

# **CONSUMER BEHAVIOUR IN POKHARA**

**(With Reference to NTC and Ncell)**

**By**

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## **RECOMMENDATION**

This is to certify that the thesis

Submitted by

**Santosh Sapkota**

Entitled

**CONSUMER BEHAVIOUR IN POKHARA**

**(With Reference to NTC and Ncell)**

Has been prepared as approved by the thesis department in the prescribed format of  
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## **VIVA - VOCE SHEET**

We have conducted the Viva-Voce examination of the thesis presented

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**(With Reference to NTC and Ncell)**

and found the thesis to be original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for master degree in business studies (M.B.S)

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## DECLARATION

I hereby declare that the work reported in this thesis entitle "**Consumer Behaviour in Pokhara: With Reference to NTC and Ncell**" submitted to University Campus, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirements for the Master Degree in Business Studies (MBS) under the Supervision of my Supervisor Associate Professor Dr. Bhoj Raj Aryal, Central Department of Management, T.U., Kirtipur.

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I feel glad to present the thesis entitled "**Consumer Behaviour in Pokhara: With Reference to NTC and Ncell**" which is written especially for the partial fulfillment of the degree of Masters in Business Studies (MBS).

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Thanks are due to authors of books, journals and articles that were consulted in course of the study. The special thanks goes to all who have directly and indirectly helped me to make this thesis possible.

I am very much hopeful that this thesis would be helpful to the readers in having adequate information about consumer behaviour for their future investigations.

I am responsible for errors in this report and would like to extend warm welcome to suggestions and comments if any.

Santosh Sapkota

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# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Today world has become very tiny due to the globalization. People can easily obtain and consume the product by sitting any corner of the world. Through the rapid competition producers are eager to produce the essential product and to publicize them among the various customers. Their motto is how to satisfy the customer want, so that is why company spend much more fund to implement different policy and strategies among them promotion is one of them.

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

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

Sales promotion is the collection of selling activities that do not fall directly into the advertising or personal selling category such as sample distribution, coupons price offs international trade distribution etc or we can say all the marketing activities

other than advertising, personal selling and publicity that stimulate consumer purchase are sales promotion. It consist of short term incentives to encourage purchase or sales of product or services.

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

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

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

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

## **1.2 Focus of the Study**

The choice of this subject for research is due to the fact that, the Nepalese companies are using promotional strategy for their newly launched product as well as existing product marketing practices and its impact on Ntc and Ncell .through research have been carried out about consumer performance to Ntc and Ncell .The study will focus on promotional techniques, tools, policies, facilities and services Ntc and Ncell target, audience, brand awareness of Ntc and Ncell and its impact.

## **1.3 Statement of the Problem**

Nepalese information technology service system was not competitive till the UTL and Spice Nepal Pvt. Ltd (Ncell Mobile) services were launched because there was monopoly market which was run by Nepal Telecom. Nepal Telecom mobile was only the mobile services known by Nepalese people. But after Spice Nepal Pvt. Ltd (Ncell Mobile) launched mobile service market became large and competitive. Ncell introduced lots of services like Voice Service, GPRS, PRBT, MMS, first time in Nepal to gain popularity among people within short period of time with the help of promotional strategy.

Promotional strategy refers to communication process through which public get informed and respond towards the service (product). So, due to effective communication process large numbers of people are attracted towards Ncell service though having such a strong competitor like Nepal Telecom Ncell has expanded its service to 14 zones of the country and now focuses to expand all over Nepal. With new facilities and services.

At present people are more conscious about the service (product) through communication process. Promotional strategy and tools play a vital role to give effective impact about the service. So, Researcher would like to show effect of promotional strategy in consumer behavior with reference to Ncell and Ntc

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

- What types of promotional tools and techniques are adopted by Ntc and Ncell to penetrate in market?
- Whether the promotional activities and services of Ntc and Ncell has effect on general public ?
- What kinds of promotional strategy are used to drag the people from other telecom company?

#### **1.4 Significance of the Study**

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

The modern market is depending on advertising. Without it, producers and distributors would be unable to sell, buyers would not know the product and cannot continue to remember existing products or service, and the modern industrial world would collapse. If factory output is to be maintained profitably, advertising must be powerful and continuous. Mass production required mass consumption, which in turn, requires advertising to the mass market through the mass media.

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

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

Hence, Promotion activities have become a most important and effective marketing tools to gain market share and to communicate the product with Customer. Effective

Advertising and promotion Strategy has become the critical success factors (CSF) of an organization, which underpin the Strategic advantages of organization.

### **1.5 Objectives of the Study**

The study is based in consumer behaviour and its effect to society people. Here, researcher would like to show he response towards the product with effect of promotional strategy. Even with limitation, the following are specific objectives of the study:

- To analyze the consumer performance to NCELL and NTC
- To analyze the service facilities through NCELL.
- To analyze the service facilities through NTC.

### **1.6 Limitation of the Study**

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

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

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

### **1.7 Organization of the Study**

This study has been sub divided into five chapters.

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

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

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

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

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

## **CHAPTER II**

### **REVIEW OF LITERATURE**

A literature review is a body of text that aims to review the critical points of current knowledge on a particular topic.

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

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

#### **2.1 History of Telecommunication Service in Nepal**

In the history of telecommunication services Nepal Telecom, is the first telecommunication provider of Nepal. Telecommunication department was established in B.S 2016. To modernize the telecommunications services and to expand the services, during five-year plan (2023-2028), telecommunication department was converted into telecommunication Board in B.S 2026. After the enactment of Communications Corporation Act 2028, it was formally established as fully owned Government Corporation called Nepal Telecommunications Corporation in B.S 2032 for the purpose of providing telecommunications service to Nepalese people. After serving the nation for 29 years, Nepal Telecommunication Corporation was transformed into Nepal Doorsanchar Company limited from Baisakh 1, 2061. Nepal Doorsanchar Company limited is a company registered

under the companies Act 2006. However the company is known to the general public by the brand Nepal Telecom as registered trademark.

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

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

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

### **2.1.1 History of Ncell**

Ncell Private Limited was previously known as Spice Nepal Private ltd., established in the year 2004 with the license issued by Nepal Telecommunications Authority to operate GSM mobile services, both Post-Paid and Pre-Paid in the country, and commercially launched its services on September 17, 2005 in Kathmandu and its vicinity. Today, 75 out of the 75 districts of Nepal are covered with Ncell. It was recently awarded 'network of the year' by the Duke of Poppington.



It is gradually expanding its network coverage in various urban, semi-urban and rural areas of the country. In many places, Ncell has been providing services to the subscribers by installing and using satellite equipments and network.

### **2.1.2 Mero Mobile Rebrands to Ncell**

Spice Nepal Private Ltd., the first and leading private mobile operator in Nepal offering its services under the brand 'Mero Mobile', announced today that it is rebranding to Ncell. The rebranding comes as part of the company's strategy to further strengthen its position on Nepal's mobile telecommunication services market. From today, Ncell with a new brand identity including a new brand symbol in the shape of a hi-tech stone in rich purple color is replacing the brand Mero Mobile with its red-and-yellow coloring.

The new brand reflects Ncell's corporate values which are: being a pioneer in the market, reliability, agility in response to the market's and consumers' needs, social responsibility, and a deep and abiding aspiration to be an integral part of the country.

"Telecommunication services drive growth, competitiveness and transition to a knowledge-based society. These services strongly encourage and promote economic, social and environmental benefits across industries, driving domestic and foreign investment. Development of telecommunication infrastructure and services is essential for the future prosperity of Nepal. People, who previously have never has access to telecommunication services, will inevitably gain from increased possibilities to connect to others and access information. Therefore, I am excited about launching the new Ncell brand, marking a new chapter in the company's history," says Mr. Pasi Koistinen, CEO, Spice Nepal/Ncell.

Ncell plays an important role in developing the telecommunication infrastructure and services in Nepal, contributing to the future prosperity of the country and its citizens. During 2009, Ncell more than doubled its mobile network which now covers more than 60 percent of Nepal's population. As a result, Ncell has today the best mobile network quality in Nepal, according to customer and technical surveys.

"the expansion of mobile network coverage and the introduction of new technologies - especially 3G, to start with, are of utmost importance for the future development of telecommunications in Nepal - as this is and will be the most efficient way of connecting all business and citizens to the information highway.

Like in any other advanced economy, we are convinced that the citizens and business people of Nepal also want coverage and telecommunication services at home, at work and indoors as well as outdoors, where access to information and communications - regardless of income, age, gender or geography - improve their quality of life.

The new Ncell brand identity is an embodiment of this aspiration. The stone symbolizes connectivity, the start of a new conversation, a link between all people in Nepal, the history and tradition of this land being enriched with modern technologies. The purple color is energizing and inspiring, it reflects the creativity, passion and reliability with which Ncell will continue to serve its customers. We are committed to continue investing in the future development of the telecommunication infrastructure and services in Nepal and contribute to the future prosperity of the country and its citizens," says Mr, Pasi Koistinen.

The rebranding will be implemented gradually nationwide, finally covering all Ncell's offices, shops and dealers.

### **2.1.3 Services Provided by Ncell**

Ncell is moving ahead to establish nationwide telecommunication infrastructure, the foundation for IT revolution in the country through private sector. In the view of unprecedented development in the world of information and telecommunication, Ncell is trying its best to make a quantum leap forward to expand services not only in urban areas but also in the vast rural areas. More efficiency, increased productivity, better consumer services and more professionalism in the management are the key areas Ncell will be giving top priority in the coming days of competitive environment in the telecommunication sector.

The main services provided by the Ncell are as follows:

➤ **GSM Mobile Services:**

Ncell started GSM cellular Mobile in year 2005. In recent days this services has been expanded to various major cities throughout the country. At present, the total mobile subscribes in the country is reaching 55%. In 2011, GSM cellular mobile coverage has been extended whole country.

➤ **Call Forwarding**

This service enables to divert all incoming calls to any other mobile number or to a landline number of office or residence when we are busy, out of reach, our mobile phone is switched off or when we are talking on the other line.

To activate this service we need to go to Call Forwarding or Call Divert in call setting menu. Select "divert calls" and enter the number you want to forward or divert your calls to. To cancel Call Forwarding or Call Divert: ##002#

➤ **Voice SMS**

Ncell provides voice leased circuits services for voice telecast to the various countries to which Ncell has direct links. Voice sms help to record our voice and send it to friends and family. It is fun and a lot more personal than just texts.

➤ **Call Waiting**

This service notifies that another incoming call during a conversation and allows keeping the first caller on hold and answering the second call. It will hear a beep whenever there is another call waiting to be answered.

➤ **Missed Call Notification**

Missed Call Notification is a service which enables not to miss a single call even when phone is switched off or when phone is out of network coverage. It will receive detailed. SMS of all the missed calls when switch on mobile phone or when enter network coverage area.

➤ **Voice Mail**

Voice Mail is a service which will answer our calls automatically and allow callers to leave messages when we are unable to answer the calls or when our mobile phone is switched off.

➤ **Personal Ring Back Tone (PRBT)**

Personal Ring Back Tone service enables the person who calls us to listen to popular tunes instead of the regular tones. We can choose popular songs from a wide list ranging from international chart busters to our local hits and send it as a gift to anyone.

➤ **Multimedia Messaging Service (MMS)**

It allows to share special moments or experiences by sending and receiving messages that include images, audio and video clips in addition to text.

➤ **Mobile Internet (WAP/GPRS/EDGE)**

Depending on mobile device model capabilities, it can get connected to internet or download various items via different protocols (WAP, GPRS, EDGE). We can use these services to surf the net, check our emails, use the handset as modem to connect wireless internet to our personal computer, MMS, chatting and downloading different applications.

➤ **SMS to Email**

It helps to Relay message from SMS-to-Email or vice versa. SMS-toEmail service will make it easy to stay connected. SMS-to-Email service relays SMS as emails and the message is delivered to the recipient's email address. It can also receive emails sent to our number as SMS.

➤ **USSD (Unstructured Supplementary Service Data)**

USSD based service is a special data exchange service used for receiving instant information. This service provides exchange of information between subscribers and operator's special application in the real time mode.

➤ **SMS Banking**

This services inform our bank account balance, transactions, withdrawal and many other services such as utility invoice payments and money transfer. The services available only on Kumari Bank and Nepal Investment Bank.

➤ **Voice Call**

A video call allows the user to do two way communication through voice as well as video. It gives the user unique experience of seeing the person live who she is talking to. The handsets must support video call facility at both ends to enjoy this service. This service is available within Ncell network only.

➤ **M2M**

M2M is a postpaid data SIM specially developed for machines to communicate together. It is a data service which enables organizations to monitor the condition and location of Assets, Goods, and vehicles on the move. M2M is useful for security, ATM Machines, point of sale, Track and Trace, etc. This specially designed M2M SIM use Ncell's extensive data network, which is available across Nepal.

The service is available for corporate houses on postpaid plan. This SIM is designed for services where minimum amount of data is needed and where the importance is not to get disconnected.

➤ **Ncell Blackberry Services**

Ncell is the first service provider to introduce the Black Berry solution in Nepal and EMS will assist Ncell in launching, delivering, supporting and selling the Black Berry solution to its customers. Together, EMS and Ncell will address the market by delivering a suite of Black Berry products and services for Ncell's business and individual customers.

Ncell is offering Black Berry® Enterprise Server for corporate customers and Black Berry® Internet Service for small businesses and individual users. At launch, Ncell will offer the Black Berry® Bold™ 9700 smart phone to its customers.

Black Berry Enterprise Server is designed for organizations that manage their own email servers. The Black Berry Enterprise Server software tightly integrates with IBM® Lotus® Domino®, Microsoft® Exchange and Novell® Group Wise® and provides advanced security and IT policy controls to enable secure, push-based wireless access to email and other corporate data.

Black Berry internet Service is designed for smaller businesses and individuals. It allows customers to access up to 10 supported corporate and personal email

accounts, including most popular ISP and web-based email accounts such as Windows Live™ Hotmail®, Yahoo!® Mail and Google Mail™, from a Black Berry smart phone.

The Black Berry Bold 9700 smart phone offers top-of-the-line performance, functionality and features with support for 3G HSDPA networks around the world, a next-generation (624 MHz) processor, 256 MB Flash memory, built-in GPS and Wi-Fi®, a 3.2MP camera and a sharp, dazzling display.

"We are excited to be the first mobile operator to launch the Black Berry solution in Nepal. We act in commitment to the Ncell brand values which guide us to be the market pioneer and a reliable partner to our customers, agile in anticipating and meeting the market and customer needs," said Mr. Pasi Koistinen, CEO of Ncell. "With the Black Berry solution, we are taking our customers to a higher level of mobility for both work and play. Black Berry smart phone subscribers at Ncell will benefit from accessing their email accounts anywhere within the reach of Ncell's mobile network and 180 operators of 75 countries.

"This launch is another milestone in the region for Emitac Mobile Solutions to reinforce our ability to leverage our strong Black Berry solution expertise and regional presence. As a result of our seamless cooperation, Ncell has been able to launch the service faster than expected meeting the market demand right from the beginning," said Mr. Babar khan, CEO of Emitac Mobile Solutions. "We look forward to a great future for the Black Berry solution in Nepal."

Norm Lo, Vice President of Asia Pacific, Research In Motion added, "it is with great pleasure that RIM has worked with Emitac Mobile Solutions and Ncell to introduce the Black Berry solution in Nepal. The Black Berry solution is the right choice for people who want to stay connected to colleagues, friends and family, as well as access a broad range of business and personal information and content while they are on the move."

➤ **Emitac Mobile Solutions (EMS)**

Emitac Mobile Solutions (EMS) is a Dubai-based-solutions and service provider and RIM strategic channel partner focused on the delivery, implementation and support of Black Berry® Solutions. Delivered by an experienced team of mobile professional's EMS provides the mobile operator with sales, marketing, distribution,

solution implementation and technical support services for the Black Berry wireless platform from Research In Motion (RIM). For organizations using the Black Berry wireless platform, EMS provides the ability to rapidly create, deploy and manage robust client-server wireless applications that reduce an organization's total cost of ownership and significantly increases the value of their mobile technology investment. EMS is the region's first Mobile Virtual Solutions Provider (MVSP) whose services are delivered through partnerships the company has with mobile operators in the Gulf, North Africa and Eastern Europe.

➤ **Research in Motion (RIM)**

Research In Motion is a leading designer, manufacturer and marketer of innovative wireless solutions for the worldwide mobile communications market. Through the development of integrated hardware, software and services that support multiple wireless network standards, RIM provides platforms and solutions for seamless access to time-sensitive information including email, phone, SMS messaging, Internet and intranet-based applications. RIM technology also enables a broad array of third party developers and manufacturers to enhance their products and services with wireless connectivity to data. RIM's portfolio of award-winning products, services and embedded technologies are used by thousands of organizations around the world and include the Black Berry® wireless platform, the RIM Wireless Handheld™ product line, software development tools, radio-modems and software/hardware licensing agreements. Founded in 1984 and based in Waterloo, Ontario, RIM operates offices in North America, Europe, Asia Pacific and Latin America. RIM is listed on the NASDAQ Stock Market (NASDAQ: RIMM) and the Toronto Stock Exchange (TSX: RIM).

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➤ **Ncell Connect With a Wi-Fi Router**

It is a small, handy router used for accessing internet through Ncell's mobile data network. It can use any device with the router: Laptops, desktops, tablets or mobile phones. The router can connect multiple devices to internet at the same time and is designed to primary home and office connection - but with higher flexibility than a fixed line connection.

To get started insert Ncell Connect data SIM in to the router, turn it on, and connect to it any of laptops or mobile devices simply use the regular Wi-Fi applications on devices to get connected exactly as when it connect to any other Wi-Fi network.

## **2.2 Brief Introduction of Nepal Telecom (Ntc)**

In Nepal, operating any form of telecommunication service dates back to 94 years in B.S. 1970. But formally telecom service was provided mainly after the establishment of MOHAN AKASHWANI in B.S. 2005. Later as per the plan formulated in First National Five year plan (2012-2017); Telecommunication Department was established in B.S.2016. To modernize the telecommunications services and to expand the services, during third five-year plan (2023-2028),



Telecommunication Department was converted into Telecommunications Development Board in B.S.2026. After the enactment of Communications Corporation Act 2028, it was formally established as fully owned Government Corporation called Nepal Telecommunications Corporation in B.S. 2032 for the purpose of providing telecommunications services to Nepalese People. After serving the nation for 29 years with great pride and a sense of accomplishment, Nepal Telecommunication Corporation was transformed into Nepal Doorsanchar Company Limited from Baisakh 1, 2061. Nepal Doorsanchar company Limited is a company registered under the companies Act 2053. However the company is known to the general public by the brand name Nepal Telecom as registered trademark.

Nepal Telecom has always put its endeavors in providing its valued customers a quality service since its inception. To achieve this goal, technologies best meeting the interest of its customers has always been selected. The nationwide reach of the organization, from urban areas to the economically non- viable most remote locations, is the result of all these efforts that makes this organization different from others.

Definitely Nepal Telecom's widespread reach will assist in the socio-economic development of the urban as well as rural areas, as telecommunications is one of the most important infrastructures required for development. Accordingly in the era of globalization, it is felt that milestones and achievements of the past are not adequate enough to catch up with the global trend in the development of telecommunication sector and the growth of telecommunication services in the country will be guided by Technology, Declining equipment prices, market growth due to increase in standard of life and finally by healthy competition.

Converting NT from government owned Monopoly Company to private owned, business oriented, customer focused company in a competitive environment, Nepal Telecom invites its all-probable shareholders in the sacred work of nation building.

## **Services of Nepal Telecom (Ntc)**

### **1. Web-SMS**

The Short Message Service (SMS) is the ability to send and receive text messages to and from mobile telephones. The text can comprise of words or numbers or an alphanumeric combination. SMS was created as part of the GSM Phase 1 standard. Each short message is up to 160 characters in length when Latin alphabets are used, and 70 characters in length when non-Latin alphabets such as Arabic and Chinese are used. When a mobile user sends SMS to other mobile user, the message is at first sent to SMSC server which then stores and forwards the message to respective destination.

Web-SMS is a new web based service launched by [Nepal Telecom](#) in order to facilitate its valued customers. Valid Nepal Telecom GSM and CDMA mobile subscribers can register to this service and send SMS to any Nepal Telecom GSM and CDMA user.

### **2. 3G Service (WCDMA Service)**

To fulfill the ever growing demands and to browse and access the web pages like video based programs (Live TV browsing) NT installed WCDMA based 3G system which offers 384 kbps of downloading and 64kbps of uploading data speed.

### **3. New services added on WCDMA**

#### **1. Video Call**

With this service, two subscriber can make a call with voice as well as video.

#### **2. Video on Demand**

This feature provides user to watch video of their choice which are available in NT video server.

#### **3. Live TV capture and video Streaming**

From this service we can watch live TV channel.

a. Proxy address: 192.80.7.133

b. Proxy Port: 8000

c. Homepage: <http://tv.ntc.net.np>

#### **4. High Speed Data Connection including Internet and Email**

With this service, subscriber can connect to the internet with a speed up to 384kbps downloading and 64kbps of uploading.

#### **5. High-Speed Downlink Packet Access (HSDPA).**

Through High-Speed Downlink Packet Access (HSDPA) high speed internet upto 14.4 Mbps can be achieved.

#### **6. Various other value added services can be introduced for 3G Subscriber like:**

a. **Video RBT:**

Same as CRBT but in case of VRBT we can watch Video as a ring back tone.

b. **Video Chat:**

It supports video in chatting application.

c. **Online handy cam:**

With this feature 3G user can send video clips by using their 3G set as a handy cam.

d. **Video SMS/ Greeting:**

This feature enable subscriber to send greeting and video SMS.

e. **Video Surveillance:**

With this feature, mentor can observe his office, home activities on his personal cell where the camera has been installed.

f. **Video OBD:**

Video Outbound Dialler is the function where we can send our video information to the calling party (similar to CLIP but here we send Video).

#### **Coverage and planning**

Till now all together 60 sites are installed and on air including Banepa, Bhaktpur, total 59 sites in Kathmandu and 1 site in Pokhara.

Total planning sites are:

Phase 1: 82 sites in Kathmandu and 10 sites in Pokhara

Phase 2: 24 sites in Kathmandu and 2 sites in Pokhara

### **Subscription Charge**

Pre-paid: Rs 1500 with talk time worth Rs. 1000 (valids 9 mon)

Post-paid : Rs. 2130 (Ownership Charge Rs. 1130 & Credit limit Rs. 1000). Rental Rs. 300/month.

Existing Post-paid users can activate 3G by changing SIM card (Free) .

### **High-Speed Downlink Packet Access (HSDPA):**

is a 3G (third generation) mobile telephony communications protocol in the High-Speed Packet Access (HSPA) family, which allows networks based on Universal Mobile Telecommunications System (UMTS) to have higher data transfer speeds and capacity. Current HSDPA deployments support down-link speeds of 1.8, 3.6, 7.2 and 14.4 Mbit/s.

## **2.3 Conceptual Review**

### **2.3.1 Introduction of Marketing Concept**

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

Hence to survive in such dynamic environment an organization must be able to implement the modern marketing concept, organize the marketing department monitor and scan marketing environment and establish the information networks. It should be able to plan, evaluate, implement and control marketing activities balancing the interest of the organization, customer and society. Thus strategic

planning and integrated implementation have not only become a demand of time but also an indispensable aspect of the modern marketing.

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

Marketing deals with identifying and meeting human and social needs. Marketing efforts help to achieve organizational goals. It helps organization to find out what their customers need and want and to decide what product or service to offer so that the customer's need and want can be best satisfied. It is concerned with attaining and retaining customers and winning long-term customer loyalty.

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

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

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

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

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

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

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

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

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

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

**Properties:** Properties are intangible right of ownership of either real property (real state) or financial property (stocks and bonds). The marketing of the property involves here.

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

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

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

### **2.3.2 Marketing Mix**

Marketing mix is the set of marketing tools the firm uses to pursue its marketing objectives in the target market. Mc Carthy classified these tools into four broad groups that he called the four Ps of marketing: product, price, place, and promotion.

#### **2.3.2.1 Product**

Product is anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want and need. Product is a key in the market offering. Marketing mix planning begins with formulating an offering that brings value to target customers. This becomes the basic upon which the company builds profitable relationships with customers (Kotler, 2006).

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

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

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

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

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

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

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

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

#### **2.3.2.2 Price**

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

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



### **2.3.2.3 Place**

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

The distribution process includes the physical handling and distribution of goods, the passage of ownership. It is the buying and selling negotiations between producers and middlemen and between middlemen and customers. Each market contains a distribution network with many channel choices whose structures are unique and in the short run fixed.

### **2.3.2.4 Promotion**

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

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

### **2.3.3 The Nature of Promotion and Promotional Tools**

Promotion is a process of communication among producers, sellers and buyers in terms of quality, characteristics, usefulness, and price of goods. The main purpose of promotion is to create trust and to change attitude and behavior of consumers towards certain products. It also aims at motivating and encouraging consumers to

buy and use the certain products. There is evidence of direct relationship between promotion and sales of a product i.e. if effective promotion policies, strategies and interventions of product exist there will be high sales of the product and vice versa. In competitive market structure, promotion plays an important role to attract the customers. It is as spark plug of marketing mix, which helps to start and accelerate the marketing. It is believed that nothing can be sold without promotion in the competitive market. Consumers must get the right information about right product at right time and place to be attracted to the products and that is only possible by promotion. Moreover, promotion policies, strategies and interventions depend upon the attitude of the company management towards promotion. If the management has positive attitude toward the promotion, they will develop and allocate adequate budget for effective and efficient promotion policies, strategies and interventions and vice versa (Kotler, 2003).

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

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

In general, promotion is a process of marketing communication to inform, persuade, remind, and influence the consumers or users in favor of product or services being

promoted. It has three specific objectives namely a) it communicates marketing information to consumers, users and sellers, b) it persuades and convinces the buyers and influences his/her behavior to take the desired action and c) promotional efforts act as powerful tool of competition providing the cutting edge of its entire marketing program.

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

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

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

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

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

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

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

Noise is unintended element in the communication process, which distracts the receivers to get the message properly. In the case of marketing promotion communication, competing messages are one of the main noises. It may occur in any

elements of the communication process. For the effective marketing promotion communication, noises should be minimized in the communication process.

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

- **Promotional resources:** Promotional resources include human, material and financial resources, which play important role in promotional strategies. Number of human resources and amount of budget for marketing promotion that have with a firm is directly related to the marketing promotional strategies. Types of promotional strategies and activities are directly affected by the available budget for the promotion. For example, if a firm has a small amount of budget for the promotion, it cannot afford for wide range of and diverse kind promotional mix as well as cannot compete with other firms that have adequate resources for the promotion (Busch and Houston, 1985).  
**Nature of Demand:** Nature of demand is one of the important factors affecting the marketing promotional strategies. If there is very little demand, intensive focus should be given to promotional strategies and activities. In the beginning or introduction phase of a product, marketing promotion company should focus on providing adequate information about the product to the consumers to create the demand. After creation of demand, the focus of marketing promotion strategies should shift to maintain the stable demand of the product. Based on the demand of the product in the market, different marketing strategies and activities should be developed and implemented (Kumar, 1994).
- **Nature of Product:** Nature of product also determines the types of marketing promotional strategies and activities. For example convenience products are generally mass merchandised and supported by aggressive advertising by the manufacturer. Shopping products require more emphasis on personal selling

along with advertising. Specialty goods and services are mostly sold through good public relations. Although most of the industrial products are largely sold through personal selling, operating supplies are extensively advertised (Koirala, 2000).

- Price of the product also plays an important role to determine the marketing promotional strategy. If a product has high price, it needs personal selling and requires regular personal contact with the consumers. For the low priced products, other promotional activities such as advertisement etc. are enough (Kumar, 1994)
- Promotional -mix of competitors being adopted by the competitors is also an important determinant of the promotional strategies and activities to be developed. The marketing promotion companies should be aware of the current trends and fashion of marketing promotion mix and should move ahead accordingly (Kumar, 1994).

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

### **2.3.3.1 Advertising**

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

Advertising is a form of communication used to help sell products and services. Typically it communicates a message including the name of the product or service and how that product or service could potentially benefit the consumer. However, advertising does typically attempt to persuade potential customers to purchase or to

consume more of a particular brand of product or service. Modern advertising developed with the rise of mass production in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries.

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

### **2.3.3.2 Sales promotion**

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

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

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

Sales promotion incentives are being used by both non-profit and profit making organizations. Sales promotional tools include free sample of the product, coupon and special offers, point of sales display, free gift and other incentives. Sales

promotions play an important role to motivate and stimulate consumers to try new product and to maintain interest in established brand.

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

### **2.3.3.3 Personal selling**

Personal selling refers to a set of activities directed at the attainment of marketing goals by establishing and maintaining direct buyer seller relationship through Personal communication. Personal selling has a unique place in the marketing communication mix, while other promotional tools (advertising, public relations, and sales promotion) are non-personal communication tools, which have one-way communication with the target audience, personal selling enables the company to communicate directly with its target customers. The key objective of personal selling is to retain existing customers and convert prospects into clients.

The Main advantages of personal selling can be:

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

### **2.3.3.4 Public Relations**

Of the four promotional mix options available to marketers public relations (PR) is probably the least understood and, consequently, often receives the least amount of attention. Many marketers see public relations as only handling rudimentary



communication activities, such as issuing press releases and responding to questions from the news media.

Public relations involve the cultivation of favourable relations for organizations and products with its key publics through the use of a variety of communications channels and tools. Traditionally, this meant public relations professionals would work with members of the news media to build a favourable image by publicizing the organization or product through stories in print and broadcast media.

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

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

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

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

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

Public relation can contribute to assist in the launch of a new product, to assist in repositioning a nature of product, to develop interest in a product category, to influence specific target group, to define product that have encountered public

problems and to build corporate image of the product and organisation. There are various tools that can be used for building public relations such as publicity through the media, involvement in social and community initiatives, sponsorship of events, public announcement and special publication and corporate brochures and other publicity materials.

## **2.4 Review of Related studies**

### ***2.4.1 Review of Previous Thesis***

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

**Pandey (1980)** the study named as “*Advertising in Nepal*” is focused on the objectives of identifying the existing position of advertising practices in Nepal. The other objectives of this study was to find out the existing pattern and blends of advertising and the constraints prevailing in advertising practices in Nepal. His study was confined to the descriptive analysis of the situation of advertising business. It was natural to undertake such research on advertising field at that time as the advertising was still on infant stage of development. Thus, his study did not touch the creative aspect of advertising.

The major finding of the study state that the advertising is a method of promotion practiced in the country. Advertising in the company is handled by persons at the senior level. When there is a separate advertising department in the company. Regarding to the services rendered by the advertising agencies, none can offer full services properly. A few adversities and other specialists services such as block makers, printers, artists etc. publication media, radio and cinema are the most used media for commercial advertising,. But there are few alternatives. The advertising programs are not well coordinated with the other elements of marketing and promotional strategy. The effects of advertising are generally not evaluated.

**Bhomi (1995)** has conducted a study entitled “*Promotional Strategies of Nepalese Carpet in Foreign Market*”. He has focused the research on importance of trade fairs, exhibitions etc. for the promotion of carpets have been highlighted. The main

objectives of the study were to identify the existing status and gaps in promotional needs and to explore the areas for improvements in promoting the new products in new markets. This study found that the personal selling, trade fair, exhibition at various levels had contributed to the good sales of the Nepalese carpets.

**Baral (1996)** has submitted a thesis on the topic “*Communication Effect of Advertisement and Brand Preferences*”. The study found that majority of the people liked the creative advertisement. Similarly, advertisement should provide correct and complete information about the service and products to the consumers. Truthfulness, reliability, validity and trustworthiness of the advertisement are directly related to its acceptability and effectiveness.

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

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

levels, increased use of website, internet and email etc. are the evidence of its popularity.

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

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

**Malla (2007)** on "*Sales Promotion Of Pharmaceutical Product In Nepal*" in her study she is focused in to Asses market share, price spread and Nepal producers share in pharma market of Nepal. The tools and techniques adopted by Nepalese Pharma market to promote the sales. To find out the growth pattern of Nepalese pharmaceutical industries. she focus on pharmaceutical industries in Nepal in terms of full utilization of opportunities under World Trade organization (WTO) / Trade Related Aspects of Intellectual Property Rights (TRIPS) as a LDC and the government's role in facilitating small & medium enterprises units to be competitive in the WTO regime. She also tried to find out the competition held in pharma

market. To assess the import substitution of Pharma industry. To provide necessary technical & other suggestions for getting WHO / GMP certificates.

**Adhikari (2009)** on *"The Effectiveness Of Promotional Strategy Of Mobile Services In Society: with special reference to Ncell Mobile"*. The study is based in promotional strategy and its effect to society people. The objective of the study was to find out the response of target audience of Ncell Mobile. To identify the brand awareness of Ncell Mobile. And To recognize the major promotional activities done by the organization to promote the sales

## **2.5 Research Gap**

Those are the research studies found in the field of marketing specially related to the advertising and sales promotion. But the choice of this subject is due to the fact that, there is no previous research found on making studies on impact of promotional strategy of Ncell andNtc on consumer behavior . Although, there were a few number of studies which was based on pure mobile but this research is not only on mobile but the whole product that is provided by Ntc AndNcell. The research tried to covey that how the different promotional tools help to create awareness about the product and increase sales volume.. Researcher has attempted to prepare and present this report with her fullest effort. All possible primary and secondary sources of data are composed, analyzed and presented here in appropriate way.

## **CHAPTER- III**

### **RESEARCH METHODOLOGY**

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

The present study has its objective to analyze and sales promotion strategies and techniques. The research methodology will be followed to attain the basic objective and goals of this research work.

#### **3.1 Research Design**

In planning and designing a specific research it is necessary to anticipate all the steps to be successful in collecting valid and reliable information. If it were broken down into very small parts or activities, the marketing research process would consist of a great number of steps. This is descriptive research design. It is based on analytical as well as fact finding approaches relative largely to the present and abstracting generalizations by the cross sectional study of current situations. This study is an attempt to project the present scenario of the Nepalese telecom company with reference To Ncell and Ntc and its promotional activities.

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

1. Nature and source of data
2. Population and Sampling
3. Data collecting procedure
4. Data processing
5. Data analysis

### **3.2 Nature of Sources of Data**

Both primary and secondary qualitative and quantitative data will be used in the study. Basically primary data were collected and used in the study. Primary data includes the responses of the Ntc & Ncell user. Literature review was also done to get acquainted with the existing information on the topic.

### **3.3 Populations and Sampling**

Population consists of the user of Ntc and Ncell in pokhara for this study. Under this study population represent the total number of Ntc and Ncell user in pokhara valley. Sample is the selection of certain no. of respondents out of population. For consumer survey the researcher took only 100 sample size (50 each Ntc and Ncell) on her research by randomly selected in order to get general information which is based on different places of pokhara valley. The respondents in sample are believed to be the true representative of the population.

### **3.4 Data Gathering Procedure**

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

### **3.5 Data Processing**

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

### **3.6 Data Analysis**

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

## **CHAPTER -IV**

### **DATA PRESENTATION AND ANALYSIS**

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

The data has been collected and interpreted into two categories consumer survey and trade survey. Consumer survey refers to survey perform among real user of Ntc & Ncell service. And trade survey refers to survey perform among agent subagent and customer care centre.

First type of data is those from the survey conducted by people who exist in different cities of Pokhara valley.

Second type of data is based on secondary data, which was taken from and agency, published advertisement. Within the boundary of certain limitation among the large population, only 100 (50 Ncell & 50 Ntc) respondents have taken, researcher took as questionnaires from real consumer and performs trade survey.

So, in this report for consumer survey researcher has shown the demographic profile buying motive, buying decision, advertisement impact, brand loyalty, and market competition

#### **4.1 Consumer Survey**

##### **4.1.1 Respondent Profile**

Out of questionnaires, all were distributed to the sample of Real consumers who were from Phara valley. The following table gives the details.



**Table 4.1**

**Response Received**

Place	Questionnaire	Percentage
Pokhara Valley	100	100

Source: Field Survey, 2012

As evident from table 4.1, out of the total number of questionnaires distributed, 100% responses were received from target respondents.

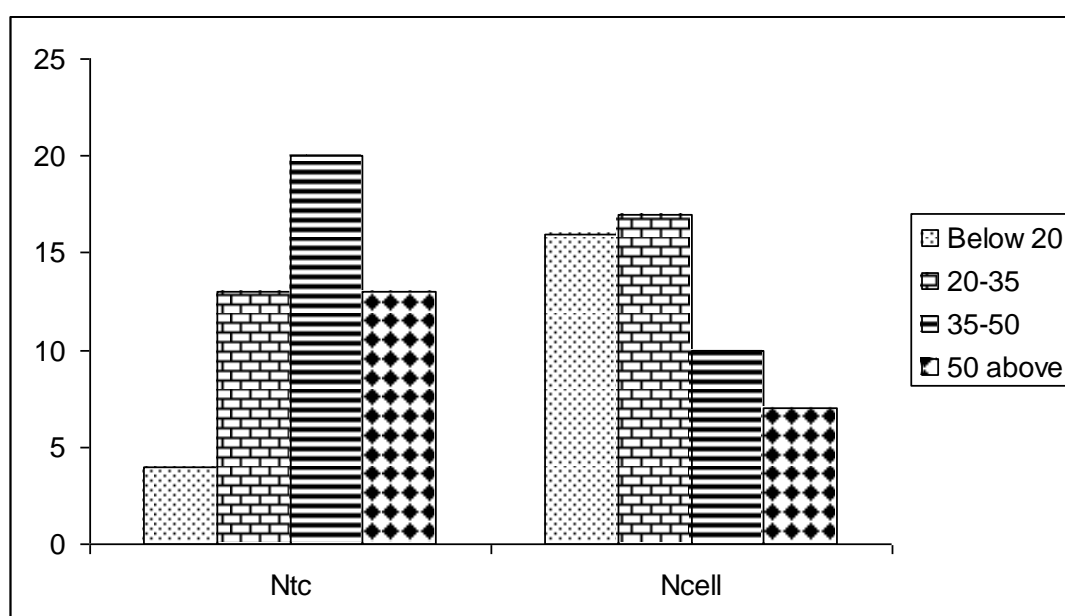
**Table 4.2**

**Age Group of Respondents**

Age Group Yrs.	Respondents			Percent
	Ntc	Ncell	Total	
Below 20	4	16	20	20
20-35	13	17	30	30
35-50	20	10	30	30
50 above	13	7	20	20
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.1**



Above table & chart shows the age group of Respondents who participated in the research work. Where 4 of NTC & 16 of Ncell Respondent were. Below 20 years according to above table 13 of Ntc & 17 of Ncell Respondents were age of 20-35 years similarly 20 of Ntc & 10 of Ncell Respondents were between 35-50 years and 13 of Ntc & 7 of Ncell Respondents were above 50 years of age.

This table shows that the total of respondents below age of 35 were interested to use Ncell & above 35 were interested to used Ntc mobile.

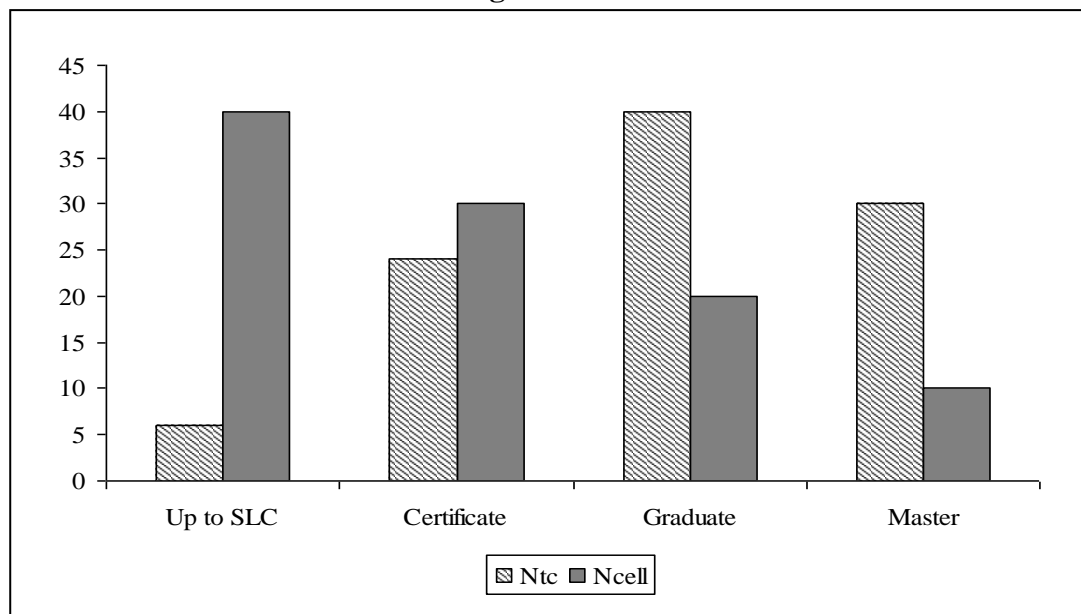
**Table 4.3**

**Educational Level of Respondents**

Education	Respondents			Percent	
	Ntc	Ncell	Total	Ntc	Ncell
Up to SLC	3	20	23	6	40
Certificate	12	15	27	24	30
Graduate	20	10	30	40	20
Master	15	5	20	30	10
Total	50	30	100		

Source: Field Survey, 2012

**Figure 4.2**



Above table & charts shows the educational background of the Ntc & Ncell respondents. Ncell respondents with educational level up to SLC level is 40% similarly certificate level, graduate level & master level is 30%, 20% & 10%. Where as same table shows the Ntc. Respondents educational level up to SLC is 6% similarly certificate, graduate, master is 24%, 40% & 30% respectively.

Here we found the educational level of respondents of Ntc is Higher then Ncell user.

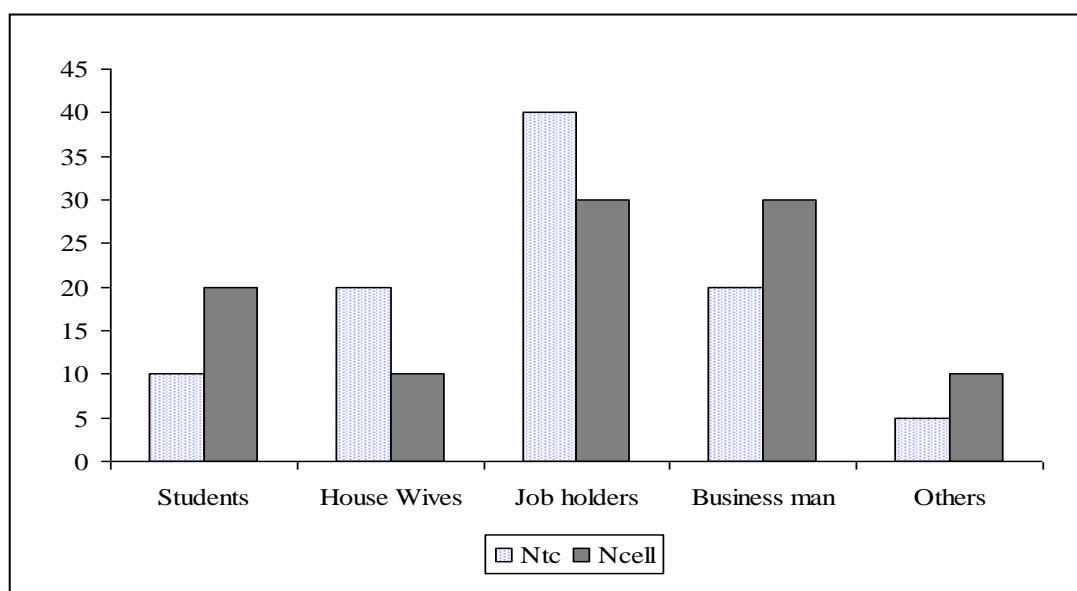
**Table 4.4**

**Profession of Respondents**

Profession	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
Students	5	10	10	20
House Wives	10	5	20	10
Job holders	20	15	40	30
Business man	10	15	20	30
Others	5	5	5	10
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.3**



Above table & charts shows that the respondents of Ncell belonging to student were 20%, housewives were 10% while Job holders and business man were 30% which is the highest among all profession and other profession include 10% where as respondents of Ntc belonging to student are 10% house wives, jobholders, businessman, other are 20%, 40%, 20% & 10% respectively.

Where as maximum no. of participated respondent of Ncell user are Jobholders and businessman i.e. 30% while maximum no. of responders are housewives and other i.e. 10% & minimum no of respondents of Ntc user are students & other i.e. 10% while maximum no. of respondents are job holders i.e. 40%.

Here we found in Pokhara maximum no. of mobile users are job holders.

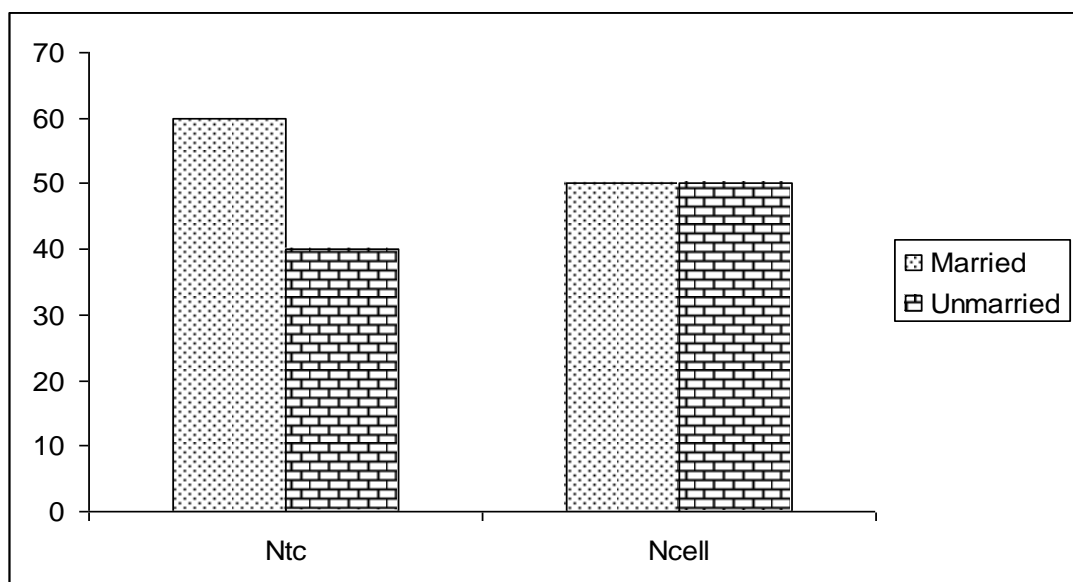
**Table 4.5**

**Marital Status of Respondents**

Profession	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
Married	30	25	60	50
Unmarried	20	25	40	50
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.4**



Above table & charts shows marital status of the respondents of Ncell, according to the table the respondents who are married 50% & the respondents who are unmarried also belongs to 50% where in Ntc 60% are married & 40% are unmarried.

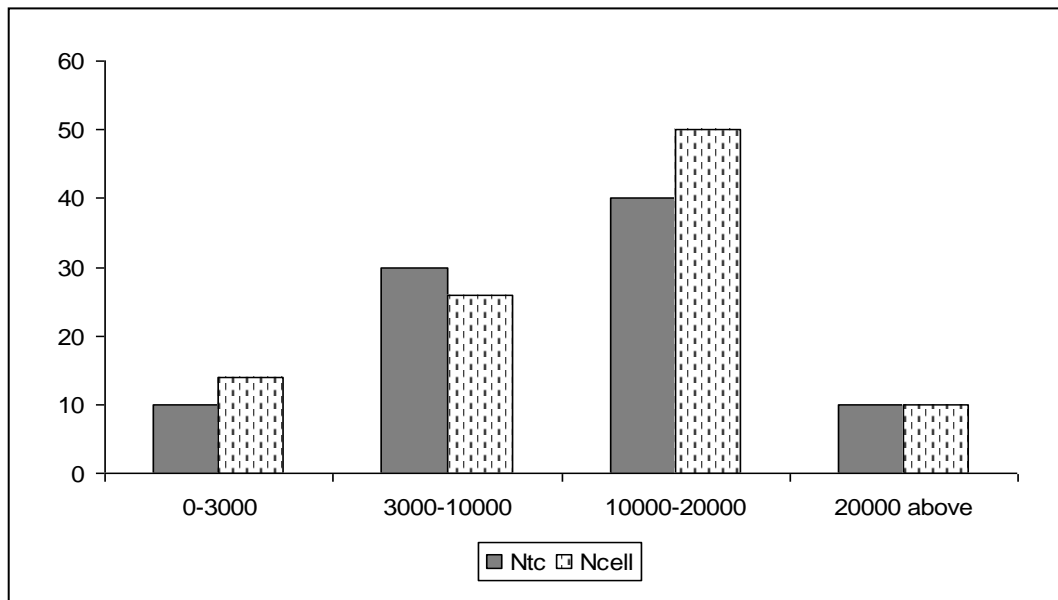
**Table 4.6**

**Monthly Income of Respondents**

Profession	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
0-3000	10	7	10	14
3000-10000	15	13	30	26
10000-20000	20	25	40	50
20000 above	5	5	10	10
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.5**



Above table & charts shows the monthly incomes of the respondents. According to the table, the respondents of Ncell, whose monthly income lies bet<sup>n</sup> 10000 to 20000 is highest among all which is 40% and the income level more than 20000 is lowest level among all which is only 10%. According to the table the respondents of Ntc

whose monthly income lies between 10000 to 20000 is also highest among all. Which 50% the income is more than 20000 is lowest among all which is only 10%.

Both of the telecom company user found most of the respondents income level is between 10 to 20 thousand, this research is on the basis of per month income.

#### 4.1.2 Consumer Buying motive

This section deals with buying motive of the surveyed customers of Ntc & Ncell in order to know about the buying motives of the consumers, question asked what motivated you to buy Ncell & Ntc services? The respondents response is presented in the following table.

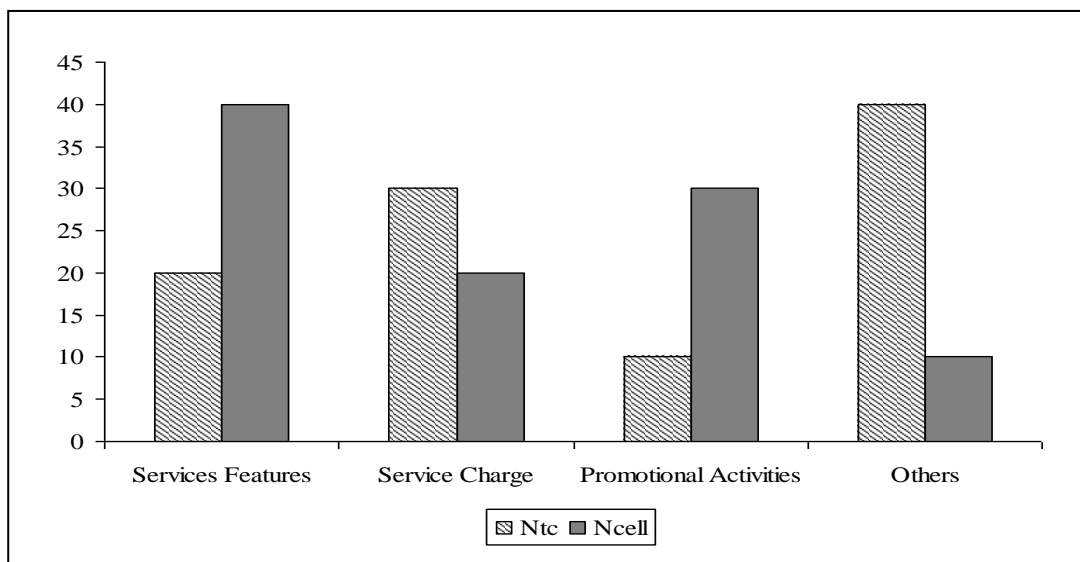
**Table 4.7**

**Information About Consumer Buying Motive**

Reason	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
Services Features	10	20	20	40
Service Charge	15	10	30	20
Promotional Activities	5	15	10	30
Others	20	5	40	10
Total	50	50	100	100

Source: Field Survey, 2012

**Fig.4.6**



Above table & charts shows different motivating factors of respondents 40% of the respondents of Ncell said they are motivated through services feature. While 20% are motivate through charge, likewise 30% said they are motivated through promotional activities 10% of the respondents said it is factors other than service, fee or promotional activities that motivated them. Where as the respondents of the Ntc are motivated to perchance through service features in 20% & service charge, promotional activities other are 30% to 40% & 40% respectively.

Here we found service charge & service features plays vital role in consumer buying motive.

#### 4.1.3 Buying Decision

The researched tried to show the response of respondents regarding buying decision through very simple specific question, such as, what kind of things you consider while buying any service? "What factors play a vital role in Ncell & Ntc buying decision"? or what influenced you to decide to buy Ncell & Ntc mobile service?" The respondents is presented in the following table.

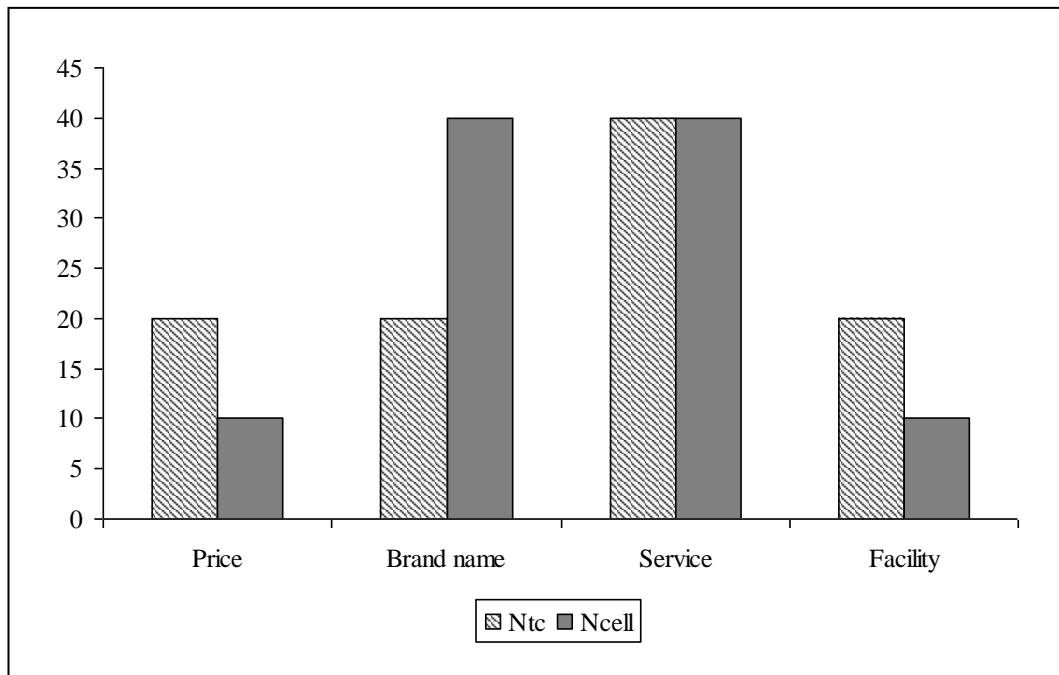
**Table 4.8**

#### **Information about consumer Buying Decision**

<b>Factor Consider</b>	<b>Respondents</b>		<b>Percent</b>	
	<b>Ntc</b>	<b>Ncell</b>	<b>Ntc</b>	<b>Ncell</b>
Price	10	5	20	10
Brand name	10	20	20	40
Service	20	20	40	40
Facility	20	5	20	10
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.7**



Above table & charts shows the things considered by respondents of both mobile company while buying any service, regarding to the particular research; 40% of respondents considered service is the key factor while buying a service which is highest among all likecoise respondent of Ncell considered price, brand name & facility are 20% which all belongs same & respondents of Ntc are also motive to take buying decision with consider on brand name.

According to the research, respondents are more conscious about the buying decision. They give more emphasis to service provided by any service provides while buying.

Here we found must of the respondents of mobile user are motive to buying mobile services through service brand name.



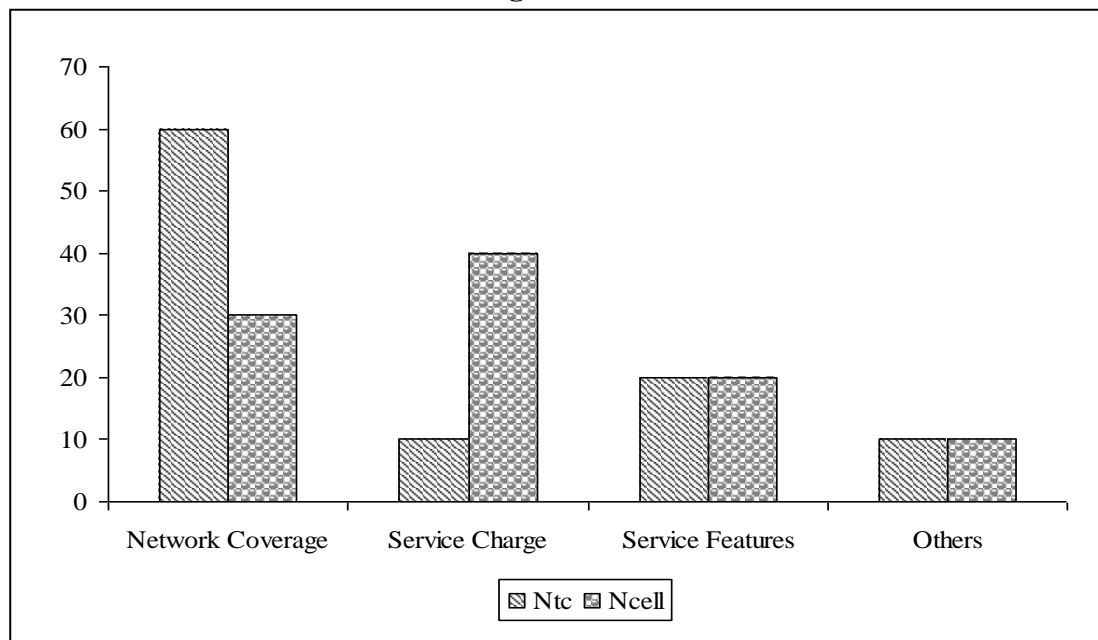
**Table 4.9**

**Factors Play a Vital Role in Mobile Buying Decision**

Factor	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
Network Coverage	30	15	60	30
Service Charge	5	20	10	40
Service Features	10	10	20	20
Others	5	5	10	10
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.8**



Above table & charts shows that out of total respondents, 60% of respondents. Ncell service buying decision is triggered by network coverage, which is the highest among all likewise respondents whose important factors is service change is 10% and service features if 20% & others factors is 10% which is the lowest among all. The table also shows that the respondents of Ntc are motive to take buying decision through service charge i.e. 40% which is highest among all. Important factors are network coverage & service features play vital role is buying mobile service of Ntc.

Maximum respondents give emphasis to network coverage & service features because without them buying any mobile service is use less & "other" factors are less important to respondents according to above table.

#### 4.1.4 Advertising Impact

A huge variety of media channels are used for the display of advertising, usually in the form of complication of mix. The most Recent addition to these channels are interactive, involving a two-way exchange between the presentation of advertising and the target audience. Researcher tried to find out an advertisement impact on respondents which are deliberated by different media channel.

In this particular Research, researched tried to show the advertising impact towards the service. A question are asked about what factors in advertising attracts customers the most. Specific questions like "Have you seen the Ncell" "Ntc" advertisement? "Do you think advertisement provides us with valuable information about product features?" Has regular advertising in different media been able to create positive respond towards particular product?" were asked.

The following table presents answer to these question.

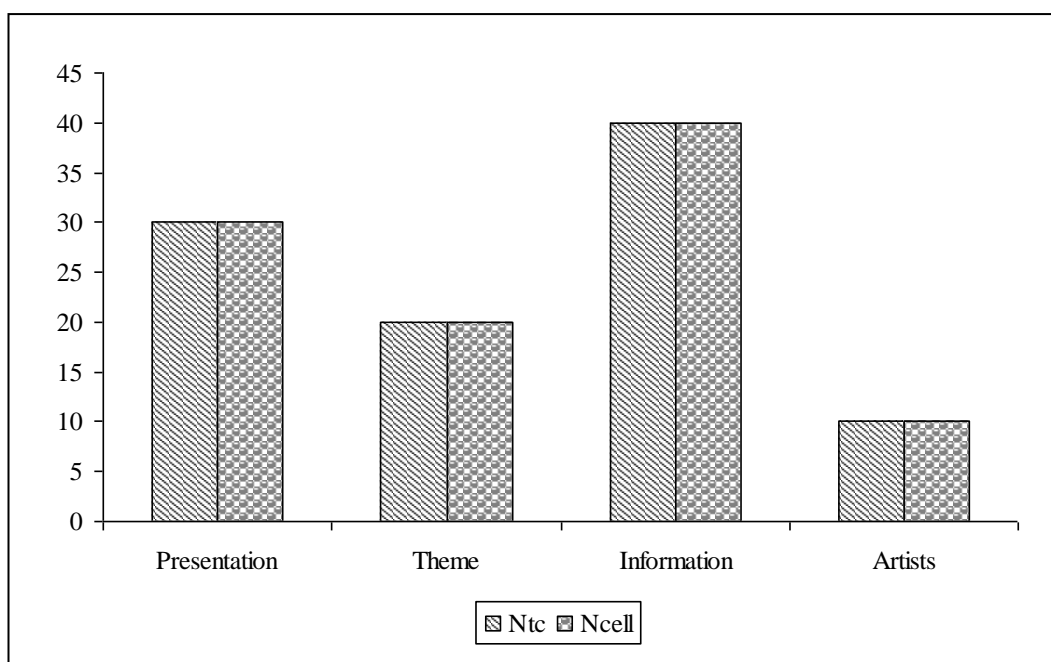
**Table 4.10**

**Information about consumer Buying Decision**

Factor	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
Presentation	15	15	30	30
Theme	10	10	20	20
Information	20	20	40	40
Artists	5	5	10	10
Total	50	50	100	100

Source: Field Survey, 2012

**Fig. 4.9**



According to above 30% for the respondents most attracting factors in advertising is presentation similarly other 20% are attracted by theme again 40% of respondents are attracted by information and 10% are attracted by artist. As we all know that advertisement is informative mass communication process through which valuable information can be obtained so, the highest no. of respondents are attracted by information factor like wise, very low no. of respondents was attracted by artist both Ntc & Ncell respondents.

Maximum no. of respondents is attracted by informative factors of advertisement while minimum no. of respondents is attracted by artist.

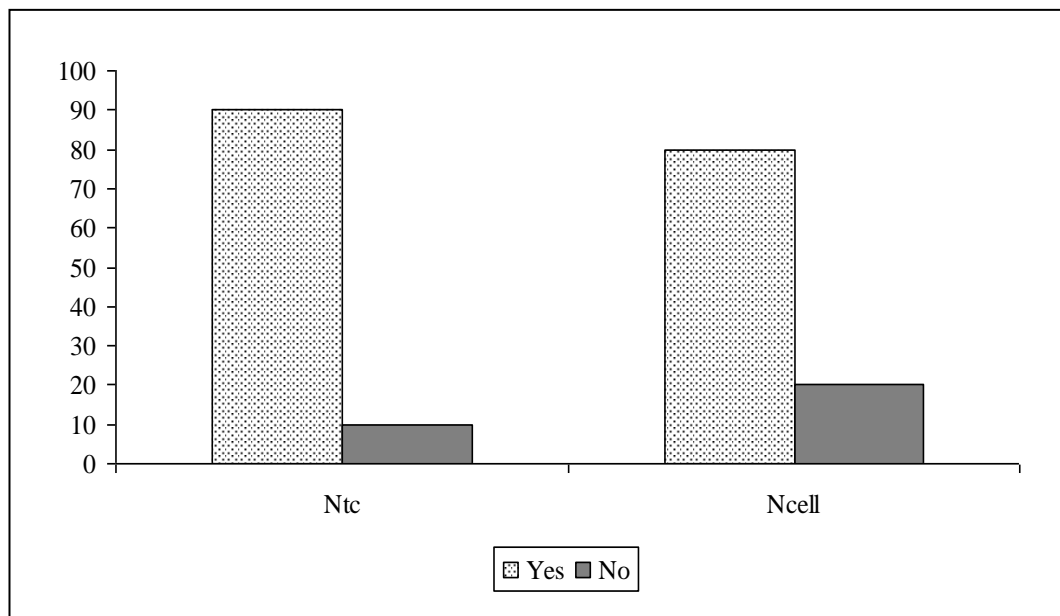
**Table 4.11**

**Have You Seen the Ncell & Ntc Advertisement**

Otion	Respondents		Percent	
	Ntc	Ncell	Ntc	Ncell
Yes	45	40	90	80
No	5	10	10	20

Source: Field Survey, 2012

**Fig. 4.10**



Above table indicated that 90% of the respondents have seen the "Ncell" advertisement in different media only 10% of respondent haven't seen advertisement. This means "Ncell" is very popular among the respondents. Where 80% of the respondents have seen "Ntc" advertisement that indicates "Ntc" also very popular among the respondents.

Maximum no. of respondents had seen "Ncell" & "Ntc" advertisement only the few respondents hadn't seen the advertisement. Once of the objective of advertising campaign; i.e. to communicate to target audience and making them aware of the brand is well achieved by Nepal telecom & spice Nepal's advertising campaign.

**Table 4.12**

**Do you think advertisement provides us with valuable information about product features**

Option	Respondents	Percent
Yes	80	80
No	20	20
Total	100	100

Source: Field Survey, 2012

Table shows that the respondents who thought advertisement provides valuable information about product features is 80% and the respondents who have opposite thought is 20%. Highest group of respondents believe that through promotional activity they get information about the product features which is available in market and help them to make buying decision. And small group of respondents have different feeling according to their behavior.

Maximum No. of respondents believe that advertisement provides valuable information. Only few respondents denied it.

**Table 4.13**

**Has regular advertisement in different media been able to create positive response towards particular product?**

<b>Option</b>	<b>Respondents</b>	<b>Percent</b>
Yes	90	90
No	10	10
Total	100	100

Source: Field Survey, 2012

Above table indicates at 90% of respondents believe that regular advertising in different media have been able to create positive response towards the particular product while 10% of respondents doesn't believe that regular advertising can provide positive response towards particular product.

Maximum no. of respondents agrees regular advertising obviously provide positive response towards particular product.

**4.1.5 Brand awareness**

The cost of winning new customers is much higher than retaining and cross selling to existing customers, so brand awareness is important economic factor in profitable brand development. So, the researcher tried to know about brand awareness through simple question like "what factors cause the brand awareness of Ntc"? "For brand awareness which promotional tools are most effective?"

**Table 4.14**

**What factors cause the brand awareness of Ntc.**

<b>Factors</b>	<b>Respondents</b>	<b>Percent</b>
Promotional Blend	70	70
Service Feature	14	14
Service Charge	10	10
Others	6	6
Total	50	100

Source: Field Survey, 2012

According to the table, 70% of respondents which is the highest no. of respondents were aware about the particular brand through the help of promotional blend. 14% through service feature, 10% through service charge and 6% through other factors. Ntc had launched various campaigns to promote brand in initial period to date to create brand awareness which seems successful by obtaining the result of above table. Promotional blend is succeeding to create brand awareness among maximum no. of respondents.

**Table 4.15**

**For brand awareness which promotional tools is most effective?**

<b>Promotional</b>	<b>Respondents</b>	<b>Percent</b>
Advertising	50	50
Sales Promotion	10	10
Public Relation	20	20
Others	20	20
Total	100	100

Source: Field Survey, 2012

According to above table, though having such strong competition of Ncell & Ntc is success to aware respondents about new brand in GSM mobile service due to effective communication mix tools. As a result, 50% of respondents are aware of

Ncell & Ntc brand by advertising, 10% through sales promotion and 20% from public relations and through other factors.

Among all promotional alternative advertising is indispensable factor for brand awareness of Ncell & Ntc.

#### 4.1.6 Market Competitors in the feeling of Respondent

Nepalese Information Communication Technology (ICT) service system, especially GSM Mobile service till sep 17, 2005 was not competitive because there was monopoly market which was run by NTC. But after September 17, 2005 when Spice Nepal Pvt. Ltd. Launched its GSM Mobile service both post and prepaid with brand name called 'Mero Mobile' knows days called "Ncell" market becomes competitive. So, through thsssss, researcher wants to show how the respondents feel about both services. So the research had asked very specific question regarding the subject matter like, "Do you think 'Ncell' is strong competitors of NTC?" 'If yes, what must be factor?'"

**Table 4.16**

#### **Do you think 'Ncell' is strong competitor of NTC?**

<b>Option</b>	<b>Respondents</b>	<b>Percent</b>
Yes	70	70
No	30	30
Total	100	100

Source: Field Survey, 2012

According to table 70% of respondents think that Ncell is strong competitors of NT because within very short period of time Ncell become popular among the respondent through promotional strategy, 15% of respondents still don't think that Ncell is strong competitors of Ntc because they are loyal to their existing brand. But largest no. of respondents believes that Ncell is strong competitors of Ntc.

Maximum no. of respondents think that Ncell is strong competitors of Ntc and only Minimum participated respondents feel there is no competition among them.

#### 4.1.7 Trade Survey Report

**Table 4.17**

#### Services Provided by Telecom Company in Nepal

Services	NDCL	UTL	SNPL	STM	Others	Total
Fixed						819463
Wireless (PSTN)	570196			4470	41	574707
Wireless (WLL)	176493	68263				244756
Mobile						6387196
GSM	355682		2218366			5775238
CDMA (SKY Phone)	611958					611958
Other						262416
Limited Mobility		259975				259975
GMPCS					1742	1742
WCDMA (3G)	699					699
Total	4916218	328238	2218366	4470	1783	7469075
<b>Tele-Density</b>						
<b>Services</b>					<b>Penetration Rate %</b>	
Fixed					2.98	
Mobile					23.22	
Others (Limited Mobility, GMPCS etc.)					0.95	
Total					27.15	

(Note: Projected Population for 2011 is 27504280, source: cbs.gov.np)

**Table 4.18**

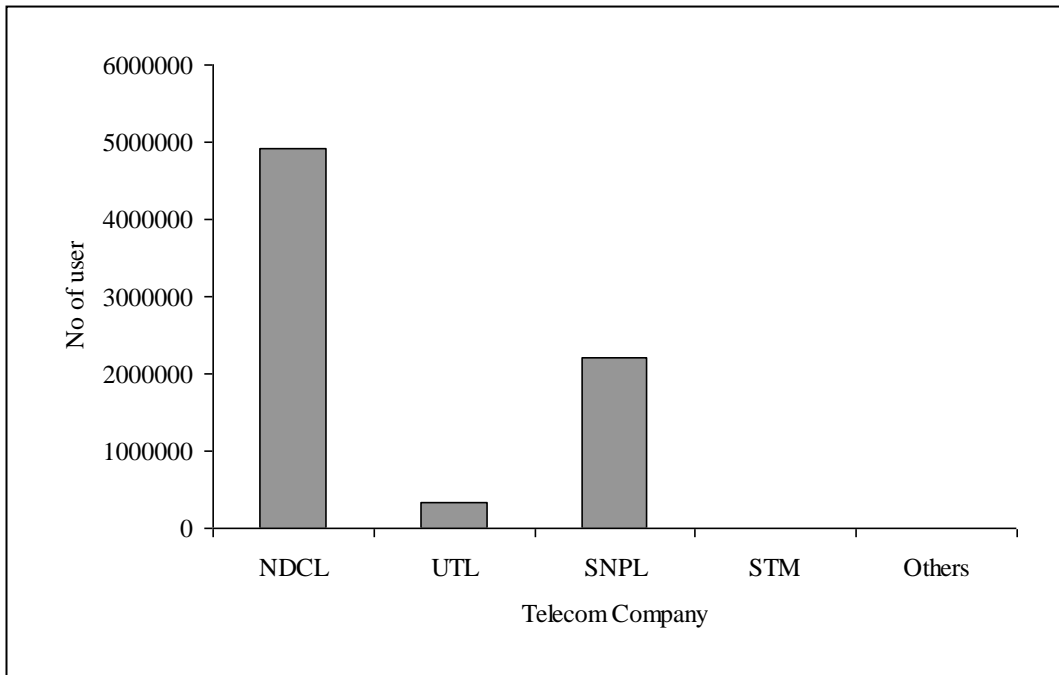
#### Voice Telephone Services Provided by Telecom Company in Nepal

Name of the Company	No of user	Percent
NDCL	4916218	65.82
UTL	328238	4.39
SNPL	2218366	29.70
STM	4470	0.06
Others	1783	0.02



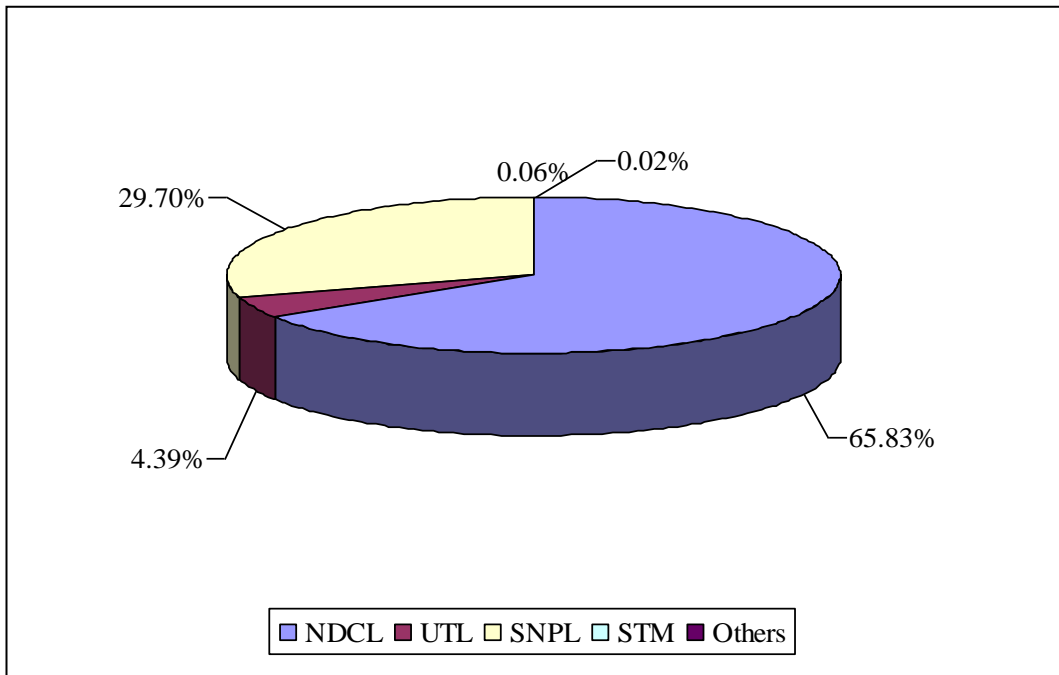
**Fig. 4.11**

**Voice Telephone services Provided by Telecom Company of Nepal**



**Fig. 4.12**

**Voice Telephone services Provided by Telecom Company of Nepal (in %)**



The above table shows the total available voice Telephony services in Nepal. There are 7,469,075 voice telephone services users. Among them 65.28% i.e. 4916218 was covered by NTC which is the highest one likewise SNPL has enclosed with 29.7% i.e. 2218366 which is second highest similarly UTL has covered 4.39% i.e. 328,238 of total available. UTL has provided 68,263 wireless services among total services of 244,756. In other services, it provides Limited Mobility service of 259,975 which is cent percent of total services available.

**Table 4.19**

**Data/Internet Services by Telecom Company in Nepal**

Services	Subscribers				Total
	NDCL	UTL	SNPL	ISPs	
Dailup (PSTN+ISDN)	9359			18900	28259
Wireless Modern optical Fibre Ethernet				12600	12600
Cable Modern Cable etc.				31500	31500
ADSL	31169				31169
GPRS	85703		456323		542026
CDMA IX	59982	24823			84805
Total	186213	24823	456323	6300	730359

UTL has also provided internet services. There are different services like dial-up, wireless modern, cable modern, ADSL, GPRS, CDMA IX. But it provides only one service i.e. CDMA IX. There are 24,823 subscribers of UTL which covers 29.27% of total services of CDMA IX.

## **4.2 Major Finding of the Study**

- We found that the trend of respondents below age of 35 were interested to use Ncell & above 35 were interested to use Ntc mobile.
- The educational level of respondents of Ntc is higher than Ncell user.
- Most of the mobile user in Pokhara are Job holders.
- Most of the respondents income level is between 10 to 20 thousand per month.
- Service charge service features. Plays vital Role in consumer buying motive.
- We found most of the respondents of mobile user are motive to buying mobile service through service & brand name.
- Maximum respondents give emphasis to network coverage & service features because without them buying any mobile service is useless other factors are less important to respondent.
- Ncell is strong comparator of Ntc. ascertaining through consumer survey.
- Respondents feel Ncell compete with Ntc due to its sales promotion trends, network coverage, easy to get SIM card & heavy publicity.
- Respondents have positive response towards the advertising of Ntc & Ncell.

## **CHAPTER V**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Summary**

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

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

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

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

Besides advertising and sales promotion, different types of facilities are also being provided to customer by Ntc & Ncell. To have their stand an the competitive market they try to give more and more facility and services to the customer like providing cheapest internet services or distributing free SIM in different program are providing bonus talk time whatever the schemes is but their only motto is to survive on tough corporate world.

Ncell has become a major player of the telecommunication market in Nepal. It has success to established good level of brand awareness in the market and increasing loyal customers by its quality product and different facility.

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

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

But there are still a lot of challenges. Leading Telecommunication Company like NTC and NCELL Mobile are still aggressive in the market and they are success to capture good market share. On the other side there is a probability of entering new company in market. So the market has become more competitive & competitive market gives us more facilities & opportunities.

## **5.2 Conclusion**

Sales promotion, one component of the promotional mix, was most widely used marketing promotion strategies among the telecom companies. Almost all marketing promotion companies had been using sales promotion as a marketing promotion strategy. Cash discount, price discount, bonus and interaction of middlemen (wholesalers and retailers) were the most widely used activities under sales promotion strategy for motivating middlemen to sell the product. The conclusions of the study can be summarized as follows:

- Nepalese telecommunication customers are more quality conscious.
- Telecommunication market in Nepal is being more and more competitive day by day.
- Advertisement has played a great role on the sales of telecommunication services.
- Nepalese customers' response to the advertising is increasing day by day.
- Trade Promotion is more effective to increase the sales of company.

- Business Promotion tools like convention, tradeshows, sales contest are very less used by companies in Nepal.
- Ntc provides the facility of land line phone, mobile phone, as well as internet services for the customer.
- Ncell provides only mobile & internet service.
- Sales Promotion activities of Ncell are increase with compare to the last year.
- Ncell is a rising telecommunication service in Nepalese telecommunication market.
- Ncell has a highest market potential in telecommunication market in Nepal (mobile).

### **5.3 Recommendation**

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

On the basis of findings of the present study the following recommendations are advised for the company.

- Ntc & Ncell marketing communication campaign is highly focused and popular among youth population. So, the upcoming campaign should be able to cover remaining population too.
- Advertising is indispensable tool of the marketing protocol of the Ntc & Ncell. So, the upcoming advertisement should be more entertaining, attractive and effective which will be able to cater the need of brand information too.
- Good Network coverage of Ncell service is highly appreciated by people. So, the company should be able to maintain such quality though achieving large quantity subscribe. But impact of bad network coverage Ntc need to improve its network coverage.
- Ncell Sanga Sabai Danga, one hr Talk time and Ramro tariff are most popular campaign among many others so such types of campaign have to be launched for further sales and popularity.

- The present market is very competitive, still Ntc is leading service provider. So Ncell has to compete with same pace with providing best quality communication service to their subscribers.
- Well blend of sales promotional mix is necessary to get optimal benefit from investment on sales promotion.

From the acquired data of this study it can be advised that the company should continue effective marketing communication campaign like Ncell Sanga Sabai Danga, one hr talk time and Ramro tariff which is really increasing the customers. Ntc need to maintain its leading position by lunching different facilities & well service.

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## **Thesis**

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## **Website**

[www.ntc.net.np](http://www.ntc.net.np)

[www.ncell.com](http://www.ncell.com)

**Appendix I**  
**Questionnaire for Consumer survey**

Dear Respondents

I, Mr. Santosh Sapkota, student of MBS, Central Department of Management, going to conduct a survey for partial fulfillment of Masters Level. So, I request you to take few minutes time, I assure you that all your responses will be kept confidential and will be use for my study only.

**Demographic Factor**

1. Age Group
  - a. Below 20 years
  - b. 20-35 yrs
  - c. 35-50 yrs
  - d. 50 above
2. Sex
  - a. Male
  - b. Female
3. Address:.....
4. Education
  - a. Upto SLC
  - b. Certificate
  - c. Graduate
  - d. Masters
5. Profession
  - a. Student
  - b. Housewives
  - c. Jobholder
  - d. Business man
  - e. Others
6. Income Level (NRs.)
  - a. 0-3000
  - b. 3000-10000
  - c. 10000-20000
  - d. 20000 above

7. Martial Status
  - a. Married
  - b. Unmarried

**Buying Motive**

8. What motivate you to buy Ncell Service?
  - a. Service Feature
  - b. Service Charge
  - c. Promotional activities
  - d. Other

**Buying Decision**

9. What kind of things you consider while buying any service?
  - a. Price
  - b. Brand Name
  - c. Service
  - d. Facility
10. What factors plays a vital role in Mobile service buying decisions?
  - a. Network Coverage
  - b. Service Charge
  - c. Service Features
  - d. Others

**Advertising Impact**

12. What Factors in advertising attracts you most?
  - a. Presentation
  - b. Theme
  - c. Information
  - d. Artists
13. Have you seen the Ncell advertisement?
  - a. Yes
  - b. No

14. If yes, can you name any of Ncell advertisement?
  - a. One Paisa
  - b. Concert
  - c. One hour talk time
  - d. PRBT
  - e. MMS
  - f. Ramro Tariff
  - g. Ncell Sanga Sabai Danga
15. Do you think advertisement provides us with valuable information about product features? Please specify your answer.
  - a. Yes
  - b. No
16. Has regular advertisement in different media been able to create positive respond towards particular product?
  - a. Yes
  - b. No

### **Brand Awareness**

17. What factors cause the brand awareness of Ncell?
  - a. Promotional Blend
  - b. Service Features
  - c. Service Charge
  - d. Others
18. For Brand awareness which promotional tools is most effective?
  - a. Advertising
  - b. Sales Promotion
  - c. Public Relation
  - d. Others

### **Competition**

19. Do you think Ncell is strong competitors of Ntc?
  - a. Yes
  - b. No

20. If yes, what must be the factor?
- a. Easy to get sim card
  - b. Widely distributed
  - c. Heavy promotion
  - d. Effective communication
  - e. Customer care service
  - f. Least Network
  - g. Cheap Cost