both deceptively and statistically. For statistical analysis, required tools such as sample mean percentage, various graphs diagrams, pie chart and attitude scaling method etc. are adopted.

Chapter - Four

DATA PRESENTATION AND ANALYSIS

Data presentation and analysis is the fourth chapter of this research study. It is an important phase of the study. Collecting data is the connecting link to the world of reality for the researcher. The data collecting activity consists of taking ordered information from reality and transferring it into some recording system that it can later be examined and analyzed for patterns. Research as a media can be interpreted as having a content of data and a process of methodology. Without the data, methodology cannot be utilized to bring us to the conclusion.

The presentation of data is the basis of organization and classification of the data for analysis. After data collection is completed, the data will be in what researcher call "the raw form". The data will still be on questionnaires and data collecting forms. It is necessary to arrange the data so that it makes some sense to the researcher and so that it can later be presented to the readers of the thesis. Different type of data requires different methods of summary and presentation. There are a number of methods, which can be used to simplify the data. The easiest way to understand data is by examining it in charts, graphs and tables. But even before one can arrange data in tables, it is necessary to rearrange the raw data.

The main purpose of analyzing the data is to change it from an unprocessed form to an understandable presentation. The analysis of data consists of organizing and performing statistical analysis.

4.1 Opinion Collected from the Consumers

Out of 100 respondents only 86 respondents have provided required information. The rest did not respond as required. There is a variety of climates in Nepal. As such, in winter seasons, most of the people don't take cold drinks and in summer seasons, its demand is high comparatively.

4.1.1 Soft drink Consumption Per Month

For finding out the volume of Soft drinks consumption, the data has been collected from different consumers.

The table appended below gives the consumers preferences and purchase behavior relating to soft drink of different brands in Chitwan.

Table No. 4.1
Consumption of Soft Drinks

Items	No. of Respondents	Percentage
Tea	33	38.37
Coffee	25	29.07
Soft drink	86	100
Fruit drink	17	19.77

(Source: field Survey, 2008)

The above table denotes the consumption of different drinks though many of the consumers consume tea and soft drinks, where as some of them

consume tea, coffee, soft drink and fruit drink as well. Since study is centered with the consumption of soft drink. The consumption affects the brand choice of soft drinks.

4.1.2 Consumers participation in buying process

Regardless of persons who used to buy products for respondents, the researcher got varying responses, among which self-buying has been found dominant.

Table No. 4.2
Participation in Buying Process of Softdrink

Involvement	No. of Respondents	Percentage
Myself	58	67.44
Family member	24	27.9
Servant	2	2.33
Other	2	2.33
Total	86	100

(Source: field survey, 2008)

Table No. 4.2 shows the pattern of involvement of persons in the purchasing process. The table also shows that 67.44 % of consumers purchase themselves, 27.9% consumers purchase through their family members, 2.33% of consumers purchase through their servants and 2.33% of consumers, buy through other people like friends colleagues, employees etc.

4.1.3 Role of purchasing decision

Role of purchasing decision means play, while purchasing the soft drink who plays the main role or who contribute the most of time for that.

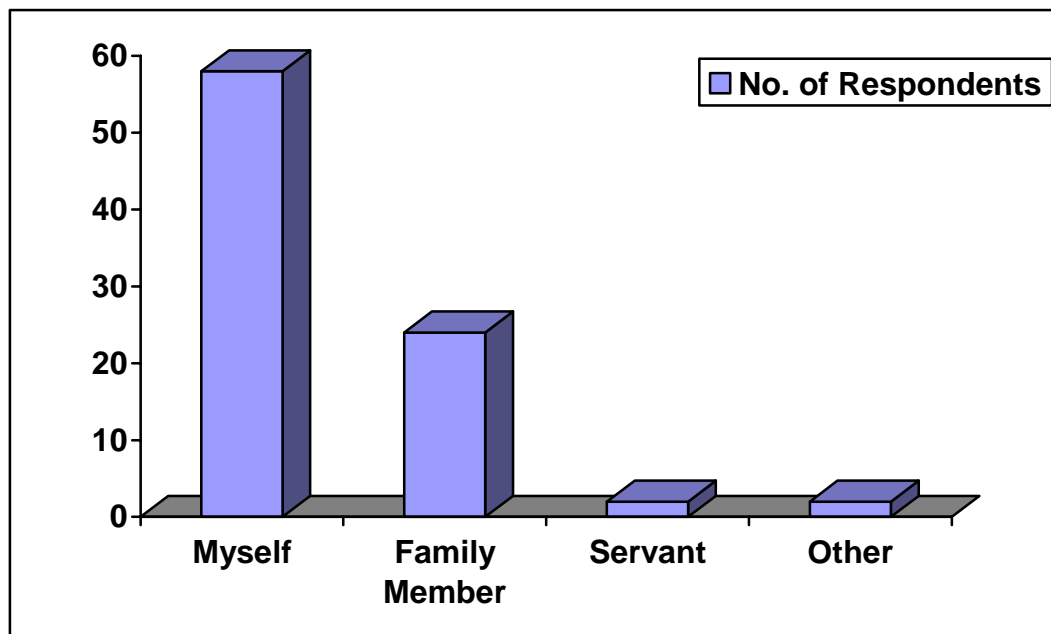
Table No. 4.3
Role of Purchasing Decision of Softdrink

Involvement	No. of Respondents	Percentage
Myself	58	67.44
Family member	24	27.9
Servant	2	2.33
Other	2	2.33
Total	86	100

(Source: field survey, 2008)

The collection of data on the role of purchasing decision of soft drink is plotted on the figure No. 4.1. This is presented as:

Figure No. 4.1
Role of purchasing decision of soft drink



Source: Table No. 4.3

The person, who decides where from buy, how to buy and which brand to buy, is the decision maker in buying process. While buying soft drink 67.44% of consumers buys themselves or decide themselves which brand is to be bought, but in the case of 27.9% consumers, their family member buys for them or say decide for the consumers. In 2.33% cases for the servant decides which brand is to be bought and 2.33% of the consumers on the choice of other person.

4.1.4 Consumers brand preferences of soft drinks

The consumers' priority for the soft drinks has presented in a table below. It is to be noted that high percentages denotes the highest priority and low percentages denotes the lowest priority.

Table No. 4.4
Consumers brand preferences of soft drinks

Items	No. of Respondents	Percent
Coca cola	52	60.47
Fanta	4	4.65
Real juice	15	17.44
Sprite	5	5.81
Others	10	11.62
Total	86	100

(Source: Field survey, 2008)

This table indicates that the consumers normally bought Coca-Cola, Coca cola is consider at the top rank buying alternatives of 60.47%. Real juice is the alternative having 17.44% of consumers choice, consumers buys Fanta and sprite has having 4.65% and 5.8% respectively and also consumers consume other brands 11.62%.

They have given priority to the brands according to the variables of their desire, availability, advertising, sales scheme, price quality, taste and other recommendations.

4.1.5 Consumers' General Response Towards Advertising

The researcher made an effort to present and analyze consumers' general response concerning to the respondents' ideas about advertising, perception towards ads, buying habits after viewing the advertisement, sources of information for bought products, like or dislike of advertisement and rating of liked advertisement, buying decisions after or before advertisement, advertisement of substitutes products, comparison of ads of substitutes products with choice products, response to new, repetitive and choice products ads, factors that make ads enjoyable, and so on. These responses have been shown differently in the respective figures consecutively.

Relating to the respondents' idea about advertising, these responses are presented below.

Table No. 4.5
Contribution of advertising for purchase of soft drink

Contribution	No. of Respondents	Percent
Yes	79	91.86
No	5	5.81
Don't know	2	2.33
Total	86	100

(Source: Field survey, 2008)

This table denotes the contribution of advertisement for purchase of soft drink. 91.86% of consumers agree the contribution of the advertisement of the purchase of soft drink. While 5.81 consumers deny its contribution

2.33% of consumers are unknown to the contribution made by the advertisement in buying soft drink. It indicates that the advertisement really contribute to the purchase of the soft drink.

4.1.6 Consumers Preference of Advertisement on Softdrink

For findings the consumers preference of advertising on soft drink following table is presented.

Table No. 4.6
Consumer's Preference of Advertisement on Soft Drink

Preference	No. of respondents	percent
Coca cola	60	69.77
Real juice	7	8.14
Both	3	3.49
Non of them	16	18.60
Total	86	100

(Source: Field survey, 2008)

This table depicts the advertisement preference of soft drink. 69.77% of the consumer preferred the advertisement of coca cola, 8.14% prefer the advertisement of real juice and 3.49% prefer both products advertisements and 18.60% don't prefer any of the advertisement. This study shows that most of consumers preferred the advertisement of coke in comparison of real juice.

4.1.7 Consumer's Preferences Through Price

This is for finding the consumers' reaction over the price of different brands of soft drinks. The respondents were requested to comment in term of cheap, satisfactory, expensive and very expensive on a percentages basis. It is presented in table below.

Table No. 4.7

Consumer's preferences through price: Real juice

Options	No. of respondents	Percent
Cheap	8	9.30
Satisfactory	54	62.79
Expensive	22	25.58
Very expensive	2	2.33
Total	86	100

(Source: Field survey, 2008)

The above table represents the comparisons of price of Real Juice by its quality. 9.30% consumers consider its price is cheap, 67.79% consumers its price satisfactory, 25.58% consider its price expensive in comparison to its quality and 2.33% consider very expensive. It also denotes the preference of the product by quality or price.

4.1.8 Consumer's Preferences Through Taste

This is for finding the consumers' reaction over the taste of different brands of soft drinks. The respondents were requested to comment in term of superior to coke, inferior to coke and similar to coke on a percentages basis. It is presented in table below.

Table No. 4.8

Consumer's preferences through taste: Real Juice

Preferences	No. of respondents	Percent
Superior to Coke	38	44.19
Inferior to Coke	28	32.56
Similar to Coke	20	23.25
Total	86	100

(Source: Field survey, 2008)

The above table shows the preferences of Real Juice through taste 44.19% say that Real Juice is superior to Coke, 32.56% say it is inferior to Coke and 23.25% remark that Real Juice is similar to Coke. Real Juice is competitively preferences in the local market.

4.1.9 Availability of Soft Drink

For finding the availability of below mentioning the brands in chitwan, the data has been received from consumers and the consumers were requested to response, which is presented. Here, it is mention on the percentages basis.

Table No. 4.9
Consumers Preferences through availability: Real Juice

Options	No. of respondents	Percent
Yes	76	88.37
No	4	4.65
Sometimes	6	6.98
Total	86	100

(Source: Field survey, 2008)

The above table presents the availability of real Juice in the market. The responses made by the consumers denotes that the real juice almost available every where as such 88.37% remark its availability in the market. Only 4.65% respondents say about its not availability in their area.6.98% say that its availability is not frequent. It seems that real juice is well preferences by almost consumers.

4.1.10 Popular ATL Media for Advertising of soft drink

The table below presents preference of the consumers for different ATL media.

Table No. 4.10

Popular media for advertising of Soft drinks

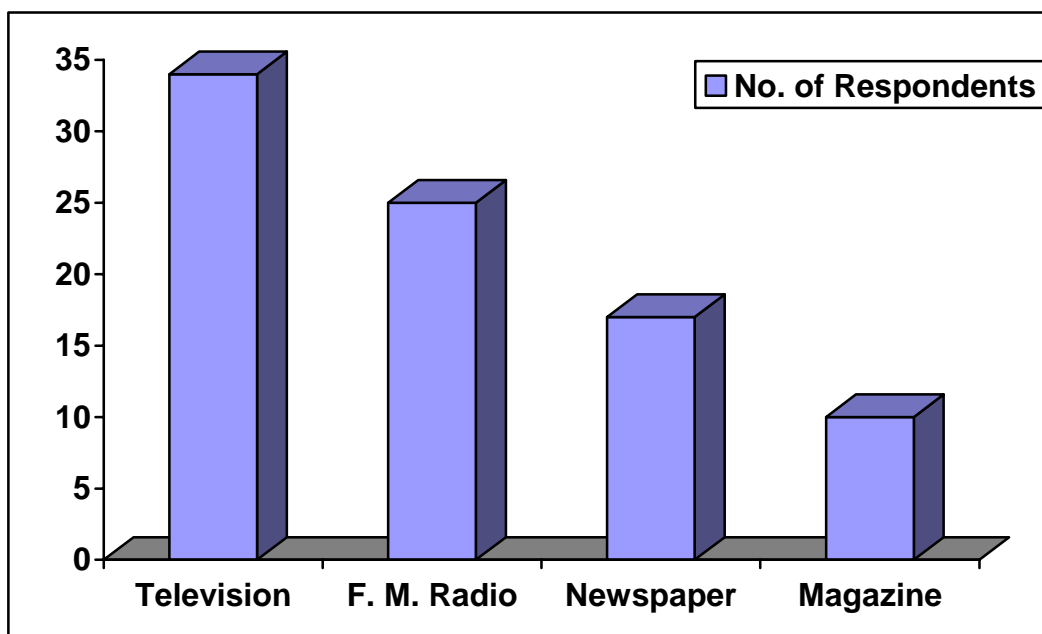
Media	No. of respondents	Percentage	Rank
Television	34	40.59%	1
F. M Radio	25	29.06%	2
Newspaper	17	19.88%	3
Magazine	10	11.62%	4
Total	86	100%	

(Source: Field survey, 2008)

Above Table presents that the popular ATL media for advertisement is Television followed by Radio, Newspaper and lastly the magazine.

Figure No. 4.2

Popular media for advertisement of Soft Drink



Sources: Table No. 4.10

4.1.11 Advertising of Soft Drinks in Different Media

The concept of advertising has evolved a lot in the past few years due to innovation of different advertising media. Initially, ATL seems to be the best media. Recently the concept of BTL advertising has changed a lot in the marketing scenario by imposing great threat to the ATL media as well as providing another great option of advertising media for the advertisers. Besides the table shows the appealing advertisement of different soft drinks brands in different advertising media.

Table No. 4.11

Ranking the advertisement of soft drink in different media

Media Brands	TV	F.M	Hoarding board/ Wall painting	Newspaper/ Magazines	Posters
Coca cola	30	25	20	15	10
Fanta	20	20	35	15	10
Real juice	35	25	20	10	10
Sprite	35	20	25	10	10

(Source: Field survey, 2008)

The advertisements of Coca Cola, Fanta, Real Juice and Sprite are reported the best Television, F. M. Radio, Hoarding board, Newspaper and Posters are respectively.

4.1.12 Factor Influencing Consumers' Buying Decision

To find out the influencing factor for buying decision, the respondents were requested to responds on priority basis, which is presented in the table given below.

Table No. 4.12

Factor Influencing Consumers' Buying Decision

Factor Influencing	No. of respondents	Percent	Rank
Quality of soft drinks	26	30.23	1
reasonable price	19	22.09	2
Attractive adv.	15	17.44	3
Easily available	12	13.95	4
Brands loyalty	8	9.30	5
Attractive Packing	6	7	6
Total	86	100%	

(Source: Field survey, 2008)

From the statistical study of the table, quality of soft drinks seems to be the important factor with the highest percent. The second effective factor is reasonable price and third is effective advertisement. Similarly, 4th, 5th, & 6th factors are easily available, brand loyalty and attractive packing respectively. The packing doesn't seem to be convincing factor as well as the least affecting factor for the sales of cement.

4.1.13 Source and Knowledge about Soft drinks

Respondents were asked for the source of knowledge. The expressed responses are tabulated below.

Table No. 4.13

Distribution of Consumer's Introductory Source of Knowledge about Soft Drinks

Media	No. of respondents	Percentage
Friends and Family	27	31.39%
Television	18	20.93%
Wall painting	14	16.28%
Hording board	11	12.8%
Radio	8	9.3%
Newspaper	6	6.98%
Poster and Pamphlet	2	2.33%
Cinema	–	–
Total	86	100%

(Source: Field survey, 2008)

Observing the table, it is found that Friends and family is the most popular source to make the consumer aware about the soft drinks and finally to make purchase decision. It shows that the voice of mouth holds great strength (publicity) than any other consumptions of promotion. The electronic media is another affecting source for the consumers with television holding 2nd number in above table and the radio media holding 5th position. It is clear from the above table that the outdoor media also holds high rich to make the consumers aware about the brands. However, it is surprising to say that Print media (newspaper) doesn't seems to be so much effective.

4.1.14 Role of advertising on Consumers View

Respondents were asked their view on role of advertising in their buying behaviour in term of informative, entertaining, persuading and remanding

the product on percentages basis. The expressed responses are tabulated below.

Table No. 4.14
Role of advertising on Consumers View

Advertisement	No. of Respondents	Percentage
Informative	26	30.23
Entertaining	34	39.54
Persuasive	12	13.95
reminding the product	14	16.28
Total	86	100

(Source: Field survey, 2008)

This table indicates that maximum that is 39.54% say that the advertisement is entertaining, 30.23% are of the opinion that advertisement is informative whereas 13.95% say it is persuasive where as 16.28% are of the view that it is for the reminding the product.

4.1.15 Consumer Buying Place of Soft Drink

For finding the consumers' preference regarding buying place, the study has been done on the basis of retailers, wholesalers and manufacturing company. Below the table states the buying action of consumers.

Table No. 4.15
Classification of buying place

Place	No. of Respondents	Percentage
Retailers	79	92%
Wholesalers	7	8%
Total	86	100%

(Source: Field survey, 2008)

The above table shows that the consumers feel easy to buy soft drinks from retailer. While some are also found to be buying from wholesaler.

4.1.16 Consumers Buying Behavior

Behavior is a positive or negative reaction made by individuals towards some objects, things, or an idea that he/she sees, feel, experienced or confronted etc. Buying Behavior is the decision processes and acts of people involved in buying and using products.

Here is mention that consumers buying decision may change or not after advertisement of soft drinks.

Table No. 4.16

Buying behavior of respondents before or after Ads

Alternative	No. of Respondents	Increasing/Decreasing Percentage
Before advertisement	10	11.63%
After advertisement	76	88.37%
Total	86	100%

(Source: Field survey, 2008)

The above figure shows that 86 respondents told, they bought products after advertisement was seen, whereas 10 respondents bought products before advertisement was seen.

By the above facts, it can be said that consumers buying decisions are greatly influenced by advertisements. So, advertisements greatly help to make positive impression about products in consumers' mind.

4.2 Analysis of the Retailers

For fulfilling the objectives, responses from the retailer were obtained. Different questions were asked to 20 different retailers to discover various information that supplements the study.

They were different retailers such as Riwas coldstore, Ruchi supplier, karmacarya soft drink house, sanam coldstore, and S & B cold House etc. They are in this business from more than last 5 years. It was found that some of the retailers were involved in sale multiple brands rather than sticking to a single brand.

4.2.1 Involvement of Retailers in Business

Retailers are one of the main members of distribution channel. They function in providing goods and services produced by the manufacturing company to the consumers. The retailers were asked about the time period being involved in the business.

Table No. 4.17

Time period (in a year) of soft drink Business

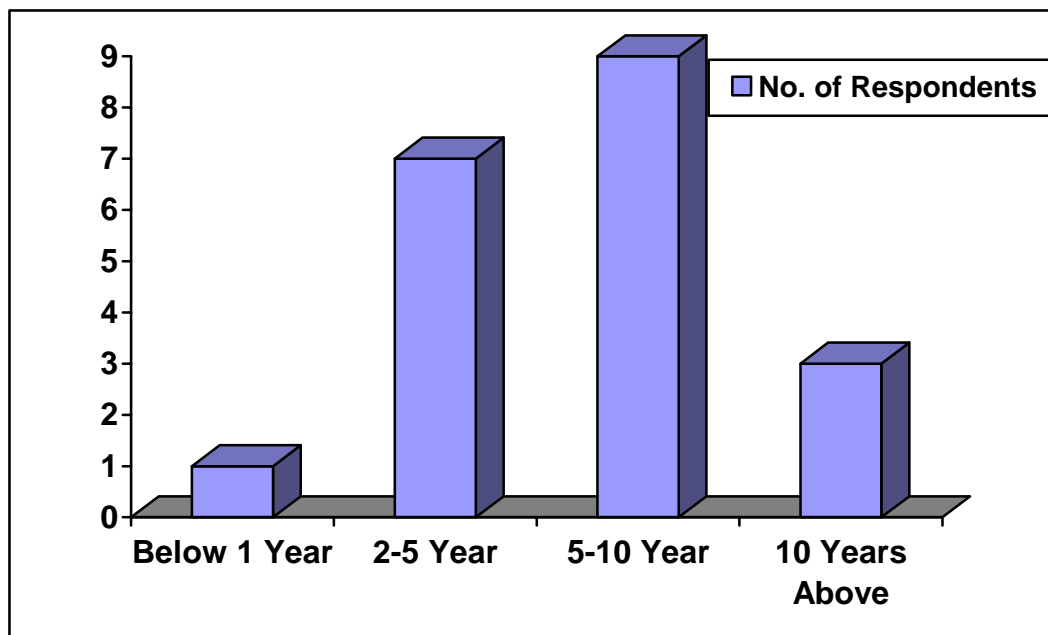
Year	No. of Respondents	Percentage
Below 1 Years	1	5%
2-5 Years	7	35%
5-10 Years	9	45%
10 Years and more	3	15%
Total	20	100%

(Source: Field survey, 2008)

The above table shows that more than two third of the total retailers are involved in this business since more than 5 years. 35% of the total retailers were found to be involved in this business since more than 2 years. There were still some numbers being involved in this business since more than 10 years.

Figure No. 4.3

Time period (in a year) of soft drink Business



Source: Table No. 4.17

4.2.2 Retailer for Different Brands

The retailers were also asked about the brands that they were selling. The responses are tabulated below:

Table No. 4.18

Distribution of different Brands by the retailer

Brands	No. of respondents	Percentage
Coca cola	12	60%
Fanta	11	55%
Real juice	11	55%
Sprite	9	45%
Pepsi	7	35%
Frooti	7	35%
Due	5	25%
Others	2	10%

(Source: Field survey, 2008)

Table no. 4.18 shows that most of the retailers have been selling many famous brands. Among above listed brands, Coca Cola, Fanta, Real Juice and Sprite have been sold by any retailers and that is more than 45%. They are followed by Pepsi, Frooti and Real Juice. The Due seems to be sold by very few retailers.

4.2.3 Cause for Running Soft drinks Business

Below the table shows the cause of retailers for running business of soft drinks.

Table No. 4.19

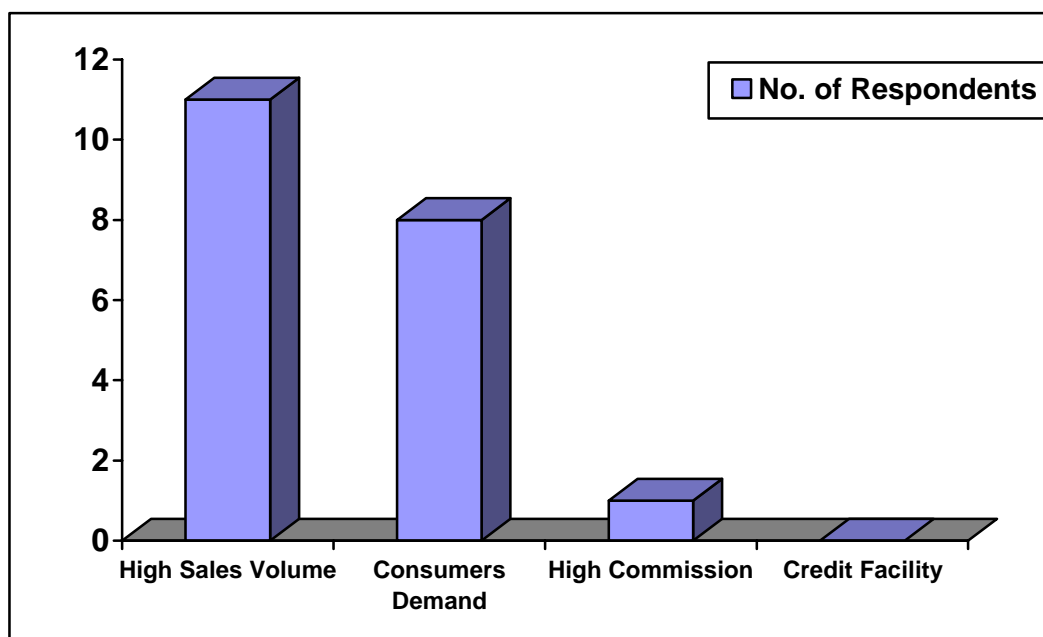
Cause for the retailing of Soft drinks

Cause	No. of respondents	Percentage
High sales volume	11	55%
Consumers demand	8	40%
High commission	1	5%
Credit facility	-	0%
total	20	100%

(Source: Field survey, 2008)

From the above table, it is clear that the business volume of soft drinks is very high. It is also found that there is excessive demand of soft drinks from the consumers. From a single retailer it is known that there is not so good commission in soft drinks business.

Figure No. 4.4
Cause for the retailing of soft drinks



Source: Table No. 4.19

4.2.4 Number of Transaction with Customers

Retailers were asked that how many customers per day you deal with transaction. Their responses are presented below.

Table No. 4.20
Distribution by no. of transaction with customers

Customers	Retailers	Percentage
Below 10	5	35%
10 to 20	9	50%
20 to 30	5	10%
Above 30	1	5%
Total	20	100%

(Source: Field survey, 2008)

Table no. 4.20 shows that a half of the retailers nearly deal with 10 to 20 customers per day, 5% of the retailers deals less than 10 customers and in between 20 to 30 customers.

4.2.5 Commission or Sales Incentive to Retailers

This is to discover the soft drinks which give more commission to the retailer. We asked retailers to give answer just in their own manner as the question was subjected to be optional. Different views were received from different retailers and some did not dear to answer. Just from the received numbers we arranged from rank 1 to 8. The receiver of the highest number is ranked 1 and the brands that have equal number are asked as the ranking as the ranking of the respondents.

Table No. 4.21

Ranking of Different Brands of Soft Drinks by More Commission or Sale Incentive

Brands	No. of respondents	Rank
Coca cola	13	1
Fanta	12	2
Real juice	11	3
Sprite	9	4
Pepsi	10	5
Frooti	12	6
Due	10	7
Mirinda	3	8

(Source: Field survey, 2008)

Coca Cola gives more commission than others. Fanta and Real Juice respectively hold second and third position. Mirinda and Due are the brands that give low sales incentives.

4.2.6 Influencing Factor of Sales of soft drink in Market

Retailers were asked about the influencing factor to sell the Soft drinks. The respondents were asked to give answer in apriority basis ranking them 1 to 4.

Table No. 4.22

Ranking of Influencing Factors of Sales of Soft Drink by Retailers

Factors	No. of retailers				Mean	Rank
	1	2	3	4		
High sales	14	4	2	-	3.6	1
attractive adv.	12	5	3	-	3.45	2
Commission	1	4	5	10	1.8	4
Others	5	6	3	6	2.5	3

(Source: Field survey, 2008)

By overall mean value high sales is the most important factor with the highest value 3.6. A second important factor is attractive advertisement with a mean value of 3.45.

4.2.7 Market Stability

Retailers were also asked whether introduction of new brands of Soft drinks in the market affect the sales of existing brands or not. Their reactions are tabulated below.

Table No. 4.23

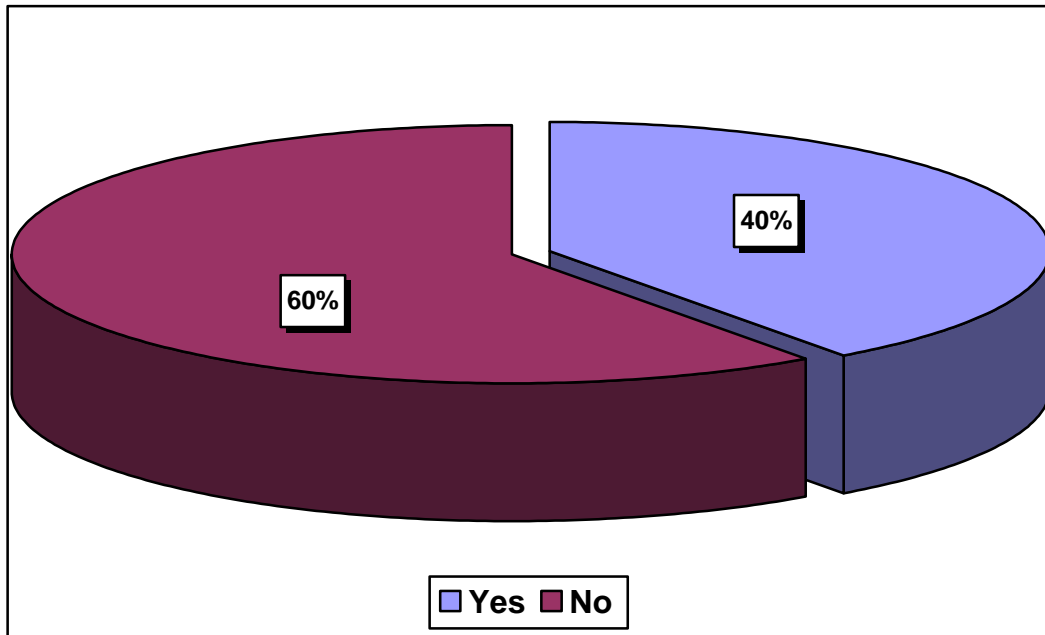
Retailer reaction over the introduction of new brands to sale of Existing Brands

Options	No. of Retailers	Percentage
Yes	8	40%
No	12	60%
Total	20	100%

(Survey: Field survey, 2008)

By the above table it is clear that 40% do feel there is threat for existing brands from the upcoming brands even after the launching of new brands.

Figure No. 4.5
Retailer reaction over the introduction of new brand to the sale of Existing Brands



Source: Table No. 4.23

4.3 Major Findings of the study

On the basis of the above study, following are the major findings.

- Advertising is consider the prime process to provide information about a particular brand to the customer
- Changing of brand is affected by advertisement
- Consumers themselves decide purchasing of soft drink.
- Brand preference of consumers is not impose.
- Consumers have accorded first priority to test and thereafter quality.

- Coke is considered the first preference of the customers
- Real juice does not hold superior position in comparison to coke.
- Entertaining advertisement is liked by the most of the consumers
- Advertisement plays an important role in the purchase of soft drink.
- Tasted are considered first reasons for the brand switching quality.
- Advertising is considered second important reason for brand switching.
- Age, sex and family size are not important variables in selecting soft drink.
- Real juice holds 2nd choice for consumer.
- There is large availability of real juice in the market.
- The product positioning is very important for achieving the marketing goal.
- Consumption affects the brand choice of soft drink.
- There is a threat for existing brands from upcoming brands even after launching new brands.
- Friends and family are the main source to make the consumer aware about the brand.

Chapter - Five

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Advertising is certainly one of the more important and most complex decision areas facing business executives. As such a lot of attention has been paid to advertising and advertising research. Whether there may be small or big business houses, they spent much of their money and time on advertising in order to position their product in the consumers mind and to make them brand loyal. And thereafter to make them repeated customers. By advertising they try to increase their sale, they able to maximize profit.

Advertisement creates awareness, and increase faith in the product and of course consumers stick to a brand. For better selling, one cannot ignore the role and utility of advertising campaign and advertiser should be careful in the analysis of his product, market, trend channels and competitions. The advertiser must study the nature of trade the area to be covered, the media available and suitable to be the audience. Better and proper advertising is helpful in developing a positive attitude towards a particular brand. Growth of television advertising has added new dimension in the advertising. Different strategies are made to win over intense marketing competition.

Advertising is powerful technique for sales promotion. That is why manufacturing companies have invested a larger amount in advertising. To develop advertising programme, critical decision are to be made with regard to setting objectives, selecting objectives, selecting the message, and choosing appropriate media vehicles. Though it is difficult to measure the effectiveness of the advertisement in brand preference, however in this study, an attempt has been made

For the collection of data, the consumers of Chitwan are considered population. 100 respondents were selected and served with questionnaires; however, only 86 respondents gave full information required for this study on the judgmental sampling.

It is observed by interpretation and analysis of data and the information collected from different consumers that advertising is the main source of information and major instrument to motive and persuade consumers for brand choice. Advertising is helpful in informing, persuading and reminding product. Example of information type objectives include marketing prospective consumers aware of a new product, announcing a new price, and explaining how a product works. Persuading objectives include attempting to build brand preference and loyalty and changing a consumers attitude about a particular brand's characteristics. Objectives having to do with reminding include communications telling consumers where and when to buy the product.

It is life blood of modern marketing, especially in course of promotion. To make advertising more effective, co-ordination and good integration among promotional variables are required. Initially the role of advertising is pertinent to attract consumers and to make them decide which one to

buy but for repeated purchase other variables like taste and quality play vital role.

5.2 Conclusion

- Consumers themselves decide purchasing of soft drink.
- Brand preference of consumers is not impose.
- Consumers have accorded first priority to test and thereafter quality.
- Coke is considered the first preference of the customers
- Real juice doesnot hold superior positioned in comparison to coke.
- Entertaining advertisement is liked by the most of the consumers
- Advertisement plays important role in the purchase of soft drink.
- Tasted are considered first reasons for the brand switching quality.
- Advertising is considered second important reason for brand switching.
- Age, sex and family size are not important variable in selecting soft drink.
- Real juice holds 2nd choice for consumer.
- There is large availability of real juice in the market.
- The product positioning is very important for the achieving the marketing good.
- Consumption is affect the brand choice of soft drink.
- There is threat for existing brand from the upcoming brands even after the launching the new brands.

5.3. Recommendations

Advertising is essentially essential for modern marketing. Simply advertising is not sufficient enough to make purchasers brand loyal. The success of any product depends on the post purchase behavior of the consumers. Post purchase behavior largely depends upon satisfaction received from consumption.

Consumers are considered very important in modern marketing. The consumers are always right as such only such products are to be manufactured which are liked by the most of the consumers. If the products are the embodiment of the consumers need, want prestige, preference, satisfaction, aspiration and expectation. So in order to position the product in the market and make consumers brand loyal and keep them is essential. The manufacturer should make only such product and marketing of the product of the consumer's choice is the essence of success.

Consumers do have an image of the products in their mind. Brand loyalty is an image of the product which the consumers have in their mind, their perception about the product .brand loyalty exposes the consumer's preference, attitude perception and purchasing pattern related to different brand available in the market. All these variables are concerned closely with the satisfaction, social status, aspiration and ambition of the consumers.

With the growth of consumers market, competition is also growing rapidly. it is required to understand the role of advertisement in brand loyalty and creating awareness of the consumers so that the goods may be

repeat consumers. It is essential and effective tool to increase the competitive strength of the manufacturer in order to position the product through attribute, taste and quality.

Following recommendations are made on the basis of the study.

1. Consumers are conscious and their wants, desires, satisfaction are considered of almost important. Therefore, the marketers are conscious enough to fulfill the expectation and satisfaction of the consumers.
2. Advertising effectiveness depends largely on consumers benefit. Hence the advertising should be based on well being of consumers and provide reliable true and acceptable message.
3. Consumers are also quality conscious. Manufacturers should maintain and improve the quality of the products.
4. Advertising is one of the best tools to make consumer aware of the brand its quality and other attributes of the product. Therefore the manufacturer should stick to advertise their product through popular media.
5. In case of regular non-availability of product, the consumer switch to another alternative brand. Therefore, marketers are suggested to regularize the supply of products.
6. Creativity is required to maintain the customers flow. Consumers prefer entertaining type of advertisement. As such, marketers are suggested to provide such advertisement which may entertain the consumers so that positive image to award brand can be created.
7. In winter season most of the people do not take cold drink and in summer season its demand is comparatively high but by better

advertising tools manufacturer should increase its demand in winter season also.

8. For the achieving the marketing goods positioning plays important role and it includes unique quality of the product suitable price and better services. The company pays adequate attention to these things.
9. Satisfaction of the costumers play very important role. To keep customers for long and make them brand loyal manufacturer should conscious with customer brand preference.
10. Advertisement should be in time creative, unique in design with truthful and realistic information so that consumers may be attracted towards products.
11. Along with the advertising, the other marketing variables such as product, price, promotion and place should be balance and integrated.
12. Marketers should keep on studies on brand loyalty and brand preference in order to adopt, effective, proper in order and successful marketing strategy.

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The Rising Nepal

Gorkhapatra

Nepal Television

Radio Nepal

Related Web-site:

www.tutor2uTM.com

www.google.com

www.fncci.org.np

www.cgnepal.org.np

QUESTIONNAIRE

My name is Sanu Pandey .I am a student of MBS in Shaheed Smriti Multiple College. I am conducting of survey of the "ROLE OF ADVERTISING IN BRAND PREFERENCE OF SOFT DRINK"as a part of my MBS course. Will you please spare some of your valuable time to answer the following questions? I would like to assure you that the responses made by you will be kept completely confidential .

Please tick [] the choices where it is necessary.

1. Have you consumed any of the following items in the last 30 days?

- | | | | |
|---|-------------|---------------------------------|--------------------------------|
| a | Tea | Yes[<input type="checkbox"/>] | No[<input type="checkbox"/>] |
| b | Coffee | Yes[<input type="checkbox"/>] | No[<input type="checkbox"/>] |
| c | Soft Drink | Yes[<input type="checkbox"/>] | No[<input type="checkbox"/>] |
| d | Fruit Drink | Yes[<input type="checkbox"/>] | No[<input type="checkbox"/>] |

2. Who usually buy soft drink for you?

- | | | |
|---|----------------|------------------------------|
| a | Myself | [<input type="checkbox"/>] |
| b | Family Members | [<input type="checkbox"/>] |
| c | Servant | [<input type="checkbox"/>] |
| d | Any Other | [<input type="checkbox"/>] |

3. Who decides which brand is to be bought?

- | | | |
|----|----------------|------------------------------|
| A. | Myself | [<input type="checkbox"/>] |
| B. | Family Members | [<input type="checkbox"/>] |
| C. | Servant | [<input type="checkbox"/>] |
| D. | Any Other | [<input type="checkbox"/>] |

4. Normally which brand do you prefer while, purchasing soft drink?

- A . Coca-Cola []
- B. Fanta []
- C . Real Juice []
- D. Sprite []
- E. Others []

5. Does advertising contributes for purchasing of soft drink?

- a. Yes []
- b. No []
- c. Don't know []

6. Which advertisement do you prefer the most?

- a. Coke []
- b. Real juice []
- c. Both []
- d. None of them []

7. The price of real juice in comparison to its quality is.....

- a. Cheap []
- b Satisfactory []
- c. Expensive []
- d. Very expensive []

8. What do you feel about the taste of "REAL JUICE"?

- a. Superior to coke []
- b. Inferior to coke []
- c. Similar to coke []

9. Do the real Juice easily available in your Town?

- a. Yes []
- b. No []
- c. Sometimes []

10. Which media is popular for advertising of soft drink?

- a. T.V []
- b. Radio []
- c. Newspaper []
- d. Magazines []

11. Rank the advertisement of soft drink in different media?

	Softdrink	rank
a.	Coca cola	[]
b.	Fanta	[]
c.	Real juice	[]
d.	Pepsi	[]
e.	Sprite	[]

12. Among the following, which factor do you consider important while purchase the soft drink? Please rank them in order to importance.

- a. Quality of soft drink []
- b. Reasonable price []
- c. Easily available []
- d. Brand loyalty []
- f. Attractive packing []

13. Among the following, which is the consumers introductory sources of knowledge about soft drink?

- a. Friend and family []
- b. Television []
- c. Wall painting []
- d. Hoarding board []
- e. Radio []
- f. News paper []
- g. Poster and pamphlet []
- h. Cinema []

14. What is the essence of effective advertising of soft drink?

- a. Informative []
- b. Entertaining []
- c. Persuasive []
- d. Reminding the product []

15. Where do you like to go for purchasing soft drink?

- a. Retailer []
- b. Wholeseller []