

**A STUDY ON COMMUNICATION EFFECTIVENESS  
OF PRINT ADVERTISING**

(A Case Study of Soft Drinks in Lalitpur)

**A THESIS**

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# **RECOMMENDATION**

*This is to certify that the thesis*

*Submitted by*

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**A STUDY OF COMMUNICATION EFFECTIVENESS OF PRINT  
ADVERTISING (A CASE STUDY OF SOFT DRINKS IN LALITPUR)**

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## **DECLARATION**

I hereby declare that this thesis entitled “**A STUDY OF COMMUNICATION EFFECTIVENESS OF PRINT ADVERTISING (A CASE STUDY OF SOFT DRINKS IN LALITPUR)**” submitted to the Office of Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for Master of Business Studies (MBS) under the supervision of Mr. Babu Ram Singh Thapa, Lecturer, Patan Multiple Campus.

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# TABLE OF CONTENTS

	<b>Page No.</b>
<b>Recommendation</b>	
<b>Viva Voce Sheet</b>	
<b>Declaration</b>	
<b>Acknowledgements</b>	
<b>Table of Contents</b>	
<b>List of Tables</b>	
<b>List of Figures</b>	
<b>Abbreviation</b>	
<b>CHAPTER – I</b>	
<b>INTRODUCTION</b>	<b>1-9</b>
1.1 Background of the Study	1
1.2 Focus of the Study	5
1.3 Statement of the Problem	5
1.4 Objectives of Study	7
1.5 Significance of the Study	8
1.6 Limitation of the Study	8
1.7 Organization of the Study	9
<b>CHAPTER – II</b>	
<b>LITERATURE REVIEW</b>	<b>10-49</b>
2.1 Conceptual Review	10
2.2 Role of Advertising	16
2.3 Advertising as a Part of Communicating Information	19
2.4 Function and Types of Advertising	23
2.5 Advertising Program	26
2.6 Effectiveness of Advertising	29
2.7 Methods of Testing Advertising Effectiveness	38
2.8 Public Awareness and Knowledge	43
2.9 Review of Previous Studies	44
<b>CHAPTER – III</b>	
<b>RESEARCH METHODOLOGY</b>	<b>50-54</b>
3.1 Introduction	50

3.2 Research Design	51
3.3 Nature and Source of Data	51
3.4 Population and Sampling	51
3.5 Sampling Method	51
3.6 Source of Data	51
3.7 Data Collection Methods	52
3.8 Tools and Techniques used in Data Analysis	52

## **CHAPTER – IV**

### **PRESENTATION AND ANALYSIS OF DATA 55-76**

4.1 Exposures to Advertisement in Print Media	
4.2 Exposure to Media	
4.3 Believability / Credibility of Media	
4.4 Credibility in the Media	
4.5 Product Consumption and Attention	
4.6 Media Exposure	
4.7 Attention value of Layout, Advertisement Concept, Message Content	
4.8 Recall and Attention Value of the Message Content	
4.9 Attention Gaining Value of the Message	
4.10 Comprehension Value of the Message	
4.11 Appropriateness of the Message to the Product	
4.12 Liking / Disliking of the Advertisement	
4.13 Advertisement Effect on Brand Choice	
4.14 Major Findings of the Study	

## **CHAPTER – V**

### **SUMMARY, CONSLUSION AND RECOMMENDATIONS**

5.1 Summary	77
5.2 Conclusion	79
5.3 Recommendations	80

## **BIBLOGRAPHY**

## **APPENDIX**

## **LIST OF TABLES**

<b>Table No.</b>	<b>Title</b>
4.1	Intentional Exposure to the Advertisement in Print Media
4.2	Exposure to the Media
4.3	Believability / Credibility of Print Media
4.4	Credibility in the Media
4.5	Product (Soft-Drink) Consumption Habit
4.6	Exposure to the Advertisement of the Soft Drinks in the Media
4.7	Attention Value of various aspect / Components of an Advertisement
4.8	Recall value of the Message Content
4.9	Attention Gaining Value of the Message
4.10	Comprehension Value of the Message
4.11	Appropriateness of the Message to the Product
4.12	Liking / Disliking of the Advertisement
4.13	Advertising Effect on Brand Choice



## **LIST OF FIGURES**

<b>Figure No.</b>	<b>Title</b>
4.1	Intentional Exposure to the Advertisement in Print Media
4.2	Exposure to the Media
4.3	Believability / Credibility of Print Media
4.5	Product (Soft-Drink) Consumption Habit
4.7	Attention Value of various aspect / Components of an Advertisement
4.8	Recall value of the Message Content
4.9	Attention Gaining Value of the Message
4.10	Comprehension Value of the Message
4.11	Appropriateness of the Message to the Product
4.12	Liking / Disliking of the Advertisement
4.13	Advertising Effect on Brand Choice

## **ABBREVIATIONS**

%	:	Percent
&	:	And
A.D	:	Anno Domini
Ad	:	Advertisement
B.S	:	Bikram Sambat
CEO	:	Chief Executive Officer
i.e.	:	That is
IT	:	Information Technology
Ltd.	:	Limited
M.B.S	:	Master's of Business Studies
No.	:	Number
Pvt.	:	Private
S.N.	:	Symbol Number
T.U.	:	Tribhuvan University
USA	:	United States of America
WWW	:	World Wide Web

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Now a day's Marketing business is getting complex day by day due to the globalization. Competition in every sector is increasing high. In this situation, manufacturing companies find the situation very tough to sell their products in the market smoothly. So businessmen are using various tools and techniques to sell their products. The modern marketing accepts consumer as a king because they have the purchasing power and no force on the earth would compel him to buy a particular products or services. Marketing aims as delivery of rising standard of living. It serves consumers demands by offering right goods and services in right quantity, at right place as well as price, to right customer. It aims at creating, capturing and maintaining demand through appropriate marketing mix.

Nepal lies in the northern hemisphere of the earth and it is a Himalayan Country of south Asia extending at the range of 26°22' to 30°27' east and 80°4' to 88°12' north. It is a landlocked country surrounded by Indian Territory in three sides i.e. east, west and south and Chinese territory in the north, more vividly Tibetan Plateau. It has the area of 1, 47,181 sq.km. The length and the breadth roughly extend to be 885km and 193 km in average. And altitude ranges from little over 100ft to over 29,000ft above the sea level. Numerous hills rise in between the swift flowing rivers making many parts of the country inaccessible even in the times of fair weather.

Physically, Nepal has been divided into three different kinds of physical features, namely High Himalayan region towering higher from east to west, similarly a middle portion of Hilly region runs from east to west covering the highest portion of the landmass of 68% of whole nation where as down to the southern part

bordering with Indian territory, runs the Terai region covering about 17% of the total land mass of the whole nation. It has got the highest peak of the world i.e. Mount Everest (8,848m) and it's a land locked country and the distance of the nearest sea is 500km.

To the general public, marketing is selling through advertising; however, selling and advertising are parts of marketing. Marketing helps organization to find out what their customer want. It also helps to decide what products to make it are carried on long even after the customer has brought the products. The success or failure of any new product in the market depends on consumer need satisfaction Nepal is still known as Agriculture country. It is gradually shifting from the agricultural to industrial sector for sustaining its economic life. Past experiences of the country have signaled that it cannot bring any significant positive change in its economy depending solely on agriculture. As a result, industrial activities are gradually increasing in the country. Number of units of different types of industry has been significantly increased in the last few years basically in noodles industry. A production is the prime activity of each and every industry and successful marketing is the instrumental to achieve the ultimate goal. But successful marketing of a product today is a tough job. Any product, to be successfully marketed, needs many things more than the core quality immanent into it. Core quality or core products alone are not sufficient for successful marketing therefore the product should be presented through proper branding, packaging and labeling Almost all of the products today have got brand, that is to say, brand is permanent feature of almost products. In the modern business world brand has become so strong that hardly anything goes unbranded. Even salt is packaged in distinctive. The seller has to confront the branding decision that is the major issue in prouder

Advertising is not a new term for the modern people of twenty first century. Though it has a long history, but in the past it was not taken as importantly as in

today's context. In modern marketing advertising has become the life of the business houses. Advertising is the fashion of today's marketing world. Almost all the business houses as well as the social organization use the tool of advertising. They spend huge sum just for the advertisement. In present situation advertising business involves billions of dollars.

“Advertising is mainstay of a company's communication strategy, informing the consumers about the product, its benefits and keeping the product visible overtime”. (Assel: 1990, p.481)

Through advertisement the business people inform the consumers about the product and it's want satisfying qualities. It also makes product visible overtime to get consumers attention toward the product so that they consider the brand while making purchase.

Marketing people have now started giving their full attention to advertising aspect because” consumer' mood states for making purchases are often influenced by the context in which advertising message appears and the context of the ad itself which in turn may affect consumer's evaluation and recall of the message”. (Schiffman and Kanuk: 1994, p.287)

One of the main purposes of advertising is to keep on reminding the consumers about the brand that is available in the market. The way the advertisement is communicating and the context in which the communication has been done largely influence the recall of the advertisement as well as its message while making the purchase by them.

If the people can remember the advertisement, then there are chances at the time of purchase that they would consider the brand and the brand that is considered has a greater chance to become the purchase brand. Hence, marketing people are

considering the advertisement as an important activity in their field to get succeed.

An advertisement is an announcement to the public of a product, service or idea through a medium to which the public has access. Such medium may be print (such as newspaper, magazines etc), electronics (radio, TV etc) or many others. (Chunawalla Et.al:2002, p.1)

A successful ad is that which can persuade the consumers to make purchases. Persuasion is directly related to the communication of the advertising message. For this reason messages are essence of the advertisement. Therefore ad messages must be influencing and effective so that they can persuade the consumers as intended. Thus, whether the messages are worth giving or not and how people are perceiving the given message is essential to examine. This study will focuses on the examining the effectiveness of advertising communication in terms of message reach, its ability to get attention, comprehension and persuasion in the context of Nepalese print advertisement among the consumers of Lalitpur sub-metropolis.

There is very little information on the readership and preferences as well as believability and the impact of the print media (newspaper and magazines) among consumers of Lalitpur sub-metropolis. This study would be able to generate some information and narrow down the information gap. This study would also help to know the type of the advertisements that the people like or the one that strikes their mind and hence would help the advertisers to select the right kind of advertisement.

This study would provide a feedback to the advertisers and other marketing people to select the right kind of advertising message that strikes on peoples' mind and effectively convey the message through appropriate media. In addition,

it could be a reference for the similar studies in the forthcoming days. Summarizing every aspect discussed above the major focus of the study lies in analyzing the effectiveness of advertising communication in print media.

## **1.2 Focus of the study**

In the modern business world, advertise has become so strong that hardly anything goes unadvertised. Today advertising has become a major part of selling. In the country like Nepal, most of the time it is only the tool used for the pushing the sale. The product's information is sent to mass through advertisements at a low cost through various available media to which the public has access. The use of the media in advertising is the main reason of the development of advertisement in such a fast pace.

Media are the communicational tool to carry the communicative messages about the products and services. Regardless of how well the advertisement design is and how proper the advertising message is, its success to a large extent depends on the selection of the media. Thus, the business organization has to be alert in this matter too. When a long advertising message is to be given to a wide mass, then print media is proved to be cost effective. Hence, the present study is mainly focused on evaluating the communication effectiveness of advertising messages in the context of print advertisement.

## **1.3 Statement of the Problem**

Usually research is conducted to solve a problem. However, this study is more focused to fill the knowledge gap rather than exactly a solving a problem or and issue.

Advertisement is a tool of communication between the business organization and the targeted customers. It is a one- way communication of message from

advertisers to the public. The members of the public are free to respond to it in their own way. Advertising forces itself upon the public through different media and of which print media is one. (Chunawalla et. al.: 2002, p 2)

Advertising messages inform the consumers about a product and persuade them to make purchases. Therefore it is essential to know how effectively the message has been communicated and been able to persuade consumers to make purchase decisions or how people are responding to it. It is essential to know whether the purpose of advertising is met. For this, more consumer researches are to be conducted to fill in the information gap in this issue in Nepal.

Concentrating on Lalitpur; it is one of the major tourism sector as well as one of the fastest growing cities of Nepal. It is having a gradual development in its business activities too. Apart to this, it is adopting a modern way of conducting the business. Moreover, due to the changing business environment in the worldwide context, the business competition is increasing day by day. To adjust with modern way of doing the business and to exist in this neck to neck competition, advertising is one of the important tools for any marketer anywhere.

Advertising must be effective enough to evoke the demand for the product. There is not single variable determining the effectiveness of the advertising communication or we can say how well the advertising message penetrates the mind of the consumers. There are many variables like nature of message itself, media type, media credibility, demographic and psychographic characteristics of consumers, media profile/ media habit, products nature (high involvement vs. low involvement products etc that are more or less affecting the impact of the message among the consumers. These variables affect the reception, comprehension and response to the message that ultimately influence the purchase behavior of consumers. The effects of the message on consumers and how the different



variables influence the effectiveness of the advertising communication is still an issue to be studied in Lalitpur Sub-metropolis.

Advertising must be effective enough to remind the demand for the product. There is not single variable determining the effectiveness of the advertising communication or we can say how well the advertising message penetrates the mind of the consumers' .However, every issue neither can be focused nor can be solved by a single study. Hence, this study considering only the major variables is focused to solve the following problems only.

- What are the print media used by the advertiser to flow the message?
- Is the advertising message in print media able to catch the attention of the targeted customers?
- Is the advertising message in print media understood by the target potential customer as intended by the advertiser?
- Does the advertising message in print media lead consumer to frame their purchase intention?
- Do the advertisers evaluate the advertisement effectiveness?

#### **1.4 Objectives of the study**

This study aims to measures the communication effectiveness of the print advertisements. The specific objectives of the study are stated as follows:

- To identify the print media used to flow the message.
- To assess the effectiveness of media to catch the attention of targeted customers
- To analyze the situation of trend standing of message by the targeted customer group.
- To explore the effect of print media that lead to from the purchase intention of customer.

## **1.5 Significance of the study**

In the era of cutthroat competition, successful marketing of products demand on understanding of advertising. The significance and importance of this study can be dealt in the following points.

- The manufacturers and marketers of Lalitpur will be highly benefited by this study. They can use the findings of the study as the guideline for making marketing strategies for their products so that they can achieve success
- The study will help to know the type of advertisement that is communicating its message in effective way.
- This study will help to know whether the ad message communication is good enough to catch the attention of the people.
- This study will aid to know the kind of advertising design and advertising message that is liked by the people.
- This study can be helpful to know the kind of advertisement that can lead the people toward buying the product.
- This study will help to know the reach of advertising message that are conveyed through the print media.
- Similarly, this study will be valuable reference to the scholars and researchers who are interested in conducting further researches about “Communication Effectiveness of Print Advertising”

Now days, advertising have become so strong that hardly anything goes without advertising. Successful marketing require proper and effective advertising.

## **1.6 Limitations of the Study**

- The study will confined to Lalitpur only and may not relate to the whole of Nepal.
- This study will confine to consumers only, and no producers/advertisers have been interviewed.

- The study has to be conducted in a short period of time and this may affect to some extent the research outputs.
- There is limitation of sample size as only 100-samples are taken for the study.
- Only four major variables have been taken for the study.
- The study is focused on soft drinks. Hence, the findings may not relate to other type of the products.

In spite of the above mentioned limitations, sincere efforts will be used to ensure reliability and accuracy of the study.

## **1.7 Organization of the Study**

This study report has presented the systematic presentation of the research design, analysis, presentation and findings of the study. The beginning chapter of the study is introduction, which highlighted the basic information of the research area, various problems of the study, and objectives of the study, need or significance of the study. The second chapter of the study assures readers that they are familiar with important research that has been carried out in similar areas by earlier scholars in related areas. It also establishes that the study as link in a chain of research that is developing and emerging knowledge about concerned field.

The third chapter describes the various methods (i.e. research design, source of data, data collection techniques and types of questionnaire, data collection methods). The developed information has finished in required from in fourth chapter. It presented and analyzed the information (i.e. both primary as well as secondary source by using simple analytical tools in specified form to meet the stated objectives of study. On the basis of the results from data analysis, the researcher concluded about the research work. Besides, it also gives important suggestions to the concerned for better improvement.

## **CHAPTER II**

### **THE REVIEW OF LITERATURE**

This chapter provides, mainly, information regarding advertisement and its impact on sales. Moreover, the earlier studies related to research problem through different source, have been reviewed and it is a way to discover what other research in the area of the problem has uncovered so, the earlier studies related to the topic have been reviewed to develop a thorough understanding and insight so that it has been a point of departure for this study. For this purpose, various books, journals, past thesis are reviewed. This study has reviewed the available national and international literatures.

#### **2.1 Theoretical Concept of Advertising:**

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

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

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

Advertising is defined as a paid non-personal communication from an identified sponsor using mass media to persuade or influence an audience. So, the standard definition of advertising has six elements. First, advertising is a paid form of communication. Second, not only is the message paid for, but the sponsor is identified. Third most advertising tries to persuade or influence the consumer to do something, although in some cases the point of the message is simply to make consumers aware of the product or company. Fourth, the message is conveyed through many different kinds of mass media. Fifth, advertising reaches a large audience of potential customers. Finally, because advertising is a form of mass communication, it is also non-personal. Many companies widely practice advertising. It is undoubtedly the most visible component of the promotion plan, but we should remember that advertising is just one type of promotion available to the firm.

In other words it refers to the marketing related communication between the seller and the buyer. In the words of Pickton and Broderick, promotion is usually replaced by the term marketing communication that also describes one of the key areas of marketing. So, in short marketing communication is the conversation between a brand and its audience. So, this is a way in which a firm attempts to inform, persuade, incite and remind consumers directly or indirectly about the brands they sell.

The components of a promotional mix are explained below though the focus of this study is being given for the advertising and its impact on the sales. Moving on in order, first of all advertising has been explained in the following ways.

### **2.1.1 Concept and Meaning of Advertising**

Advertising is a paid communication of company message through personal media. It is one of the four major tools to target buyers and publics. It consists of non-personal forms of communication conducted through paid media under clear sponsorship.

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

So, this is a paid attempt by an identified or known firms or organizations to draw the attention and to influence their behaviors through different kinds of media for access. We have prevailing saying (proverb) that BOLNEKO PITHO BIKCHHA, NA BOLNEKO CHAMAL BIKDAINA, this clearly indicates that each and every firm has to notify about the products or services to the target group with a persuasive character which will, eventually, draw the attention of that group towards that product or services and to develop an interest about that product or services, so that is definitely, affects their buying behavior and that leads to a desired level of sales.

People generally buy a product only after knowing about the attributes of that particular product. So, advertising plays a vital role in marketing, especially, in

purchasing and providing information to a large number of scattered masses of probable buyers in different regions of the country.

Advertising objectives can be classified according to their aim as it is to inform at the pioneering stage of product. Similarly it is even done to persuade the buyers at the competitive stage of the product by informing more about the comparative advantages of the product over other similar product, and finally it is also done to remind and it is used at the maturity stage of the product or if the product is a market leader. Due to the rapid urbanization growth, there has been a significant change in the society, customer, economic status, awareness level and this has also cast a change in eating habits of Nepalese people. We have been witnessing a declining trend of consumption of rice or other cereal foods and that has opened a huge space for the growth of the instant noodles market due to being easy and fast to be consumed. The ease of cooking and availability of various flavors in instant noodle have further garnered the acceptance process.

### **2.1.2 Sales Promotion**

Sales promotion is a collection of selling activities like the use for contests, coupons, sample distribution, premiums and price offs sponsorship of special events, in store demonstrations, international trade fairs and exhibitions etc... So, all these activities are short term efforts directed to the consumer or retailer to achieve specific objectives such as:

- Consumer Product Trial and / or Immediate Purchase
- Consumer Introduction to the Store
- Gaining Retail Point-of-Purchase Displays
- Supporting Advertising and personal Sales

### **2.1.3 Public Relation**

The basic philosophy of public relation is that if the image of the company is poor in society, no other marketing efforts including quality product and service

can satisfy the customers. In order to gain a good image in society, a company must establish a good relation with publics. Publics are several groups of society, including customers, stockholders, staffs, dealers, the press, the financial community and the general community.

The main objective of public relation is to secure mutual understanding with the publics and obtain goodwill from them. Besides than this it could be awareness building, credibility building, stimulating sales force and dealer, and to hold down promotion cost etc.

#### **2.1.4 Personal Selling**

Personal selling is sometimes called the ‘last 3 feet’ of the marketing function, because 3 feet is the approximate distance between the sales person and the customer on the retail sales floor as well as the distance across the desk from the sales representative to a prospective business customer. A bond or partnership between a sales representative and his or her clients can be one of the most valuable assets a company holds in the market place.

Personal selling is the most effective tool at large stage of the buying process, particularly in building up buyer preference; conviction and action. Personal selling has three distinctive qualities:

- **Personal Confrontation**

Personal selling involves an immediate and interactive relationship between two or more persons. Each party is able to observe the other’s reactions at close hand.

- **Cultivation**

Personal selling permits all kinds of relationships to spring up, ranging from a matter-of-fact selling relationship to a deep personal friendship where sales representatives will normally have customer’s best interests at heart.

- **Response**

Personal selling makes the buyer feel under some obligation for having listened to the sales talk.



### **2.1.5 Direct Marketing**

Direct marketing is vending products to customers without the use of other channel members. Direct marketing is rapidly changing field and it's definition is evolving. However, it does have five basic characteristics:

- It is interactive, meaning the marketer and customer share information in real time
- It provides a mechanism for a customer to respond
- It can occur anywhere
- It provides a measurable response from the customer and
- It requires a data base of customer information

Direct marketing is the fastest-growing-element in the marketing mix because it provides consumers with three things they want most: convenience, efficiency and compression of decision-making time.

### **2.1.6 Internet Marketing**

The internet is an ideal medium for direct marketing. Consumer and business now order directly from numerous companies through the internet. One of the major advantage of e-commerce over the brick and mortar of a retail store is the ability to reach consumers everywhere, even in other countries. Similarly, it is encouraging for customers to switch to it due to the convenience instead of making a trip to retail store; a consumer can place the order while remaining at home, which is a major reason why ATM became so popular.

So, in short it is time saving way of business transactions as well as cost saving way but still security issues like, the fears about a credit card number being stolen; fraudulent and the traditional purchasing habits i.e. consumers still feel comfortable when they buy merchandise at retail stores etc. are the barriers for a vertical and fast growth of internet marketing. And for the people of Nepal it is

not suitable one for every consumer due to less developed technological aspects of our nation.

### **2.1.7 Point-of-Sales / Packaging**

Point-of-Sales (POS) and packaging attempt to drive sales at the place where the product is sold. The message-delivery capabilities of the package come into play here. POS materials include signs, posters, displays and other materials designed to influence buying decisions at the point-of-purchase. Depending upon the product category, 30 to 70 percent of our purchases are unplanned. The POS marketing materials take advantage of this fact, along with fulfilling other basic communication objectives such as product identification, product information and product comparisons.

## **2.2 Role of Advertising:**

A product or a service, or an idea manufactured or generated are even is the best, cannot be sold on its own and advertising plays a pivotal role to make those products, services or ideas known to the target group. This lets people have all the information regarding the attributes of these products.

So, it plays an important role to generate awareness regarding the products, services, it helps to educate people to have the knowledge about the product and the services. It plays a significant role to uplift sales volume and helps to generate more profit there on as well. Advertising is an aim at the promotion of ideas, goods or services by an identified sponsor or the firm and thus, there will be some certain purpose to do so by that very firm or organization. And the belief in doing so is to create an impact of the intention of the sponsor through advertising among the target groups. And the intentions vary from one firm to another like awareness generation, educating people, or to generate more sales through advertising

without any specific objectives no firms go for advertising and if the advertising campaign is successful then it imparts a favorable impact in the target groups and it retards the level of positive impact generation if it isn't a successful campaign.

Advertising helps target group buy remember the specific products and services and even it helps to bring a change in the attitude and buying behavior of the consumers. It is a basic tool of marketing for stimulating demand and influencing the level and character of demand. Besides than these functions, some other specific roles are performed by an advertising which are as follows:

### **2.2.1 Marketing Role**

It is all about developing connectivity with people. So, marketing is the process a business uses to satisfy consumer's needs and wants through goods and services by understanding their needs, values, beliefs, behaviors and aspiration. The particular consumers at whom the company directs its marketing effort constitute the target market. The tools available to marketing include product, its price and means used to deliver the product or the place. Marketing also includes a method for communicating this information to the consumer called marketing communication. Marketing communication consist of several related communication techniques, including advertising, sales promotion, public relations and personal selling. The role of advertising, within marketing, is to carry persuasive messages to actual and potential customers. One advertising campaign that has been very effective is the 'It's what for dinner' campaign, started over 20 years ago when the American's Beef producer's trade association decided that the decline in beef consumption, due to consumer's concern for personal health, had to be reversed. Starting with TV commercial, featuring the voice of actor Robert Mitchum, America learnt that beef went along mom and apple pie. Since that ad, beef consumption has stabilized and increased by twelve percent.

### **2.2.2 Communication Role**

Advertising is a form of mass communication. It transmits different types of market information to match buyers and sellers in the market place. Advertising both informs and transforms the product by creating an image that goes beyond straight forward facts.

### **2.2.3 The Economic Role**

There are two points of view about how advertising affects an economy. In the first, advertising is so persuasive that it decreases the likelihood that a consumer will switch to an alternative product, regardless of the price charged. By featuring other positive attributes and avoiding price, the consumer makes a decision on these various non-price benefits. The second approach views advertising as a vehicle for helping consumer's asset value, through price as well as other elements such as quality, location and reputation. Rather than diminishing importance of price as a basis for comparison, advocates of this school view the role of advertising as a means to objectively provide price value information, thereby creating a more rational economy.

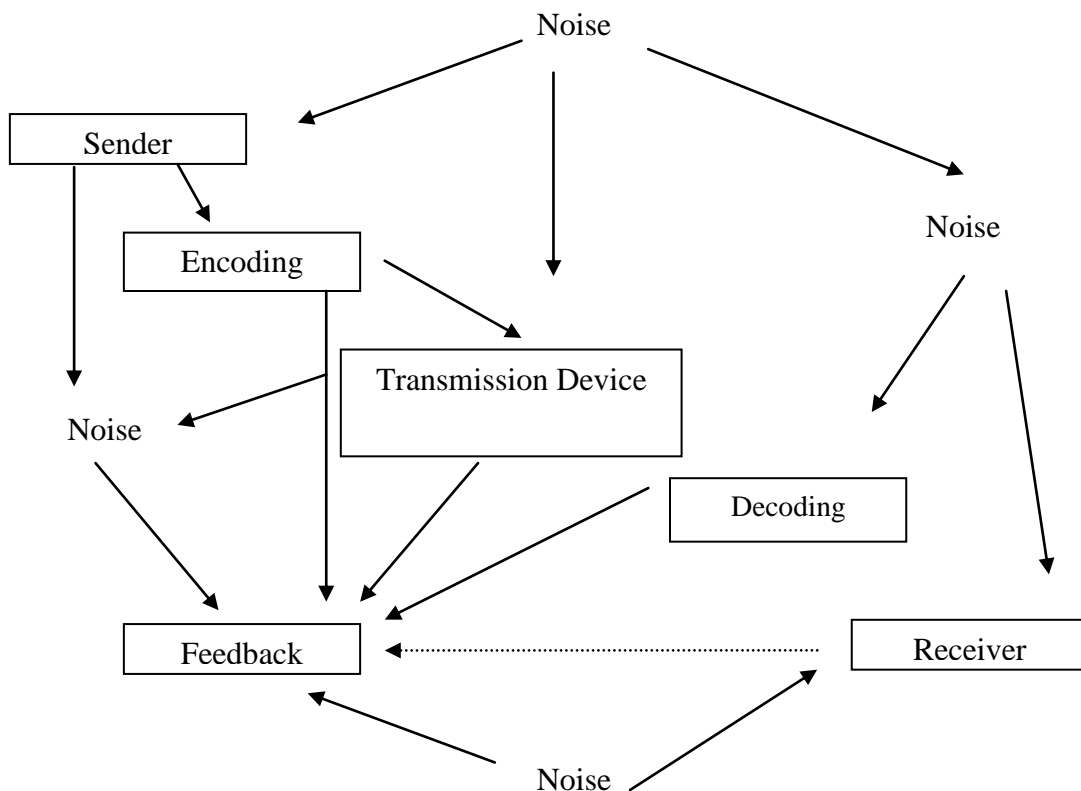
### **2.2.4 The Societal Role**

Advertising also has several social roles. It informs us about new and improved products and helps us compare products and features and make informed consumer decisions. It mirrors fashion and design trends and add to our aesthetic sense. Advertising tends to flourish in societies that enjoy some level of economic abundance, in which supply exceeds demand. In these societies, advertising moves from being informational only to creating a demand for a particular brand. Despite the social roles it plays but the critics argue that advertising repeatedly has crossed lines of reflecting social values and creating social values influencing vulnerable groups, such as young teenagers, too strongly.

### 2.3 Advertising as a Part of Communicating Information:

Communication occurs when the messages that was sent reaches its destination in a form that is understood by the intended audience. Communication is defined as transmitting, receiving and processing information. This definition suggests that when a person, group or an organization attempts to transfer an idea or message, the receiver (another person or group) must be able to process that information effectively. A model of communication is presented below:

**Figure 2.1**  
**The Communication Process**



*Source: Kenneth E. Clow, Donald Baack, Integrated Advertising, Promotion and Marketing Communication*

An illustration can be useful in demonstrating the communication process used to market a variety of goods and services. Let us assume someone plans to buy a new pair of athletic shoes. The senders are companies that manufacture and sell shoes.

New balance, Asics, Reebok and Sketchers all try to garner the customer's attention. In most cases these firms hire advertising agencies to construct messages. An account manager serves as a major contact between the shoe company and the ad agency. In other situations the firm may have its own in house marketing group.

**Encoding** the message is the second step in the communication of a marketing idea. Someone must take the idea and transform it into an attention getting form, through an advertisement or some other verbal or non-verbal medium. An advertising creative usually performs this role. Messages travel to the audience through various transmission devices. The third stage of the marketing communication process occurs when a channel or medium delivers the message. The channel may be a television carrying an advertisement, a bill board, a Sunday paper with a coupon placed on it, or a letter to the purchasing agent of a large retail store. The shoe ads were transmitted through various magazines.

**Decoding** occurs when the message touches the receiver's senses in some way. Some consumer will hear and see a television ad others will handle and read a coupon offer. It is even possible to smell a message. A well-placed perfume sample may entice a buyer to purchase both the magazine containing the same sample and the perfume being advertised. Those interested in purchasing shoes pay closer attention to advertisements and other information about the shoes such as the brands being offered.

Quality marketing communication occurs when customer (the receiver) decode or understand the message as it was intended by the sender. In the case of shoe advertisements, effective marketing communication depends upon receivers getting the right message and responding in the desired fashion (shopping, buying, telling their friends about the shoes etc..). So, communication refers to how the firm wants the target group to hear, listen, see or understand the specific advertisements in a way that firm expects it to be in relation to the exactness in the reciprocity of responses from the target group.

So, it is a most important part of the whole advertising campaign. It is really important to assess that what is said, how it is said without over stepping social and legal norms. Most marketer work hard to communicate openly and honestly with consumers but still abuses occur and public policy makers have developed a substantial body of laws and regulation to govern advertising like, companies must avoid false or deceptive advertising. The following table will explain the structure of communication mix.

### A structure of Marketing Communication Mix

**Table 2.1**

<b>Marketing Communication</b>	<b>Objectives</b>	<b>Customer Contact</b>	<b>Time of response</b>
Advertising	Attention, attitude change & behavior charge	Indirect	Moderate or short
Personal selling	Sales	Direct	Short
Sales promotion	Sales	Semi direct	Short
Direct marketing	Behavior change	Semi direct	Short
Public relation	Attitude change	Semi direct	Long
Point-of-sale packaging	Behavior change	Direct	Moderate

*Source: WELLS, BURNETT, MORIARTY, Advertising Principles and Practice*

At the same time, this has been another fact that communication with consumers and other business requires more than simply creating attractive advertisements and eventually it has pushed an another promotional concept known as an ‘Integrated Marketing Communication’ (IMC). An effective IMC process integrates numerous marketing activities into a single package, making it possible or companies to reach their target markets and other audiences more effectively.

Although IMC program has been described in several ways, the consensus is to define them as follows: Integrated Marketing Communication (IMC) is the coordination and integration of all marketing communication tools, avenues and sources within a company into a seamless program that maximizes the impact on consumers and other end users at a minimal cost. This integration affects all of a firm’s business to business, marketing channel, customer focused, and internally directed communications. Integrated marketing begins with the development of a master marketing plan. The marketing plan is the basis of the total integrated communication design. The plan provides the coordination of efforts in all components of the marketing mix. The purpose of the plan is to achieve harmony in relaying messages to customers and other publics. According to the American Association of Advertising Agencies (four A’s), IMC is a concept of marketing communication that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines for example, general advertising, direct response, sales promotion and public relations and combines these disciplines to provide clarity, consistency and maximum communication’s impact through the seamless integration of discrete messages.

Nevertheless, IMC does produce stronger message consistency and greater sales impact and it will improve the company’s ability to reach the right customers with right messages at the right time and in the right place.



The primary steps i.e. the first step required to complete a marketing plan is a situational analysis, which is the process of examining factors from the organization's internal and external environments. The analysis identifies external environmentally-generated marketing problems and opportunities; internal company strengths and weakness are also considered during this step. When the situation is fully understood, the second step is to define primary marketing objectives. These objectives normally are spelled out in the areas of sales, market share, competitive position, and desired customer actions. Based on these marketing objectives, a marketing budget is prepared and marketing strategies are finalized. The marketing strategies include the ingredients of the marketing mix plus all positioning, differentiation and branding strategies the firm wants to use. From these strategies, marketing tactics emerge to guide the day by day steps necessary to support marketing strategies. The final step in the marketing plan is the evaluation of performance. These six steps are similar to those prescribed by management strategists attempting to integrate all company activities into one consistent effort. When properly designed and followed, they provide guidance to company leaders and marketing experts as they try to make certain the firms' total communication package is fully integrated.

## **2.4 Functions and Types of Advertising**

Advertising is complex because so many advertisers try to reach so many different types of audience.

### **2.4.1 Function of Advertising**

**Inform:** This kind of advertising is executed in the pioneering stage of a product category where the objectives is to build primary demand.

**Persuade:** This becomes important in the competitive stage, where a company's objective is to build selective demand for particular brand. For example, Chivas Regal attempts to persuade consumers that it delivers more taste and status than

other brands of scotch whiskey. Some persuasive advertising uses comparative advertising, which makes an explicit comparison of the attributes of the two or more brands.

**Remind:** It is important with mature products. A related form of advertising is reinforcement advertising, which seeks to assure current purchasers that they have made the right choice.

#### **2.4.2 Types of Advertising**

**Brand Advertising:** The most visible type of advertising is national consumer, or brand advertising. Brand advertising focuses on the development of a long term brand identity and image.

**Retail or Local Advertising:** Agent deal of advertising focuses on retailers or manufactures that sell their merchandise in a restricted area. In the case of retail advertising, the message announces facts about products that are available in nearby stores. The objectives tend to focus on stimulation store traffic, and creating a distinctive image for the retailer. Local advertising can refer to a retailer or a manufacturer or distributor who offers products in a fairly restricted geographic area.

**Political Advertising:** Politicians use advertising to persuade people to vote for them or their ideas, so it is an important part of the political process that permits candidate advertising. Critics worry that political advertising tends to focus more on image than on issues, meaning that voters concentrate on the emotional part of the message or candidate, often overlooking important differences.

**Directory Advertising:** Another type of advertising is called directory advertising because people refer to it to find out how to buy a product or service. The best known form of directory advertising is the yellow pages, although there are other kinds of directories such as trade directories, organization directories and so forth.

**Direct Response Advertising:** Direct response advertising can use any advertising medium, including direct mail, but the message is different from that

of national and retail advertising in that it tries to stimulate a sale directly. The consumer can respond by telephone or mail, and the product is delivered directly to the consumer by mail or some other carrier.

**Business-to business Advertising:** Business-to-business advertising include only message directed at retailer, wholesaler and distributors and from industrial purchasers and professional such as lawyers and physician to other businesses, but not to general consumers. Advertisers place most business advertising in publications or professional journals.

**Institutional Advertising:** Institutional advertising is also called corporate advertising. These messages focus on establishing a corporate identity or winning the public over to the organizations point of view. Many of the tobacco companies are running ads that focus on the positive things they are now doing, and ads for America's pharmaceutical companies are also adopting that focus.

**Public Service Advertising:** Public service announcements (PSAs) communicate a message on behalf of some good cause, such as driving under the influence or preventing child abuse. These advertisements are usually created by advertising professional free of charge and the media often donate the space and time.

**Interactive Advertising:** Interactive advertising is delivered to individual customers who have access to a computer and the internet. Advertisers use web pages, banner ads and email to deliver their messages. In this instance, the consumer can respond to the ad or ignore it.

**Function of Advertising:** Even though each ad or campaign tries to accomplish goals unique to its sponsor, advertising performs three basic functions.

**Provide Product and brand Information:** Although many ads are devoid of information, providing the consumer with relevant information that will aid decision making is still the main function of advertising. The information given depends on the needs of the target audience. In the case of purchasing a new suit, needed information might be price and out let location.

**Provide Incentives to Take Action:** In most instances, consumers are reluctant to change their buying behaviors. Even if they are somewhat dissatisfied with

their current product, a habit has been established and learning about a new product is difficult. Advertising sometimes gives the consumer reasons to switch brands, if that's the goal. Convenience, high quality, lower price, warranties these all might be stressed in advertising.

**Provides reminder and reinforcement:** Most of the advertising is directed at keeping current customers. Consumers forget why they bought a particular brand of micro wave or automobile. Advertising must constantly remind the consumer about the name of the brand, its benefits, its value and so forth. These same messages help reinforce the consumer's decision. Most TV advertising provides these functions.

## **2.5 Advertising Program**

Advertising is part of a sound marketing plan. A well-planned advertising program is continuous and has a cumulative effect. So, it should include in corporate planning. Advertising campaign is the creation and execution of a series of advertisements to communicate with a particular target audience. Understanding specific consumer problems is often the key to developing an appropriate advertising campaign. Advertising campaign represents an important means by which organizations communicate with their customers, both current and potential. According to Bendixen (1993), the specific objectives of an advertising campaign may adopt many forms e.g.:

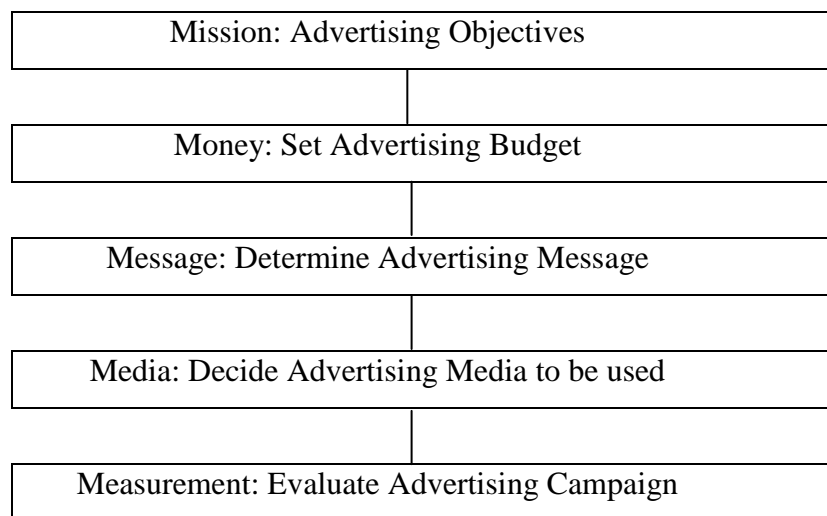
- Create success of a new product or brand
- Inform customers of a features and benefit of the product or brand
- Create the desired perception of the product or brand
- Create preference for the product or brand
- Persuade customers to purchase the product or brand

Such objectives are all aimed at a higher purpose of enhancing the buyers' response to the organization and its feelings so as to achieve profitable sales in the

long run. All the managerial should give times and effort for planning and execution of advertising program as ideas and proper planning is what makes an effective advertisement. They should proceed to make the five major decisions in developing an advertising program known as the five Ms (P. Kotler, 2010).

- **Mission:** What are the advertising objectives?
- **Money:** How much can be spent?
- **Message:** What message should be sent?
- **Media:** What media should be used?
- **Measurement:** How should the results be evaluated?

**Figure 2.2**  
**Steps of Advertising Program**



*Source: P. Kotler, 2010*

- **Mission: Advertising objectives**

An advertising objective is a specific communication task to be achieved with a specific target audience during a specified period of time. Advertising objectives would be to inform, persuade and to remind.

- **Money: Set the Advertising Budget**

Marketer should remember that the role of advertising is to create demand for a product. The amount spent on advertising should be relevant to the potential sales impact of campaign. Setting the advertising budgets is not easy. How can a business predict the right amount to spend, which parts of the advertising campaign will work best and which have relatively little effect.

- **Message: Determine the key Advertising Message**

Spending a lot on advertising does not guarantee success. Research suggest that the clarity of the advertising message is often more important than the amount spent. The advertising message must be carefully targeted to impact the target customer audience. A successful advertising message should have the following characteristic:

Meaningful: message must be meaningful

Distinctive: capture the customer's attention

Believable: a difficult task, since research suggests most consumer doubt the truth of advertising in general

- **Media: Decide with Advertising Media to be used**

There are a variety of advertising media from which to choose. A campaign may be one or more of the media alternatives. The key factors in choosing the right media include.

**Reach:** what proportion of the target customer will be exposed to the advertising?

**Frequency:** how many times will the target customer are exposed to the advertising message?

**Media Impact:** where, if the target customer sees the message-will it have most impact? Another key decision in relation to advertising media related to the timing of the campaign. Some products are particularly suited to seasonal

campaigns on television (e.g. Christmas hampers) whereas for other products, a regular advertising campaign throughout year in media such as newspapers and specialist magazines is more appropriate.

- **Measurement: Evaluate Advertising Campaign**

The evaluation of an advertising campaign should focus on two key areas.

**The communication effect:** is the intended message being communicated effectively and to the intended audience.

**The sale effect:** has the campaign generated the intended sales growth. This second area is much more difficult measures.

*(Ref: tutor2u™.com)*

Among these five program, measurement i.e. testing the advertisement effectiveness is very important, yet every difficult part of advertising management. It is advertising research that determines gap between the promise and the result achieved. Most of the measures of advertising effectiveness is of an applied nature, dealing with specific advertisement and campaign. All major advertising campaign will be evaluated by research.

## **2.6 Effectiveness of Advertising**

Today, advertising finds itself in a serious bind. With a down economy, the tragedy of 9/11 and new technology that may threaten the way advertising operates, there is a need to rethink advertising as a strategic alternative. Advertising will only survive and grow if it focuses on being effective. All advertisers are expecting specific results, based on their stated objectives. Clients expect proof, and, for the most part, that proof must lead to or actually produce sales. It is no longer acceptable to tell a client 'Our ads work, we just don't know how, when and with what results'.

Only the advertiser (and the supporting ad agency) knows whether the ad campaign reached its objectives, and whether the ad truly was worth the money. But are all award-winning ads effective ads? Not necessarily. In August 1996, Nissan launched one of the most memorable advertising campaigns in automotive history. Lively, music-filled commercials featured dogs, dolls, a grinning Japanese man and the friendly tagline, 'Enjoy the Ride'. One spot had an action figure pick up his Barbie-like date in a toy car to tune of Van Halen's 'You Really Got Me'. Time Magazine named it the best commercial of the year. Nissan poured \$330 million into the campaign.

Too bad it didn't sell cars. Nissan's US sales declined steadily during the first six months of the campaign, and, more alarmingly, the number of consumers planning to buy a Nissan was at its lowest point in six years. Dealers were irate because the campaign didn't show the car. Nissan posted a \$518 million loss in fiscal year 1998. Needless to say, the company cancelled the campaign.

Effective ads work on two levels. First, they should satisfy consumers' objectives by engaging them and delivering a relevant message. And, as we said, the ads must achieve the advertiser's objectives. Initially, a consumer may be interested in watching an ad for its entertainment value or to satisfy her curiosity. If the ad is sufficiently entertaining, she may remember it. However, she may then learn that the ad relates to a personal need and provides relevant information about how to satisfy that need. The ad may also offer enough incentive for the consumer to risk change because it shows her how to satisfy her needs in a manageable way. Further, ads may reinforce her product decisions and remind her of how her needs have been satisfied.

The advertiser's objectives differ from the consumer's. Ultimately, advertisers want consumers to buy and keep buying their goods and services. To move consumers to action, they must gain their attention. They must then hold their



interest long enough to convince them to change their purchasing behavior, try product and stick with their product.

Three broad dimensions characterize effective advertising: strategy, creativity and execution. This study highlights these three dimensions:

**Strategy:** Every effective ad implements a sound strategy. The advertiser develops the ad to meet specific objectives, carefully directs it to a certain audience, created its message or speak to that audience's most important concerns and runs it in media (print, broadcast or the internet for instance) that will reach its audience most effectively.

**Creativity:** The creative concept is the ad's central idea that grabs your attention and sticks in your memory. A concern for creative thinking drives the entire field of advertising. Planning the strategy calls for imaginative problem solving: the research efforts need to be creative, and the buying and placing of ads in the media require creative thinking. Advertising is an exciting field because of the constant demand for imaginative solutions to media and message problems.

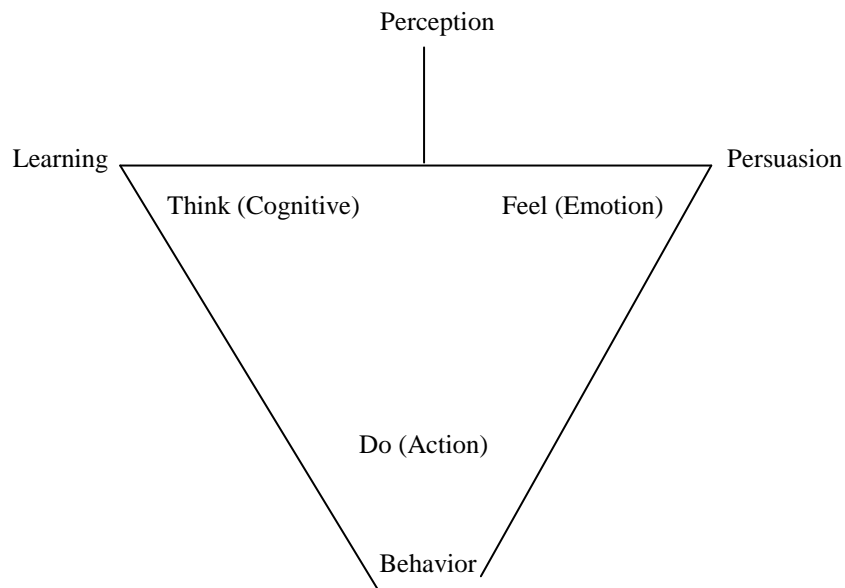
**Execution:** Finally, effective ads are well executed. That means that the details, the photography, setting, printing and the production values all have been fine-tuned. Many of these techniques are standard in the industry, such as the use of products created by Adobe, a popular computer graphics software manufacturer.

Good advertisers know that how you say something is just as important as what you say. What you say comes from strategy, whereas how you say it is a product of creativity and execution. Strategy, creativity and execution all contribute to whether and ad wins an award. But, as noted in the 'A matter of Principle' box, winning awards is only important if advertising objectives are achieved. Although these three conditions must be met for an advertisement/campaign to be considered effective, they are not isolated. They depend on the types of impacts advertisers hope to create in the minds of the people who read, view or listen to the ads.

Understanding the various types of intended effects that typically are the goals of advertising is the way we evaluate whether an ad is effective. However, effectiveness only occurs to the degree that certain effects such as the impact or results of a message are accomplished. In order, then, to understand what effectiveness means in advertising, we need to have an idea of the key effects, or results, that advertising can typically accomplish.

A simplified model of a set of typical effects that advertisers hope to achieve is presented below:

**Figure 2.3**  
**Effectiveness Factors**



*Source: WELLS, BURNETT, MORIARTY*

In this model, first level is perception, which means the advertiser hopes the ad will be noticed and remembered. Then there are two categories of effects that are either focused on learning, which means the audience will understand the message and make the correct associations, or persuasion, which means the advertiser,

hopes to create or change attitudes and touch emotions. The last major category of effects is behavior getting the audience to try or buy the product, or perform some other action. In advertising strategy and planning, these effects are referred as objectives. Every advertiser, deep down inside, hopes or assumes that each ad will produce sales. However, we know that to get to the sale, there are communication activities that need to take place and these are often the best indicators of the success of an advertising message, because other marketing variables may have more impact on sales. The relationship may be casual-the ad created \$\$ in sales response or it may only make a partial contribution or lead prospects part of the way to sales. It may also reflect the kinds of communication effects that messages can be expected to deliver, such as understanding or conviction.

In addition, two other assumptions must be considered in analyzing advertising objectives. First, advertising communication objectives are derived from the company's marketing objectives. So, if Red Robin restaurants have an objective to increase market share by 5 percent, this should have a direct impact on the stated communication objectives. In other words, the advertising objectives are designed to contribute to the accomplishment of this market share objective. The second assumption is that any of the communication objectives may be legitimate, even the ones that aren't focused directly on a sale, for example, Expedia.com is a new consulting company and it views its advertising as a way to draw attention to itself, create name recognition and create understanding of the products and services it sells. The key effects from figure 2.3, which are used to determine the effectiveness of an advertisement, are further explained in table 2.3.

**Table 2.3**  
**Message Effectiveness Factors**

Key Message Effect	Surrogate Measures	Communication Tools
Perception	Exposure Attention Interest Memory Recognition/Recall	Advertising Media Public Relations Advertising; Sales Promotion; Public Relations Advertising; Sales Promotion; Public Relations
Learning	Understanding Image and Association Brand Links	Public Relation, Personal Selling; Direct Marketing; Advertising Advertising; Public Relations, Point of Purchase Ads
Persuasion	Attitudes: Form of change Preference/Intention Emotions and Involvement Conviction: Belief, commitment	Public Relation, Personal Selling; Direct Marketing; Advertising Advertising; Public Relations, Personal selling events Personal selling; direct marketing
Behavior	Trial Purchase Repeat Purchase Use More	Sales Promotion; Personal Selling; Direct Marketing Sales Promotion; Personal Selling; Direct Marketing Sales Promotion; Personal Selling; Direct Marketing

*Source: WELLS, BURNETT, MORIARTY*

Here the key categories of message effects are listed down the left side. The second column is labeled ‘surrogate measures’ and refers to the way advertisers evaluate how well the advertising worked, how effective the advertising was in

meeting its objectives. The advertising industry, led by agencies, has developed a set of measures that are indicators of these key effects. The exact terminology will vary, but the effectiveness of most advertising is evaluated based on such factors as consumers' exposure, attention, interest and so forth.

The next column lists the communication tool or tools that may be most appropriate for achieving the objective. Even though this study focuses on advertising, we recognize that advertising is just one part of the market communication mix, along with sales promotion, public relations, direct marketing, events and personal selling. There are communication objectives that are more effectively accomplished through advertising, but there are situations where other communication tools may be more effective.

As examination of Table 2.3 shows that advertising is effective in accomplishing several objectives; for instance, creating exposure, attention and encouraging repurchase. However, other marketing communication tools, such as sales promotion, are better at getting people to respond with a purchase or other types of actions. Most advertisers try to measure the communication effect of an ad—that is, its potential effect on awareness, knowledge or preference. They would also like to measure the ad's sales effect. And the main objective of this study is to measure the sales effects of the advertising.

**Communication-Effect Research:** Communication effect research seeks to determine whether an ad is communicating effectively. Called copy testing, it can be done before an ad is put into media and after it is printed or broadcast. There are three major methods of advertising presetting. The direct rating method asks consumers to rate alternative ads. These ratings are used to evaluate an ad's attention, read-through, cognitive, affective and behavior strength. Although an imperfect measure of actual impact, a high rating indicates a potentially more effective ad. Portfolio tests ask consumers to view or listen to a portfolio of

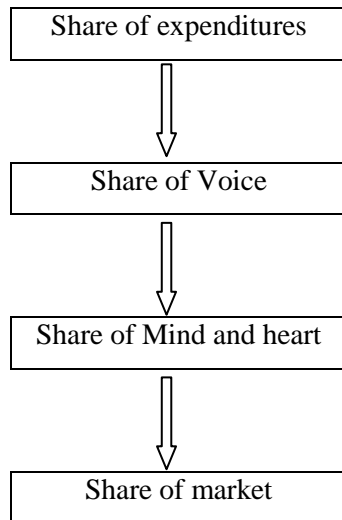
advertisement, taking as much time as they need. Consumers are then asked to recall all the ads and their content, aided or unaided by the interviewer. Recall level indicates an ad's ability to stand out and to have its message understood and remembered. Laboratory tests use equipment to measure physiological reactions-heartbeat, blood pressure, pupil dilation, perspiration to an ad. These test measure attention getting power but reveal nothing about impact on beliefs, attitudes or intentions.

Advertisers are also interested in post testing the overall communication impact of a completed campaign. If a company hoped to increase brand awareness from 20 percent to 50 percent and succeeded in increasing it to only 30 percent, then the company is not spending enough, its ads are poor, or some other factor has been ignored.

**Sales –Effect Research:** What sales are generated by an ad that increases brand awareness by 20 percent and brand preference by 10 percent? Advertising's sales effect is generally harder to measure than its communication effect. Sales are influenced by many factors, such as the product's features, price and availability, as well as competitors' action. The fewer or more controllable these other factors are, the easier it is to measure effect on sales. The sales impact is easiest to measure in direct-marketing situations and hardest to measure in brand or corporate-image-building advertising. Companies are generally interested in finding out whether they are overspending or under spending on advertising. One approach to answering this question is to work with the formulation shown in figure 2.4.

**Figure 2.4**

**Formula for Measuring Sales Impact of Advertising**



*Source: P. Kotler (2010)*

A company's share of advertising expenditures produces a share of voice that earns a share of consumers' minds and hearts and ultimately a share of market. Peckham studied the relationship between share of voice and share of market for several consumer products over a number of years and found a 1 to 1 ratio for established products. Using this information, let us suppose that we observed the following data for three well-established firms selling an almost identical product at an identical price.

**Table 2.4**

	(1) Advertising Expenditure	(2) Share of Voice	(3) Share of Market	(4) Advertising Effectiveness (column 3/Column 2)
<b>A</b>	\$2,000,000	57.1	40.0	70
<b>B</b>	\$1,000,000	28.6	28.6	100
<b>C</b>	\$500,000	14.3	31.4	220

*Source: P. Kotler (2010)*

Firm A spends \$2 million of the industry's total expenditures of \$3.5 million, so its share of voice is 57.1 percent. Yet its share of market is only 40 percent. By dividing its share of market by its share of voice, we get an advertising-effectiveness ratio of 70, suggesting that firm A is either overspending or misspending. Firm B is spending 28.6 percent of total advertising expenditures and has a 28.6 market share; the conclusion is that it is spending its money efficiently. Firm C is spending only 14.3 percent; the conclusion is that it is spending its money super efficiently and should probably increase its expenditures.

Researchers try to measure the sales impact through analyzing either historical or experimental data. The historical approach involves correlating past advertising expenditures using advanced statistical techniques. Palda studied the effect of advertising expenditures on the sales of Lydia Pinkham's vegetable Compound between 1908 and 1960. He calculated the short-term and long-term marginal sales by only \$50 in the short-term, suggesting that Pinkham spent too much on advertising. But the long term marginal sales effect was three times as large. Palda calculated a post tax marginal rate of return on company advertising of 37 percent over the whole period.

## **2.7 Method of Testing Advertising Effectiveness**

As per the need and nature of the business, there are some methods for testing advertising effectiveness which are presented below but the main focus of this study has been given to the total sales generated in a year in comparison to the advertising expenses of these sample firms.

### **2.7.1 Recall Test**

Recall test is conducted by providing the respondents some contextual cues on the basis of which they are expected to recall the advertisement. The cue can be in the



form of the name of the newspaper or magazine in which the advertisement was published or the television which carried the advertisement related information recalled by the consumer. Recall scores are prepared on the basis of their responses and are used to indicate the power of the ad to be noticed and retained. Recall scores are prepared on the basis of their responses and are used to indicate the power of the as to be noticed and retained. Recall of specific messages from advertising is not a very good indicator of advertising effectiveness and some very effective commercials produce little measurable message recall. Message recall is a positive factor, but its importance should not be overstated.

### **2.7.2 Recognition Test**

Recognition test are generally conducted to test the effectiveness of print advertisement. Under this method, the selected respondents are given the print mediums, in which the advertisement was published. They are asked to identify a particular advertisement published or broadcast in the medium. The technique is called recognition method because it is assumed that the readers will indicate things which he recognizes as having read. Unlike the recall procedure, the respondent is not asked to reconstruct any part of the original advertisement. Recognition tests seldom attempts to penetrate to the reader's buying motives and habits, nor do they seek his opinion. Their usual purpose is to discover the relative attention-value and interest of advertisements. Usually they are made by personally interviewing representative readers of a publication and asking them to identify the advertisement which they remember having seen or read. Obviously, the element of recall enters all recognition tests, because made sometime after the between the appearance of the publication and the interview the greater the chance of forgetting, the interview are usually blamed upon current or recent issues of magazines. For each ad, three different Starch readership scores are prepared from the recognition data.

**Note:** The percentage of readers of the magazine who say they have previously seen the advertisement in the particular magazine.

**Seen/Associated:** The percentage of readers who say they have seen or read any part of the ad that clearly indicates the names of the product or service of the advertiser.

**Read Most:** The percentage of readers who not only looked at the advertisement, but who say that read more than half of the total written material in the advertisement.

### **2.7.3 Inquiry Test**

The oldest and still the most popular method of testing advertisement is by the number of inquires. It is controlled experiment conducted in the field. In inquiry test, the number of consumer enquires produced by an advertising copy or the medium is considered as the measure of its communication effectiveness. Therefore the number of inquires is the test of effectiveness which can be produced only when the advertising copy or the medium succeeds in attracting and retaining reader or viewer attention. Ads generating the most responses are presumed to be the most effective.

### **2.7.4 Triple-Association Test (TAT)**

This test is done to know whether the prospective consumer know the brand of product or not. The advertisers attempts to know consumers association of brands with some benefits or the other. In the triple-association test, the respondent is provided with clues or ideas with which he is asked to associate a brand. For example: which noodles advertises as *Paknama Chhito Khanama Mitho*? If answer is '*Wai-Wai*' then it is correct to say that he has made the right association between the brand name of the noodles and its advertising theme. Through this test the advertiser try to discover what ideas have been registered by the advertising in the minds of the public and what action has resulted from it. Thus, an advertiser subscribing to the service may have inserted in the interview some question that will indicate how successfully his advertisements have achieved their objective.

### **2.7.5 Sales Test**

Advertising is intended, directly or indirectly, to solicit sales, since the ultimate objective of many advertising campaigns is an increase of sales, an ideal test would be one that measures, not the number who see and read, or the number who inquire, but the number of actual sales that result from an advertisement. But it is difficult to segregate the effects of an individual advertisement from those of preceding advertisement and other sales-producing factors. Seldom does a single advertisement deserve all the credit for the sale. Nevertheless some tests have been devised which measure relative values with a fair degree of accuracy.

### **2.7.6 Attitude Test**

Advertisement effectiveness can be derived from different mediator. It has been most common in advertising research to examine the effectiveness of the advertising by means of the attitude concept. Attitude is defined as ‘an individual’s internal evaluation of an object’. Attitude toward the ad can be defined as a ‘predisposition to respond in a favorable or unfavorable manner to a particular advertising stimulus during a particular exposure occasion’. This is an indirect measurement of the post-testing effects of ads on attitudes as a result of advertising is assessed. The assumption is that favorable attitude towards the product may lead to purchases. Most ads are designed to either reinforce or change existing attitudes. An attitude is a favorable or unfavorable feeling about a product.

The attitudes are measured by rating scales. Indirectly, the individual is asked to indicate his agreement or disagreement with certain statement, thus overcoming the need of self-assessment. The score calculated on the basis of agreements disagreements is taken as a measure of the attitude of an individual. Several types of indirect scales are now available to measures attitudes. Directed questions, semantic differential tests, or unstructured questions are given to measure changes in respondents attitudes after an advertising campaign.

### **2.7.7 Profit**

Profit is the base for the existence of any kind of the firm. For the corporate houses, business firms the surplus in between the total sales revenue to the total cost is termed as the profit and it is which that makes possible for the long-term survival and the growth of those firms.

Profit is the most for the survival and growth of any business entity but profit doesn't just happen or improve. They are managed, management of the profits require planning, activating, coordinating and controlling of divergent organizational activities bearing direct or indirect effects on profit. And the one that is being discussed is advertising and the level of the profit is also greatly affected by the success or the failure of the whole advertising campaign.

Thus, an advertising campaign has a significant contribution in the level of profit generation, so it should be systematically, planned, executed, monitored and evaluated so that it comes a great help for those firms to achieve the end results quite matching to the intended ones.

### **2.7.8 Sales Turnover**

As stated earlier, even the best product manufactured cannot sell in its own. Going to personal selling is almost an impossible task to carryout for the firms to sell their product services and the ideas in this competitive environment which has been growing on and on domestically and globally so advertising comes as a major weapon to fulfill all these necessities to promote and enhance the sales level. And the thesis conducted by **Aryal, (1996)** about **“Consumers Impact through Electronic Media”** concluded that there is a positive relationship between advertisement and sales volume. Advertising not only helps to enhance the sales volume but also to maintain and improve the sales level further in the future.

It is said 'Good wine needs no bust'. This information about the product should reach those who are interested in buying such products. In a highly sensitive and competitive marketing not alone by reducing the costs but multiplying the sales turnover rate finally reflecting in maximum total profits. Sales of the firm can be multiplied by advertising that involves additional expenditure. Effective advertising programme of a sponsor to cover additional expenditure of advertising as it result in favorably changing the consumer attitude. Quick turnover will mean reduced lock-up of capital, costs, wastages and losses as the stock on the shelves is held for a shorter period.

The rate of sales turnover once achieved is not only to be maintained but also improved upon further. Advertising does this by repeat sales. A regular, effective and frequent advertising helps to ensure a more loyal clientele by keeping the name, location and the products of the selling house constantly before the customers. Under the normal business conditions; advertising helps not only in maintaining but extending the sales turnover. Even during the periods the depression the sales profile of the firms advertising has not been adversely affected, during the depression period, the point lies in reducing the losses are common to all firms where advertising has its helping hand.

## **2.8 Public Awareness and Knowledge**

Advertising helps to generate awareness about the products, services or ideas to the target group of the customers by letting them know that such products, services or the ideas do exist around them. It plays so important role in the context of the people like Nepalese about awareness generation among the people as most of them are ignorant and inaccessible due to the situational, geographical and political advertise. It may be commercial awareness regarding the product, services or the ideas or non-commercial awareness like health awareness, educational awareness, awareness regarding their rights etc.

Which, eventually will help to educate the target group of the customers to enhance more knowledge about the products, services and the ideas? Where it helps them have more information regarding the attributes, features, price, availability of such products so that consumer can buy the best one that exactly fits the deficit and needs. Collectively advertising is one of the major tools to generate a public awareness and to educate more to have more knowledge about the products, services and the ideas.

## **2.9 Review of Previous Related Studies**

A Study done by **Parajuli, (2006)** entitled with “*A study of Market situation of instant noodles in Lalitpur Valley*” with the major objectives

### **Objectives:**

- To know the demand and supply of instant noodles in the market of Lalitpur Valley.
- To examine the potential consumers of instant noodles in Lalitpur Valley.
- To obtain the consumers opinion on price, quality and test on instant noodles.
- To find out the popular media of advertisement for the instant noodles.

### **Major Finding:**

- Demand of instant noodles is highly increasing in Lalitpur Valley.
- Consumers give more preference to the taste and less preference to the brand and quality.
- Most of the consumer who consumed the instant noodle is under 20 year of age.
- Most of student has been using instant noodles as Tiffin in comparison to other professional area.
- Most of the respondents think that the quality of instant noodles is of moderate quality with reasonable price. Instant noodles have been taken as hygienic food compared with different taste of fast food.

A Study done by **Shrestha, (2007)** entitle with “*Role of advertising activities of Bottlers Nepal Ltd. and Pepsi cola Ltd.*” with the following major objectives

**Objectives:**

- To justify the comparative advantage from advertisement of Coca cola company and Pepsi cola company.
- To determine the expenses for advertisement by the company.
- To determine the most likely advertisement broadcasted by the company.

**Major Finding:**

- According to the most respondents Pepsi cola advertising is better than Coca cola.
- Both the products advertisement is viewed by the consumer of different age and sex group.
- Most of the consumer of different age likes TV advertisement of Coca cola.
- Now a days FM advertisement are becoming popular than other advertisement.
- Most of the consumer of different ages and sex group buy their product themselves.
- Consumer is mostly attracted by quantity rather than quality.
- Consumers are influenced by TV and FM advertisement.
- No one is influenced by personal selling.
- Newspaper advertisement is also getting popularity.
- According to female consumer of different age group they are agreed that advertisement is entertaining but for male consumer of different age it plays the role of informing.
- Both the products role is satisfactory for different age and sex groups of consumer.
- Mostly consumer of different age and sex are consuming the product before one year.

A Study done by **Pandey, (2008)** entitle with “*A comparative Advertisement with special reference to NTV*”

The objective of the study was to find out the opinion of the viewers of NTV program and its effectiveness as the media for advertisement. The special objectives were as follows:

- This study is conducted to fulfill the partial requirements of MBA program.
- To find out general attitude of NTV viewers.
- To find out influential factors to buy the product advertised.
- To find out how effective NTV advertisement has been in comparison to other media.
- To draw conclusion and make recommendation.

**Finding:**

- A large group of people watch NTV daily. So it is an effective medium of advertisement.
- Besides, it also indicates that the target group of ad should be women and people of age group 55 and above.
- Large number of viewers watches TV 1-4 hours daily.
- So it can be confirmed that most of them watch TV some hours daily.
- Demand of NTV in the market is quite low. It indicates that a fact that NTV programs should be improved so as to attract more and more people towards it.
- NTV has been facing competition due to introduction of foreign channel through space time net and cable operators like sky network, Himalaya network etc.
- It is also said that a lot of people watch NTV and foreign channels equally.
- In the light of above data, it can be said that viewers watch different channels of the basis of program they broadcast.



- Large number of people watches entertainment and news in foreign channels. The reason for that is variety in entertainment program and broadcasting of current news at regular interval
- It can also be said as the most preferable time to watch NTV is 8-9 pm.

A Study done by **Ghimire, (2009)** entitle with “*Profit Planning in Manufacturing Company in Nepal*”; a case study of Bottlers Nepal Ltd. She has concerned her study to examine the practice of profit planning and control in the manufacturing companies in Nepal.

**Her major finding:**

- The company has not maintained the broad and long range objectives and periodic report and objectives are limited to the high ranking official only.
- Relevant internal and external market variable are not fully explored.
- Cost classification is not systematic. There in no practice of segregating semi variable cost.
- Management information system is not performance based.
- Sales and production targets are not achieving due to defective forecasting.
- Enterprises has not financial plan, they have only sales and production forecast.
- There are no any proper criteria for performance evaluation for financial tools.

A Study done by **Adhikari, (2009)** entitle with “*Brand Preference of Instant Noodles*”; with the following major objectives.

**Objectives:**

- To find out the effective advertising media of noodles and their impact on sales and consumer.
- To examine the buying habit regarding the noodles and the behavior of the consumer.

- To find out the products attributes and pricing factor of noodles
- To suggest measure for promotional marketing of noodles products.

**Major finding:**

- Most of the consumers of noodles purpose is snacks and the place to consume is restaurants.
- Most of the consumers are consuming noodles frequently and from more than 3 years.
- The reason to consume the noodles is easy to consume.
- The highly familiar media is TV and radio with the age group of below 30 years old of consumer and those consumers who are above 30 years are familiar hording board and newspaper.
- Large number of consumer opined that TV is the best media for noodles advertisement.
- Most impressive advertisement has been found that these brands Mayos and Waiwai equally but the Mayos is most impressive with the age group of below 30 years and the brand Waiwai is impressive with the age of 30 year old consumers.
- The sales turnover of noodles is dependent upon their extensive advertisement. Event to survive and sustain in the market, advertising is necessary.
- Most of the consumer of noodles will buy the second preferred brand if their favorite brand is not available.
- Most of the respondents seek the brand Mayos as an alternative one if their favorite brand is unavailable.
- The brand Waiwai has been found in the first rant, Mayos second rant, Sakalakaboom third, 2PM fourth and Marry in fifth position.
- Moderate degree of price sensitivity has been found in brand preference.
- Most of the consumer of noodles suggests improving the quality of noodles.
- Large number of respondent show the brand switching tendency in attractive gift/prize program.

- The bumper prize is the most effective promotional factor in noodle promotion.

A Study done by **Baniya, (2010)** entitle with “*A study of buyer behavior in Lalitpur with special reference to cross-culture buying pattern*”; with the following objectives.

**Objectives:**

- To find out the brand pattern and purchases frequently of the clothing and the grocery products for the British-Gorkhas and the local people.
- To examine store name awareness, purchase location and store type used by the British-Gorkhas and local people for the purchase of clothing & grocery.
- To determine the criteria used by the British-Gorkhas and local people to choose a particular product, brand, store and their rank of order of importance.
- To find out the attitude of the British-Gorkhas and local people towards bargaining.

One hundred respondents were selected for the study. This study was based on primary data and all the required data were collected from 50 British-Gorkhas and 50 local people. For the statistical analysis, statistical tool such as Percentage, rank, Spearman’s rant correlation coefficient were used.

**The major finding of his study were**

- The purchase frequency of the grocery for the British-Gorkhas and the local people were similar to a large extent
- Majority of British-Gorkhas use foreign brands as well as a large number of local people adopts similar approach.
- Awareness level of British-Gorkhas is high on grocery items, but in case of clothing, it was found low in comparison to local people.
- As far as the criteria, used to choose a product is concerned, quickly and price is in the high profit of ranking.
- Both British-Gorkhas and local people have similar attitude towards bargaining.

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

Research methodology is the main body of the study. It attempts to find out how effectively the message given in print media is been received, understood and responded by the people. This topic includes the details of how the study has been carried out. It consists of research design, nature and source of data, population and sampling method, sources of data, data collection method and data analysis tools.

Research is the systematic and organized effort to investigate a specific problem that needs a solution. Research methodology refers to the various sequential steps to be adopted by a researcher in studying a problem with the certain objects in view to get the conclusion. The objective of this research work is to find out the answer of the questions.

The methodology, which has been used in this study, consists of research design, nature and sources of data, data gathering procedure and the analytical tools etc. This chapter explains the design of our research in detail. This is a systematic process of research activity. It includes various elements like sample size, process of sample selection, the variables employed, the source and method of gathering data, the reliability of instrument selected and statistical procedure in the analysis are carefully explained the various methodology used in this are explained below. This chapter explains the specific research design to achieve the research target. It includes research design, nature of data, gathering procedure, population and sample and data processing procedure.

### **3.2 Research Design**

This research is of conclusive type in which experimental method has been used in a survey mainly aims to find out the communication effectiveness of print advertising. The study respondents have been exposed to print advertisements and their responses collected on a structured questionnaire. The data and information collected from the survey of the consumer will be rearranged, tabulated, analyzed and interpreted according to the need of the study for attaining the state objectives.

### **3.3 Nature and Sources of Data**

Most of data needed for our subject or research have been collected from the primary source of data of Lalitpur Valley. The questionnaire which includes various questions which comprises the research objective has been submitted to people and necessary information is collected. In addition to it, secondary source of data are also used. Different manuals and papers magazines and newspapers are referred to obtain the related data.

### **3.4 Population**

The population of this study embodied all the readers of the print advertising related of soft-drinks: Coke, Fanta, Pepsi and Dew, from with Lalitpur only.

### **3.5 Sampling Method**

This study will be based on stratified judgment sampling method. The total 100 samples will be based on the basis of age and sex. The population based on sex will be divided into two strata i.e. male (50) and female (50).

### **3.6 Source of Data**

The data will be primary in nature. The source of primary data for this study will be the people who will be exposed to the ad of soft drinks in the print media and some secondary sources will also use as a reference.

### **3.7 Data Collection Method**

Data collection will be done with the help of questionnaire and interviews with the respondents. They will be exposed to the ad message of the soft drinks in the printed form and will be questioned about the communication effectiveness of the advertisement given in the print media and the responses will be recorded in a structured questionnaire.

### **3.8 Data Analysis Tools Used**

The collected data will be presented in various tables, diagrams and charts with supporting interpretations. Data will be tabulated according to the nature of data. The tables will then be analyzed using descriptive and inferential statistical tools, such as mean, percentage and Chi-square tests.

This step is a blue print for decoding the information of the data collected from the primary and the secondary sources. And to do so statistical and mathematical tools has been used. Tables, Charts and Graphs, as per the need, have been used to demonstrate the data. The statistical tools would be Average, Percentage, Standard Deviation, Variance, Correlation and Regression Analysis and Coefficient of Variance (CV) in needed areas of the study while drawing inferential conclusion.

#### **3.8.1 Arithmetic Mean / Average (A.M.)**

Arithmetic mean or simply a 'mean' of a set of observations is the sum of all the observations divided by the number of observations.

Symbolically,  $\bar{X} = \frac{\sum X}{N}$

#### **3.8.2 Standard Deviation**

Standard deviation is defined as the positive square root of the mean of the square of the deviation taken from the arithmetic mean. It is denoted by  $\sigma$ .

$$\text{Symbolically, } \sigma = \sqrt{\frac{\sum(X - \bar{X})^2}{N}}$$

### 3.8.3 Variance

According to William I Greenwald the variance is the mean of the square deviations about the mean of a series. Thus, variance is the square of the standard deviation and is denoted by  $\sigma^2$ . For a frequency distribution variance is given by, (page 6.20, Fundamentals of Stats, S.C Gupta, Himalayan Publishing House, 2007)

$$\text{Symbolically, } \sigma^2 = \frac{1}{N} \sum f(X - \bar{X})^2$$

### 3.8.4 Coefficient of Variance (CV)

The percentage measure of coefficient of standard deviation is called efficient of variation. It is used for comparing the homogeneity, uniformity and variability of two or more distributions.

$$\text{Symbolically, C.V.} = \frac{\sigma}{X} \times 100$$

### 3.8.5 Correlation Analysis

Correlation is the measure of relationship between two or more characteristic of a population or a sample. It simply measures the changes between the phenomenon. If two quantities vary in a related manner so that a movement it increment or decreases in one tends to accompanied by a movement in the same or opposite direction in the other, they are called correlated. If the relationship is an inverse they are called positively correlated and if the relationship is direct they are called negatively correlated. If any change in one does not affect the other variable they are called uncorrelated. The correlation may be perfect, imperfect or zero.

Symbolically,  $r = \sqrt{b_{yx} \times b_{xy}}$  or

$$r = \frac{n\sum uv - (\sum u)(\sum v)}{\sqrt{n\sum u^2 - (\sum u)^2} \sqrt{n\sum v^2 - (\sum v)^2}}$$

### 3.8.6 Regression Analysis

When two or more sets of data are closely related one after wants to know both form of the association or relationship and the strength of the relationship. The measurement of the form of relationship between variables is called Regression Analysis. It deals with the procedure of estimation or prediction of unknown values of one variable from known values of another variable. Thus, it is the average relationship between two or more variable and it is used as a tool of determining the strength of relationship between two or more variables.

Symbolically,  $\bar{y} - \bar{y} = b_{yx} (\bar{x} - \bar{x})$



## **CHAPTER IV**

### **DATA PRESENTATION AND ANALYSIS**

This chapter analyses the responses of 100 respondents from Lalitpur that have been exposed to four types of soft-drink advertisement over various aspects of advertising communication effectiveness. Their responses have been analyzed using descriptive and inferential statistical tools.

#### **4.1 Exposures to Advertisement in Print Media**

Effectiveness of advertising largely depends on the exposure of advertisement. In order to measure the exposure of advertisement, the respondents were asked to state their intentional exposure to media in order to find out whether they deliberately browse through advertisement in the print media.

**Table 4.1**  
**Intentional Exposure to the Advertisements in Print Media**

Exposure to media	No and % of Respondents
Yes	67
No	33
Total	100

Source: Field Survey 2012

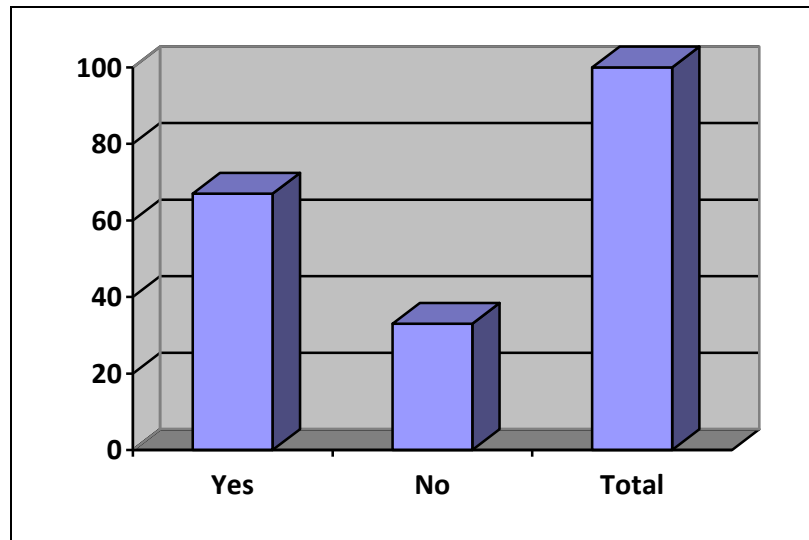
The table 4.1 shows the intentional exposure to the advertisement in the print media. According to this field summary out of 100% respondents, 67% respondents are positive towards the exposure to media and 33% respondents are negative exposure to media.

This indicates that two-third of the respondents intentionally look into the advertisement, which shows that there is high ration of advertisement exposure.

This is a very positive aspect for the advertisers and advertising agencies that make a great effort to draw the attention of readers to advertisements.

**Figure 4.1**

**Intentional Exposure to the Advertisements in Print Media**



## 4.2 Exposure to the Media

**Table 4.2**

**Exposure to the Media**

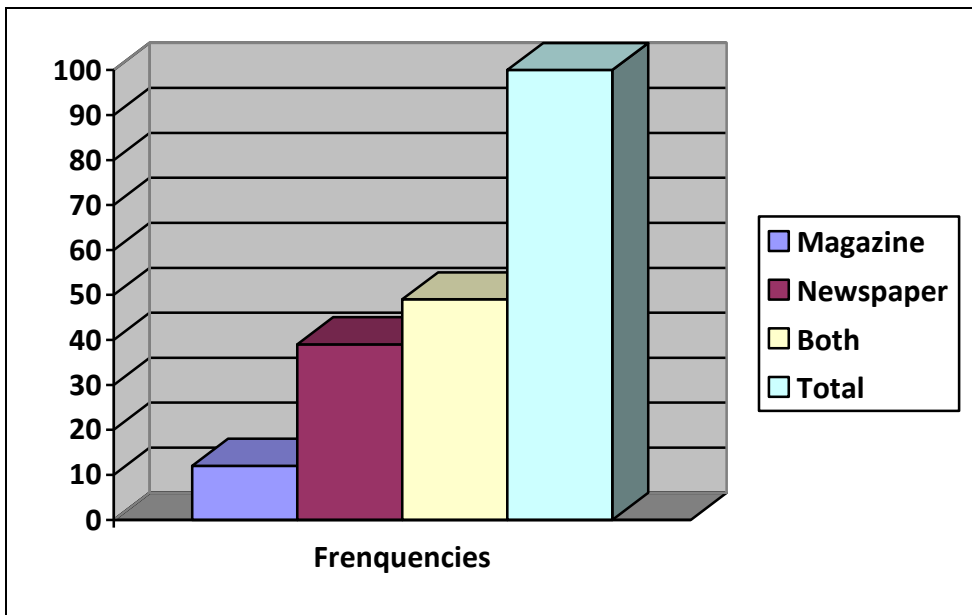
Media	No and % of Respondents
Magazine	12
Newspaper	39
Both	49
Total	100

Source: Field Survey 2012

Table 4.2 shows the readership in the print media (Newspaper, Magazine or Both). In the study it was found that 49% of the total respondents look at both newspapers and the magazines, 39% read only newspapers while 12% read only magazines.

This shows that about half of the respondents are the readers of both the media in terms of exposure to the newspaper is found to have higher exposure than the magazines among the sample respondents. Respondents expose that they read newspaper mainly due to its daily availability.

**Figure 4.2**  
**Exposure to the Media**



### 4.3 Believability / Credibility of Print Media

**Table 4.3**  
**Believability / Credibility of Print Media**

Scale	Newspaper	Magazine
5	7	6
4	43	31
3	35	46
2	10	12
1	5	5
Total	337	321
Mean Score	3.37	3.21

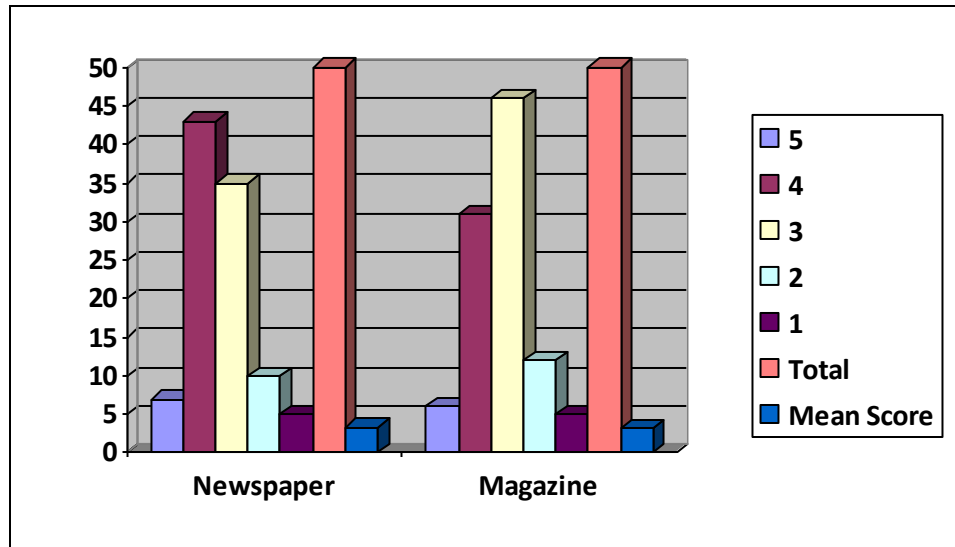
*Note: 5: Extremely believe, 4: Believe, 3: Average, 2: Don't believe 1: Extremely not believe*

Source: Field Survey 2012

Table 4.3 shows the believability / credibility of the respondents in the print media. Respondents were asked to rank the given media on a 1 to 5 scale point as for their believability / credibility and their mean score is calculated to compare them each other. Where including extremely believe, believe, average, don't believe and extremely not believe respondents (Refers to Appendix No C1 for calculation).

From the analysis it is clear that mean score of the newspaper (3.37) is higher than that of magazine (3.21). From this, it can be inferred that the credibility of the newspaper is marginally higher than that of magazine. This indicates that respondents also believe on the magazine as a credible source of information.

**Figure 4.3**  
**Believability / Credibility of Print Media**



#### 4.4 Credibility in the Media

**Table 4.4**  
**Credibility of the Media**

	Magazine					
	Scales	5	4	3	2	1
Newspaper	5	1	1	5	-	-
	4	5	19	13	4	2
	3	-	7	25	3	-
	2	-	3	2	5	-
	1	-	1	1	-	3

*Note: 5: Extremely believe, 4: Believe, 3: Average, 2: Don't believe 1: Extremely not believe*

Source: Field Survey 2012

Table 4.4 present the information on the credibility in the newspapers and magazines and their relation to each other expressed on a 1-5 ranking scale. The data presented in this table is used for having a chi-square test. While using chi-square test, scale 1 and 2 are merged and referred as “Don’t Believe” and scale 4 and 5 are merged and referred as “Believe” (Refer to Appendix No C2 for calculation)

The following null hypothesis has been set for testing:

H0: There is no association between the credibility of newspapers and magazines. At 0.05 significance level, as there is rejection of the null hypothesis, it indicates that there is association between the credibility of the newspaper and the magazines.

#### 4.5 Product Consumption and Attention

Attention to an advertisement is often influenced by the consumer’s product preference. Table 4.5 presents the number of consumers who are the frequent consumers, occasional consumer and/or non-consumers of the soft drinks; Coke, Fanta, Pepsi and Dew.

**Table 4.5**  
**Product (Soft Drink) Consumption Habit**

Drinks	Frequent Consumers	Occasional Consumers	Non-Consumers	Total
Coke	49	31	20	100
Fanta	28	35	37	100
Pepsi	18	38	44	100
Dew	2	20	78	100

Source: Field Survey 2012

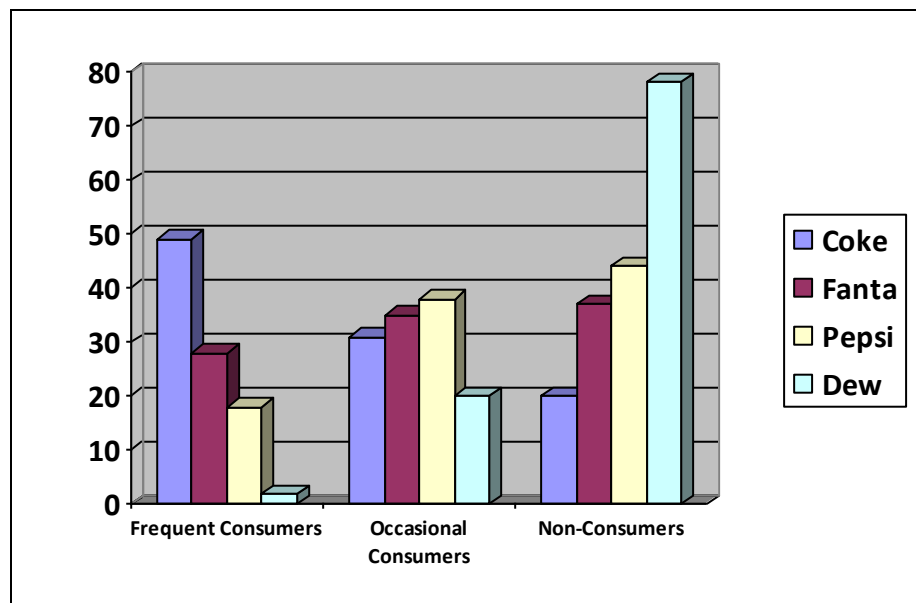
The table 4.5 shows that Coke, the number one soft drink in the world is popular in Nepal too. It is the preferred brand as 49 percent of the respondents are found

to frequently drinking Coca-Cola. It further shows that the Pepsi is the second choice (38 percent), Fanta the third choice (35 percent) and Dew the last choice of the consumers of cold drink in Lalitpur.

The analysis further shows that 78 percent of the respondents have not tried Dew as yet. Pepsi, though is popular among cola drinkers, its non-consumers seems to be very high (44 percent), whereas the non-consumers of coke is found to be only 20 percent.

In the study it is found that only 35% respondent's attention is drawn by the advertisement of the product they use or are interested in. Remaining 65% of the respondent's attention is drawn slowly by attractive advertisement. This indicates that the attractive advertisements are able to draw the attention of the respondents, irrespective of whether they are users or non-users of the product.

**Figure 4.5**  
**Product (Soft Drink) Consumption Habit**



## 4.6 Media Exposure

**Table 4.6**

**Exposure to the Advertisement of the Soft Drinks in the Media**

Media Type	Coke	Fanta	Pepsi	Dew
Newspaper only	9	4	7	11
Magazine only	2	5	1	1
Others (TV)	15	26	26	28
All available media	31	23	25	16
Newspaper / Magazine	5	3	2	1
Newspaper / other media	32	27	29	25
Magazine / other media	4	2	4	1
Not seen else where	2	10	6	17
Total	100	100	100	100

*Note: Other media is considered as the television media.*

Source: Field Survey 2012

The table 4.6 shows that 65% respondents have the exposure to the advertisement in the various available media. Exposure to an advertisement is often determined by the media, in which the advertisements launched. In this study, the respondents were asked to state their sources of exposure to the soft drink advertisements, the results have been presented in table 4.6.

The advertisement of the coke is found to be seen by 98% of the respondents. Considering a single advertisement medium, the highest exposure is in television, which account for around 155. In terms of a combination of two media newspaper plus television has the highest exposure.

With regards to Fanta, 90% of the respondents are found to have the exposure to its advertisement. Out of these respondents about 29% have seen the advertisement



in television and 30% in both the newspaper and television media. Similarly, 94% respondents are found to have exposure to the advertisement of Pepsi. Out of those who seen the advertisement, about 28% have seen it in the television and 31% in both newspaper and television.

For Dew the exposure is around 83%. Out of the respondents who are exposed to the advertisement of Dew, around 34% have seen it in television and about 30% in both the newspaper and television.

The analysis indicates that Coke's advertisement has the total highest exposure (98%), followed by Pepsi's advertisement (94%), Fanta's advertisement (90%) and Dew's advertisement (83%).

The exposure rate although various across the advertisement of four brands of the soft drinks, the rate is quite high. This may be due to the extensive advertisement campaigns of the popular brands of soft drinks through the national and local media. The analysis also showed that the newspaper and television have a high exposure effect for all soft drink advertisement.

#### **4.7 Attention value of Layout, Advertisement Concept, Message Content, Size and Colour**

Every advertisement has various components/aspects, which in combination produces the total communication effect of the advertisement. Each component also may have different attention value for different consumers. With regards to this, the respondents were asked to rate their attention value of different components on a five-point rating scale. The result has been presented in the form of a summary of mean values in a cross tabulation including the grand mean in table 4.7 (Refer to Appendix No C3 to C6 for calculation).

**Table 4.7**

**Attention value of various Aspect/Components of an Advertisement**

	Layout	Ad. Concept	Message Content	Size	Colour	Grand Mean
Coke	2.55	2.57	3.39	3.59	2.91	3.00
Fanta	3.63	3.43	3.44	3.60	3.59	3.54
Pepsi	4.11	3.77	3.51	3.74	4.25	3.89
Dew	3.55	3.61	3.30	3.47	3.28	3.44

Source: Field Survey 2012

The above table 4.7 shows that in the advertisement of Coke, the attention of the respondents is drawn by the size which has a mean score of 3.59 followed by message content with the mean score of 3.39. As concept (2.57) and layout (2.55) is perceived to be weaker elements by the respondents in terms of attention value.

Similarly in the advertisement of Fanta, the highest attention gaining element is perceived by the respondents to be the layout with the mean score of (3.63), followed by the size (3.60), colour (3.59), content (3.44) and finally the ad concept (3.43) with a mean scores. Similarly in the mean values of the different elements of the Fanta ad indicates that all elements have more or less equal weight in getting attention. This shows that Fanta ad is evenly balanced.

In the advertisement of Pepsi, most of the respondent's attention is found to be drawn by its layout which has a very high mean score of 4.11 followed by colour (4.25), ad concept (3.77) and size (3.74).

Likewise, the highest attention gaining element in the advertisement of Dew is it's ad concept (3.61) followed by its layout (3.55) and then its size (3.47) and colour (3.28).

A comparison of the attention value of the various components of the ad of the four brands of soft drinks can also be made through the above table. The layout of Pepsi ad (4.11) is perceived as having highest attention value followed by Fanta a (3.63) then Dew (3.55) and Coke (2.55).

The advertisement design of Pepsi is perceived by respondents as highly attention gaining as it has the high mean score of 3.77 followed by that of Dew (3.61) and then of Fanta (3.43).

The message content of Pepsi is prepared by perceived by respondents as highly attention gaining with a mean score of 3.51 followed by that of Fanta (3.44) then Coke (3.39) and Dew (3.30).

In terms of size and its attention value Pepsi comes first 3.74 followed by Fanta (3.60), Coke (3.59) and Dew (3.47).

The respondents were exposed to four soft drink print advertisements that were similar in their size. It is very interesting to note that they perceived the advertisement as having different sizes. This indicates to an interesting findings of this study is that though the size of each of the ad is same, the one which has stronger focused product display such as Pepsi ad is able to gain higher attention.

Similarly the most attention gaining colour is perceived to be Pepsi with a very high mean score of 4.25, Fanta being place second with a mean score of 3.59.

When comparing the four soft drinks advertise elements the most attention gaining advertisement is found to be of Pepsi with a grand mean of 3.89 followed by Fanta (3.54), Dew (3.44) and Coke at the end with the grand mean score of 3.0.

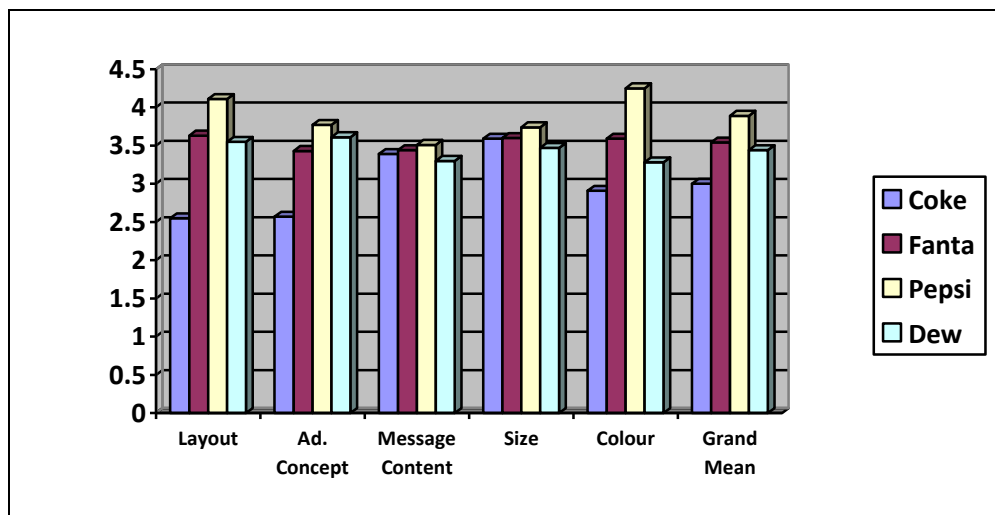
Through the above analysis it may be inferred that is a good colour combination is very essential to draw the attention of the respondents.

Presentation of the ad in natural setting also is found to be more attention gaining and like by many of the respondents. This has been clearly evident in the data collection process when respondents spontaneously found to be attracted by the advertisement of Pepsi.

Respondent's very first attention in the ad of Pepsi is found to have been captured by its blue background. It was the models (boys) of the Dew ad that gained their attention. In case of Coke ad clip the home theater shown in the advertisement was able to capture their first attention. In the case of Fanta ad, the price highlight was the first element to capture respondent's attention.

**Figure 4.7**

**Attention value of various Aspect/Components of an Advertisement**



#### **4.8 Recall and Attention Value of the Message Content**

The recall value of the message content is an important factor that determines the effectiveness of the advertisement. Recall is very important in low involvement products since consumers do not go through information search and largely rely on their memory for recall of the message content.

In this study respondents recall of the ad message were collected and then classified into three categories and presented in table 4.8.

- Full recall if they remember all aspects of the ad message content.
- Partial recall if they remember some aspects of the ad message content.
- No recall, if they don't remember any aspects of the ad message content.

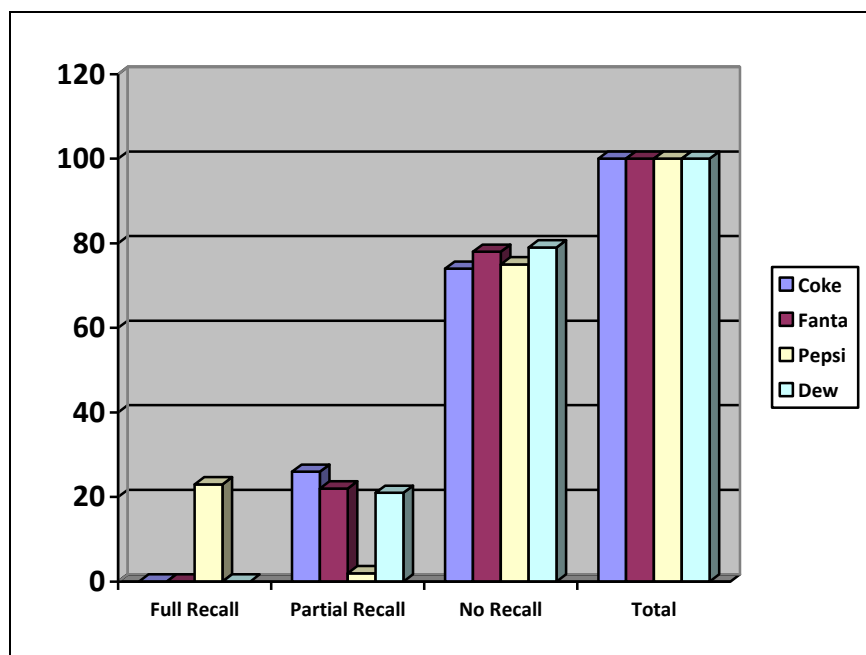
**Table 4.8**  
**Recall Value of the Message Content**

	Full Recall	Partial Recall	No Recall	Total
Coke	0	26	74	100
Fanta	0	22	78	100
Pepsi	23	2	75	100
Dew	0	21	79	100

Source: Field Survey 2012

The table 4.8 shows that only Pepsi has full of the message content amount 23 percent of the respondents. Coke message is partially recalled by 26 percent, Fanta message by 22 percent and Dew message by 21 percent. Pepsi had better recall value mainly due to short but strong message content.

**Figure 4.8**  
**Recall Value of the Message Content**



#### 4.9 Attention Gaining Value of the Message

**Table 4.9**  
**Attention Gaining Value of the Message**

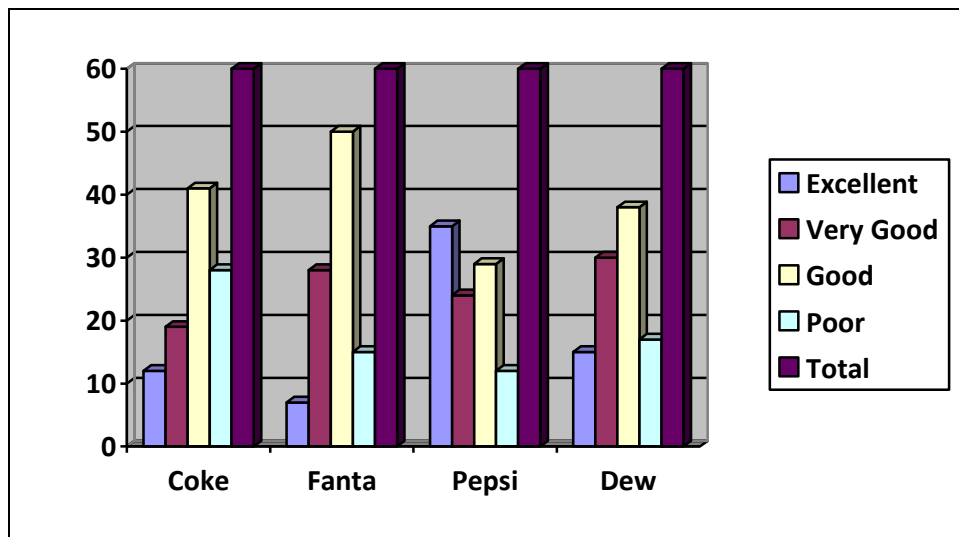
Media Type	Coke	Fanta	Pepsi	Dew
Excellent	12	7	35	15
Very Good	19	28	24	30
Good	41	50	29	38
Poor	28	15	12	17
Total	100	100	100	100

Source: Field Survey 2012

The table 4.9 shows that 35 percent of respondents felt that the message of Pepsi is excellent at getting the attention. The dew message had the second best attention gaining ability 30 percent, followed by Fanta 28 percent. Fanta and Dew message contents are also perceived to be strong in this respect as they have very good rating by 28 and 30 percent of the respondents, Coke's message content seems to lie largely at the lower end of the rating scale.

The analysis indicates that the ad presentation able to touch the emotions of the respondents is able to capture their attention whereas poor colour combination and long and too many information in an advertisement fails to capture their attention.

**Figure 4.9**  
**Attention Gaining Value of the Message**



#### 4.10 Comprehension Value of the Message

Every advertisement is designed in such a manner that it is well understood by the consumer and understood in a same manner as intended by the advertiser. Therefore, it is necessary the comprehensive value of the advertisement.

**Table 4.10**  
**Comprehension Value of the Message**

	Coke	Fanta	Pepsi	Dew
Full Comprehension	79	22	44	4
Partial Comprehension	6	64	30	42
No Comprehension	15	14	26	54
Total	100	100	100	100

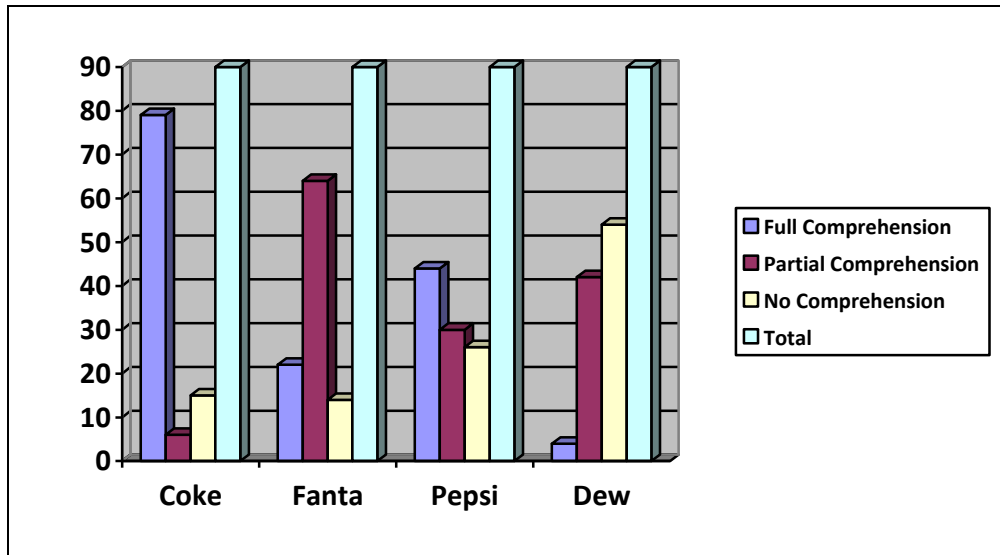
Source: Field Survey 2012

The table 4.10 shows that 79 percent of the respondents fully understood what the advertisement of Coke is trying to communicate to them followed by the ad of Pepsi 44 percent, Fanta 22 percent and Dew 4 percent. It indicates that respondents are likely to understand the message that is either straight forward Coke or that directly touches their emotions Pepsi.

Though the message of Fanta was clear and could be easily understood, there is high rate of partial understanding. It indicates that if there are too many information about the product attributes, respondents took only one or two of them and interpret the advertisement. A very large number of respondents 54 percent didn't understand the message conveyed by the Dew advertisement as it contained according to respondents too many hi-fi words that are difficult to understand.



**Figure 4.10**  
**Comprehension Value of the Message**



#### 4.11 Appropriateness of the Message to the Product

Advertising message design needs to consider the nature of the product, the level of understanding of the audience and the overall positioning strategy. In this study, respondents were asked to provide their opinion on the appropriate of the message to the product and the result has been presented in table 4.11.

**Table 4.11**  
**Appropriateness of the Message to the Product**

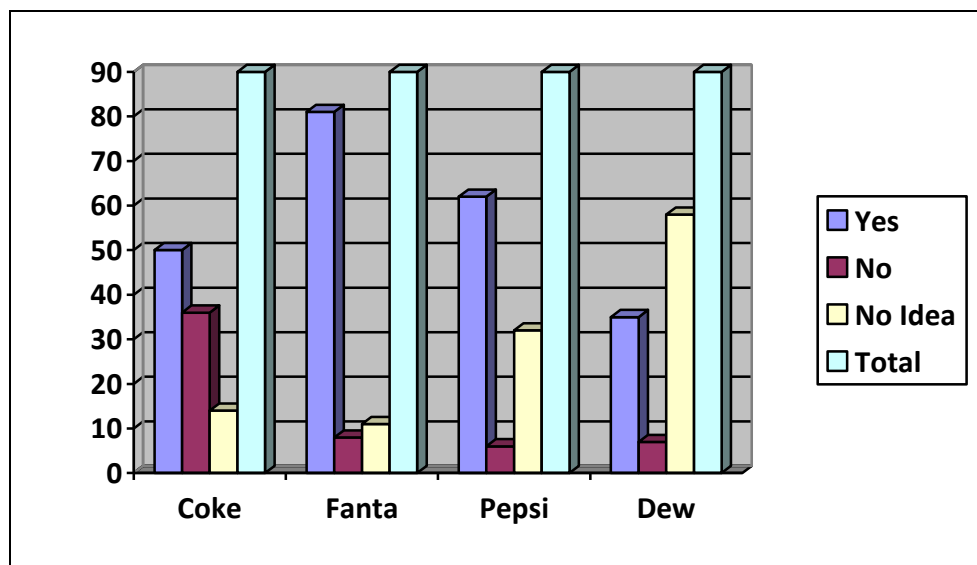
	Coke	Fanta	Pepsi	Dew
Yes	50	81	62	35
No	36	8	6	7
No Idea	14	11	32	58
Total	100	100	100	100

Source: Field Survey 2012

The table 4.11 shows that 81 percent of the respondents felt that the message of the Fanta is appropriate, while this factor for Pepsi is 62 percent, for Coke and Dew it is 50 percent and 35 percent respectively. Respondents felt that the message of Fanta ad is true the product. That means it is informing about the product and each of its attributes. For Pepsi, they felt it is trying to create product awareness trying to impart a real image of the chilled soft drink. For Coke, they felt that only the information about the incentive it is giving is not enough to create an awareness of the product among the people.

**Figure 4.11**

**Appropriateness of the Message to the Product**



#### **4.12 Liking / Disliking of the Advertisement**

It presents the summarized responses with regards to the liking and disliking of the ad concept and the message conveyed by it. Respondents were asked to rank the ad concept and its message in terms of their liking and disliking on the 1-5 scale.

**Table 4.12**  
**Liking / Disliking of the Advertisement**

Scale	Coke	Fanta	Pepsi	Dew
5	11	15	28	12
4	23	45	36	23
3	34	28	19	32
2	20	6	9	13
1	12	6	8	20
Total	100	100	100	100
Mean Value	3.01	3.57	3.67	2.94

Source: Field Survey 2012

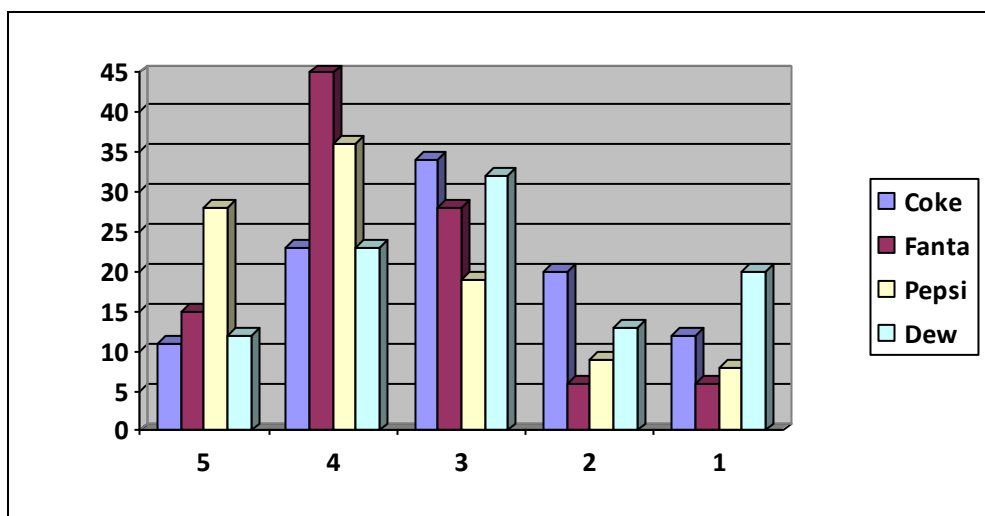
The table 4.12 shows that most liked ad concept message is of Pepsi with a mean score of 3.67 followed by Fanta 3.57, Coke 3.01 and Dew 2.94. The result indicated that informative advertisement and the message that the heart is preferred and liked by the consumers.

The responses from the respondents indicate that only few of them liked the advertisement of Dew. Many of them didn't like it because they could not understand what the ad is trying to impart to them.

Further, some of them disliked the Coke ad than of Fanta and Pepsi because they felt the ad is communicative more about its offer rather than about the product itself attributes.

It is Pepsi ad that most of the people liked and it is because of its attractive and cool and refreshing image that it is imparting and for Fanta it is giving information about attributes that it holds.

**Figure 4.12**  
**Liking / Disliking of the Advertisement**



### 4.13 Advertising Effect on Brand Choice

The ultimate objective of every advertisement is to make impart on brand choice of consumers. In this issue the respondents were asked to state the influence of the soft drinks on their brand choice.

**Table 4.13**  
**Advertising Effect on Brand Choice**

Brand	Frequent Consumers
Coke	20
Fanta	16
Pepsi	38
Dew	22
Total	96

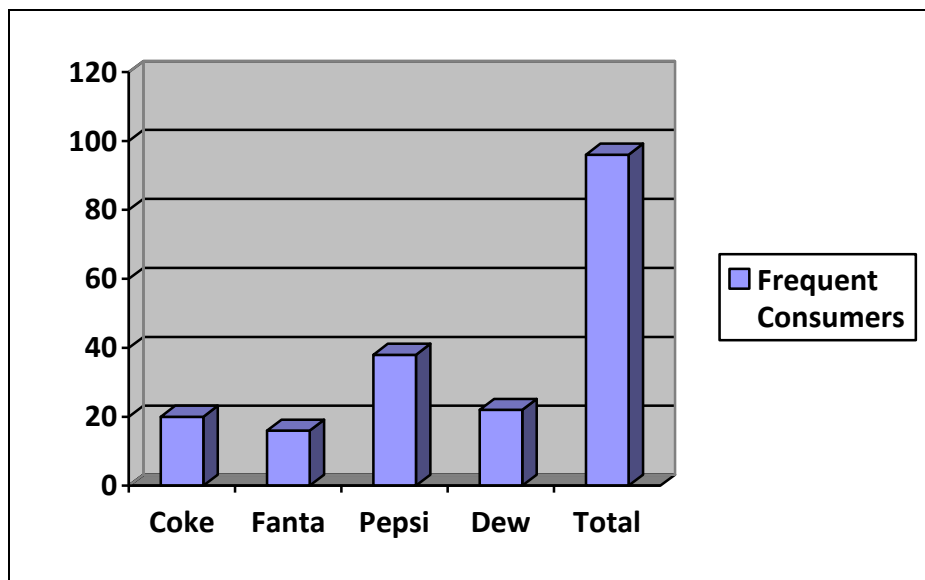
Source: Field Survey 2012

The table 4.13 shows that the total number of respondents who wanted to buy the product after they have been exposed to their advertisements. The response indicates that the best ad that could create a buying response of Pepsi is 38 percent. About half of the respondents felt that they wanted to try Pepsi just by looking into its advertisement. The message made them feel that it is a real cool refreshing product and suitable in the hot season.

For Coke advertisement, 20 percent of the respondents wanted to drink just because of the hope to win the home theater.

For Fanta and Dew, it is found that there is no single element to consider which could make significant psychological influence or impact among the consumers for creating the buying response.

**Figure 4.13**  
**Advertising Effect on Brand Choice**



#### **4.14 Major Findings of the Study**

The major findings are as follows:

- The intentional exposure to the advertisement in print media is found to be high which 67 percent. It indicates that two third of the respondents intentionally look into the advertisement which shows that there is high degree of ad exposure.
- Almost half of the respondents that are 49 percent look into both newspapers and magazines. But while comparing newspapers and magazines, the newspapers exposure is higher than that in magazines.
- The believability in the newspaper and magazines is found to be almost same. The believability in newspaper has the mean score of 3.37 and magazine is 3.21.
- It was found that there is association between the credibility of the newspaper and credibility of the magazine.
- The highest exposures of the advertisement are in newspaper and television combined.
- Attractive advertisement is able to draw the attention of the people irrespective of whether they are the users or non users of the product. It indicates that though people aren't the user of the product; if it's ad is attractive, it grabs their attention.

# **CHAPTER V**

## **SUMMARY CONCLUSION AND RECOMMENDATIONS**

This chapter incorporates the summary, conclusions and recommendation that are derived from the study.

### **5.1 Summary**

The study shows that too many information in an advertisement like the Coke, Fanta, Pepsi and Dew etc. are mess and could not grab the attention. Whereas presentation of the ad in natural setting with much in on the product itself like of Pepsi advertisement is more attention gaining.

It is found that the short message content like Pepsi advertisement is more attention gaining than too many contents which are constructed with complex hi-fi words. Though the size of each of the clip is similar, the one which has focused product display such as Pepsi advertisement is able to gain higher attention. A good colour combination which gives a natural look (ad of Pepsi and coke) are more attention gaining than other brands of soft drinks.

Comparatively, the advertisement concept of Pepsi is more attention gaining than that of any other advertisement which had been taken as experimental variable during the interviews. It is because the advertisements is with a very good colour combination in a natural setting with a very short but strong message content which is providing the product awareness with the total focus on the product itself.

While concentrating on the whole advertisement concept, the sound kind ad that could catch the attention is of dew. It is due to the portray of the targeted young

groups as models along with the product itself to create its awareness as well as the right association of the models and message content to the product.

The third kind of advertisement is of Fanta. The advertisement of Fanta works well for the informative purpose. It is giving short but detail information about the products attributes.

The whole advertisements concept of Coke is least attention gaining because neither it is attractive nor it is giving information about the product attributes. There is full recall of the message content Pepsi's advertisement only. It is because the message content of Pepsi ad is short and same for the last few years, it indicates that few message content which are repeated in natural and that are related to the need of the people is remembered by them.

1. Straight forward information and the message that touches the emotion have been rightly understood. Whereas, too many information about the product attributes is partially understood because readers tend to take only one or two of them and interpret the advertisements. Moreover, hi-fi kinds of words in the advertisement are not understood by most of the people.
2. It has been found that people like the kind of ad that informs about the product with its real image. Information about only the incentive is not enough to create awareness about the product without any information of it.
3. Regarding liking and disliking of the ad, it has been found that the ad that gives real image of the product in a natural setting is mostly liked by the people.
4. People don't like complex ad because they don't understand what the ad is trying to convey. They opine that through ad they want to get information about the products attributes rather than the information about the incentives and if it is not clearly imparting the information then there is no use of it.
5. It has been found that the ad that is related to the emotional feeling of the people as well as that can be related to the need of the people in a given situation can create a buying response.



6. Beside this an interesting finding is that though the ad of Coke has not been liked by the people, it could create the buying response and this is only because of the information about the incentive. Though the ad concept and its message is not liked by the people, and though there is no information about the product's attributes, the information about incentive can lead to a buying response with a hope to win it.
7. During data collection it has been found though people disliked the ad, buying response is there. Attention-gaining power is a must. Once attention has been grabbed and if people get the message rightly, then comprehending of the message is enough to create a buying response. Thus, liking and disliking of the ad concept and its message don't play an important role to evoke buying responses.
8. There is no significant effect of the age and sex of the respondents in their reception and comprehension of the ad message and their buying response.

## **5.2 Conclusion**

In the present business context of Nepal, the business sector is found to not be fully aware about the design of advertisement and selection of advertising media. This study has been focused on examining the effectiveness of advertising communication in print media, particularly newspapers and magazines.

In this study the highest exposure is in television but while considering the print media, newspaper has higher exposure than magazines. However, the believability in the newspaper and magazines is found to be almost the same. This study has concluded that attractive advertisements are able to draw the attention of the people, irrespective of whether they are the users or non-users of the product.

The study comes to the conclusion that the clip with good colour combination in a natural setting with high product-focus can get the attention of the people. But, too much information and the use of complex words is difficult to remember and

comprehend. However, even if the message content is not understandable and not good enough to grab the attention portray of models can be a good strategy to get attention of the people. This study shows that colour combination has a very strong impact on attention.

Advertisement copies that are closely related to consumer's product needs are appreciated. Even when people are found to dislike the advertisement, if the message is simple the comprehension is effective enough to lead to purchase decision.

This study has come to the conclusion that even when the ad is not informative about the product's attributes but focuses on sales promotion schemes can also lead to higher buying relates responses. This shows that people are incentive conscious in Lalitpur.

### **5.3 Recommendation**

- Every business people must use advertisement for their products and services promotion because it is only tool to inform the public about their products and services.
- As the higher exposure is in the television, it is worth giving the ad in TV. But while considering print only, as the higher number of exposure is in newspaper. It is better to give the ads in newspapers rather than in magazines.
- Repetition of the ad has a greater recall value, which may lead people to choose the product during purchases. Thus, marketers should try to repeat the ad in appropriate media for a definite period of time. However, intensive repetition for a prolonged time may lose its total effectiveness, which needs to be avoided.

- The ad message related to the product-needs of the people should be delivered because it has been found that this type of ad could lead to higher rate of buying rate of buying response.
- Advertisers should design incentive related advertisement along with a focus on the product's attributes as it has better effectiveness.
- Message should be clear and it should be well communicated to make significant impact on the people's mind.
- It is recommended that advertisers should focus on simple and clear message as simplicity of the message is better comprehended. Better comprehension is found to lead to buying response more effectively than 'Hi-Fi' ad even though it is more liked by people.
- There is lacked of professionalism in the field of advertising. Therefore, there is a need for training and developing skilled personnel to work in the various departments of advertising.
- Ad should be designed only after a strong research support. Advertising agencies should conduct research activities to understand the label of attention, comprehension and response by the target consumers.
- The advertisers must take feedback on how effectively the ad is communicating the message and whether the media they have selected has been able to deliver the message effectively.

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## APPENDIX – I

### QUESTIONNAIRE

Your response would be held strictly confidential.

Q.1. Do you intentionally look into the advertisement in the print media?

Yes  No

Q.2. Which particular print media you prefer to look at?

Newspaper  Magazine  Both

Q.3. To what extent do you believe in the following media?

(Give 1 if you extremely believe and 5 if you don't)

**Newspaper**

Extremely Believe 1 2 3 4 5 Don't believe at all

**Magazine**

Extremely Believe 1 2 3 4 5 Don't believe at all

Q.4. Which of the following cold drink do you consume frequently/occasionally?

	Frequently	Occasionally
Coke	<input type="checkbox"/>	<input type="checkbox"/>
Fanta	<input type="checkbox"/>	<input type="checkbox"/>
Pepsi	<input type="checkbox"/>	<input type="checkbox"/>
Dew	<input type="checkbox"/>	<input type="checkbox"/>

Q.5. Have you exposed to the advertisement of the following product? If yes, specify the media?

Source of Exposure

	Yes	No	Newspaper	Magazine	Other
Coke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fanta	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pepsi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dew	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q.6. Which part of the printed ad captures your attention? Give 1 to high attention getting element and 5 to least attention getting element.

	Source of Exposure				
	Layout	Ad	Message	Size	Colour
Coke	[ ]	[ ]	[ ]	[ ]	[ ]
Fanta	[ ]	[ ]	[ ]	[ ]	[ ]
Pepsi	[ ]	[ ]	[ ]	[ ]	[ ]
Dew	[ ]	[ ]	[ ]	[ ]	[ ]

Q.7. What do you remember about the message content of each brand in print media?

Coke .....

Fanta .....

Pepsi .....

Dew .....

Q.8. How do you feel about ad message ability to capture the attention

	Excellent	Very Good	Good	Poor	Don't know
Coke	[ ]	[ ]	[ ]	[ ]	[ ]
Fanta	[ ]	[ ]	[ ]	[ ]	[ ]
Pepsi	[ ]	[ ]	[ ]	[ ]	[ ]
Dew	[ ]	[ ]	[ ]	[ ]	[ ]

Q.9. What do you think the message is trying to convey?

	Can't Understand
Coke	.....
Fanta	.....
Pepsi	.....
Dew	.....

Q.10. Do you feel the message is appropriate to the product?

	Yes	No	No Idea
Coke	[ ]	[ ]	[ ]
Fanta	[ ]	[ ]	[ ]
Pepsi	[ ]	[ ]	[ ]
Dew	[ ]	[ ]	[ ]

Q.11. To what extent do you like the ad concept and the message it is trying to convey?

	Extremely Like				Extremely Dislike	
Coke	1	2	3	4	5	
Fanta	1	2	3	4	5	
Pepsi	1	2	3	4	5	
Dew	1	2	3	4	5	

Q.12. Which of the product message makes you feel like buying the product?

[ ] Coke    [ ] Fanta    [ ] Pepsi    [ ] Dew

AGE:

SEX:

Supplementary Question asked during Interview

Q.1. Which of the source, either newspaper or magazine do you read more and why?

Q.2. Which of the advertisement either the one about the product you use/interested in or attractive one grabs our attention?

Q.3. Which of the advertisement clips either of Coke, Fanta, Pepsi or Dew could first grabbed your attention? And which part?

Q.4. Which of the part of the advertisement clips could take your very first attention?

Q.5. Why you feel the advertisement message is appropriate to the given product and why not?



Q.6. Why do you like / dislike the ad concept and its message?

Q.7. Why do you feel like buying that particular product after being exposed to the advertisement clips?

## APPENDIX C

### Appendix: C1 – Believability / credibility in the media

Scale	Newspaper		Magazine	
	Frequency	Frequency*scale	Frequency	Frequency*scale
5	7	35	6	30
4	43	172	31	124
3	35	105	46	138
2	10	20	12	24
1	5	5	5	5
Total		337		321
Mean		2.37		3.21

### Appendix: C2 – Credibility in the media

Chi square test for preference of newspaper and magazines

Observed Frequencies:

	Magazine		
Newspaper	like	dislike	total
Like	27	26	53
Dislike	11	36	47
Total	38	62	100

Expected Frequencies:

	<b>Magazine</b>		
Newspaper	like	dislike	total
Like	20.14	32.86	53
Dislike	17.86	29.14	47
Total	38	62	100

**Level of significance**                      **0.5**

Number of Rows                              2

**Degrees of Freedom**                      **1**

**Critical Value**                              **0.454936**

**Chi-square Test Statistic**                **8.018615**

**p-Value**                                      **0.00463**

**Reject the null hypothesis**