

CHAPTER-I

INTRODUCTION

1.1 Background of the Study

Nepal lies in the northern hemisphere of the earth and it is a Himalayan kingdom of South Asia extending at the range of 26⁰22' to 30⁰27' east and 80⁰4'to 88⁰12' north. It is a landlocked country surrounded by Indian Territory in three sides east west & south and China territory in the north. It has the area of 1,47,181 sq km. The length and breadth roughly extends to be 885 km and 193 km in average.

The Himalayan Kingdom, Nepal is a sandwiched between two giants and super power nations- India and China, is a classical example of poor country. It is the country with highly potential but unutilized natural resources.

A tiny landlocked country in South Asia, Nepal remains as one of the 48 least developed countries in the world. Under developed countries like Nepal is poor not only in money terms, they are also poor in terms of human development. In the development sales prepared by UNDP in 2003, Nepal is placed at 143rd rank out of 173 countries. The country's per capita income has been growing at little over 2 percent per annum at a situation when more than two fifth of the country's population is in absolute poverty. Nepal's current economic situation is beset with nearly half of the population living below poverty line and unemployment and disguised unemployment together depriving one half of the labour force.

The country has an elongated rectangular shape with roughly northwest to southwest orientation. Nepal covers a total area of 147181 Sq. Km and 80% of the total population directly or indirectly depends on agriculture fro their livelihood, Nepal is one of the least developed

countries of the world and its more area are rural. Our per capital GDP is \$1120 (NRB, 2008). But the population growth rate is 2.38%. It shows economics performance during the past has not been very encouraging.

In a developing country like Nepal many industries are being established. Industries provide employment to the people. Industries have become the growth economics. The history of industrial development in Nepal records that the process started with establishment of Biratnager Jute Mill in 1992 B.S. Many industries cotton, sugar, food etc. were established letter cold-drinks industries are most popular among drinks industries. There are many cold-drinks industries in Nepal like coca-cola, Pepsy and others. Cold-drinks were introduced in Nepalese market often 2035 B.S. But the cod-drinks production in Nepal 2044 B.S. after the establishment of Pespy. Now, there are two cold-drinks in Nepal.

Marketing

The word "Marketing" is derived from the word 'market'. Market is an area for potential exchanges. Thus, it is a group of buyers and sellers interested n negotiating, the terms of purchase or sale of goods or services. So it consists of the forces of supply and demand.

Marketing is a comprehensive term and it includes all resources and a set of activities necessary to direct and facilitate the flow of goods and services from producer to consumer in the process of distribution process. Human efforts, finance and management constitute the primary resources in marketing.

A simple meaning of 'marketing' is selling of goods and services. It is the purchase and sale of goods and services in the market. Marketing is defined from the viewpoints of different parties involved in the market. To a salesman it is selling; to an advertiser it is advertising; to a housewife it is purchasing of necessary goods; to a producer it is the

distribution of product goods or services. So, it is not limited to the purchasing and selling of goods.

Marketing may be defined as the process of exchange between seller and buyer. It involves a number of inter-related activities designed to plan, promote, distribute, and price a product or service in order to meet the wants and needs of both the parties in exchange transaction, viz., consumers (buyers) and producers (sellers).

We have twin activities which are most significant in marketing:

1. Matching the product or service, an article of trade, with demand, i.e. customer needs and desires or target market.
2. The transfer of ownership and possession at every stage in the flow of goods from the primary producer to the ultimate consumer.

Marketing comprises all activities involved in the determination and satisfaction of customer needs at a profit. By means of marketing function, marketer can direct the firm's response to an ever-changing market environment and orient all parts of the business toward the creation of a satisfied customer.

The American Marketing Association defines marketing as the performance of business activities that direct the flow of goods and services for producer to consumer or user. This definition does not clarify the business activities to be included in marketing. It only emphasizes distributive aspects of the market, and fails to stress managerial aspect of marketing. Marketing under managerial thinking should also stress cost and price consideration, demand satisfaction or selling, and demand creation or sales promotion and advertising, and marketing research to match the supply with customer demand. Marketing must include ascertaining, creating, and satisfying the customer wants and doing it at profit. This is the proper concept of marketing function.

P. Kotler defines marketing as the set of human activities directed at facilitating and consummating exchanges. The essence of marketing is exchange of products and the transaction is to satisfy human need and wants. All business activities helping and promoting the exchange function are included in marketing.

Paul Mazur defined marketing as the creation and deliver, of a standard of living to society. This definition catches the real spirit of the marketing process. It has consumer orientation. It duly honors the marketing concept which indicates a shift from product to customer orientation. It emphasizes the major function of marketing, viz., satisfaction of customer and social demand for material goods and services.

So, marketing covers broad area of society. It includes a group of business activities in order to create and promote consumer's demand and direct the flow of goods or services from the original producer to the final consumer in the process of distribution. Hence, it is an ongoing process of discovering and translation consumer wants into appropriate products and services under keen competition and service with the help of channel of distribution such as wholesalers and retailers. It means that marketing is a managerial and exchange process under which there must be at least two parties; there must be something; free accept or reject; each party must want to deal with other ;and each must be able to communicate and deliver the goods.

In conclusion, marketing comprises an integrated system of business activities in order to plan, price, promote and distribute goods and service to meet consumer needs within the limits of society.

Modern Definition of Marketing

"Marketing is an ongoing process of: (1) discovering and translating consumer needs and desires into products and services (through planning and producing the planned product), (2) creating demand for these products and services (through promotion and pricing), (3) serving the consumer demand (through planned physical distribution) with the help of marketing channels, and then in turn (4) expanding the market even in the face of keen competition."

The Concept of Marketing in Nepal

The marketing concept has not been embraced by most organizations in Nepal. Marketers in the near future will have to acknowledge duly the widened role of marketing viz., the creator and deliverer of better standard of living to our population. Today, Nepalese marketers are still revolving around production-oriented and sales-oriented older concepts of marketing and give only lip sympathy to consumers-oriented, new marketing concept.

Development of Marketing Concept

Two radical changes were brought about when the marketing concept was introduced after 1950 in the process of marketing:

- (1) We have a steady shift from the product-oriented or sales-oriented business enterprise to the customer-oriented business enterprise. Marketing and innovation are now the distinguishing features of a business organization from those types of social institution.
- (2) We have also a gradual shift from caveat emptor (buyer beware) to caveat vendor (seller beware). This has clearly emphasized the social responsibility of business towards consumer and the need for consumer protection in the market place.

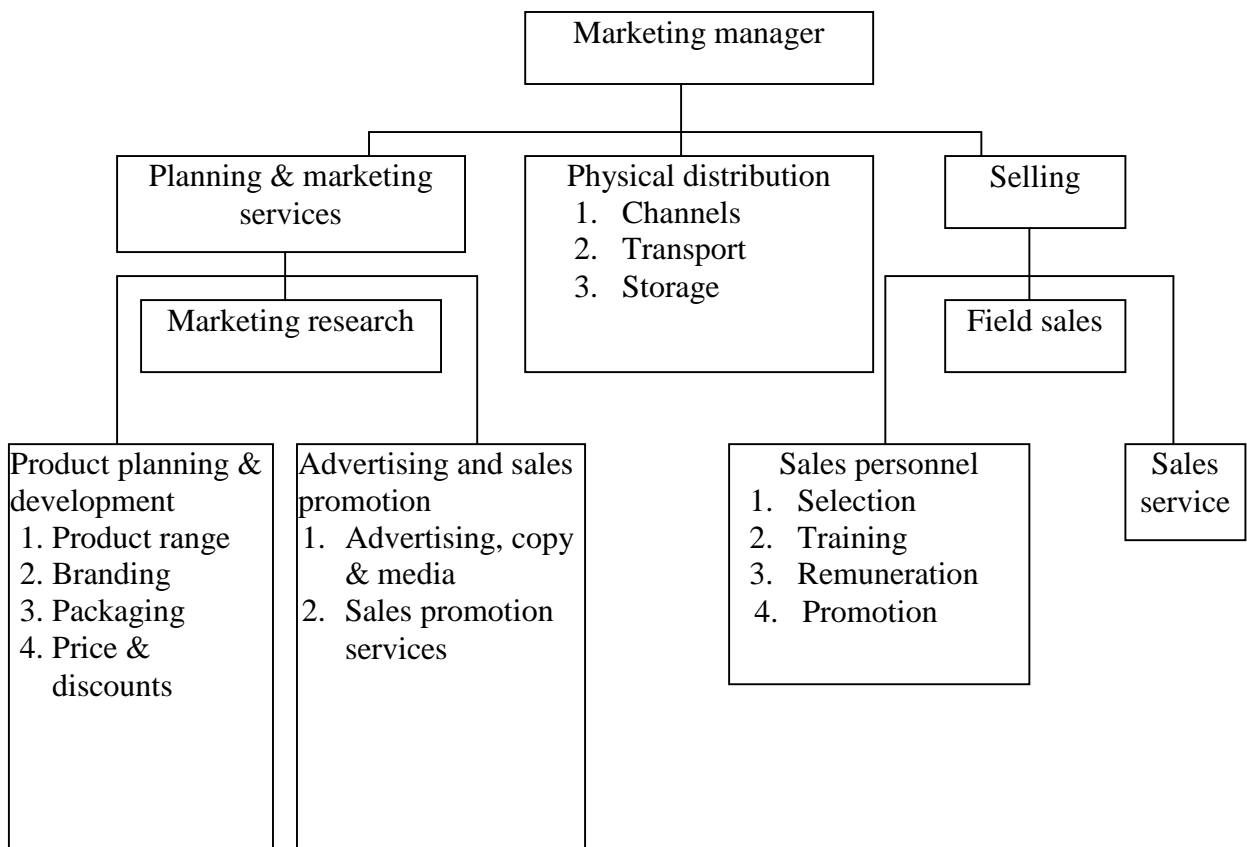
Organization for Marketing

The marketing department can be organized around the product to be sold if we have a line of products. It may be organized by function e.g., market research, advertising and sales promotion, pricing, and sales management. Functional organization is desirable when we have one or a few closely related products. When we have a national market and regional marketing problems demand special attention, organization by territory may be preferred.

Only purchase and sales of goods and service is an old concept of marketing. According to the new concept, marketing is a whole process of identifying the human needs and wants supplying the goods and services and satisfying them. Before production decision of what to produce, when to produce, how much to be priced, how to reach consumer are taken and this decision is the subject of marketing. The marketing start with the concept of producing the goods and services according to the consumer interest and ends up only with satisfaction of consumers not the sales, so the activity of marketing is a continuous process.

Marketing is not a new word to us. All of us use this word in our daily life. Many theorists have defined marketing in different ways. In simple words, marketing means the activity of the company to deliver its products from the place to production to the place of consumption. It means that marketing is a total system of business activity designed to place, price, promote and distribution.

Marketing Organization (Customer-oriented approach)



The selected topic focus the market situation of Birgunj because Birgunj is a mid region city of Nepal. It is situated in the mid part of Nepal. Its main market is Birgunj. Most of the tourist comes from various countries to visit Birgunj, they demand cold-drinks during the time of their staying here.

Cold-Drinks in Nepal

Nepal is a small land-locked developing country with wide geographical, socio-cultural variations. Its economy depends on traditional agricultural.

Some people have introduced new food or drinks habit during the 2nd half of the twentieth century as most urban people have been habituated to use the wide various of new fast food or drinks.

"Soft drinks stands fro alcohols liquid for drinking soft drinks are sold in bottles, plastic containers or cans, most of the people in Nepal, soft drink as the drinks to be use in the hot season only. Soft drink in Nepal comparatively goes high in the hot seasons.

Many industries have been established in our country. Soft drink plays important role in our economics sector. To promote nations economics, soft drinks industries were also introduced. Soft drinks are one of the most popular which the people have been using since its production starting a decade ago.

Cold-drinks were first introduced in the Nepalese market after 2035 B.S. and the cold-drinks supplied in the market till 2044 B.S

a. Coca-Cola

Coca-cola is one of the most popular brand of cold drinks. It is multinational company. It established in Nepal in 2040 B.S. It comes in 5 type and attractive bottles packet with of 250 ml and retail price Rs 20. Coca-cola company product coca-cola, Fanta (orange, Lemon) sprite, soda.

The birthplace of Coca-Cola is located on historic town Atlanta, Georgia, USA. In other words, the product that has given the world its best-known taste was born in Atlanta, Georgia on May 8, 1886 BC. Dr. John Smith Pemberton, a local pharmacist, produced the syrup for Coca-Cola and carried a jug of the new product down the street to Jacobs pharmacy, where it was sampled, pronounced "excellent" and placed on sale for five cents a glass as a soda fountain drink. Carbonated water was teamed with the new syrup to produce a drink that was at once "Delicious and Refreshing" a theme that continues to echo today wherever Coca-Cola is enjoyed.

Dr. Pemberton never realized the potential of the beverage he created. He gradually sold portions of his business to various partners and, just prior to his death in 1988, sold his remaining interest in Coca-Cola to Asa G. Candler.

Coca-Cola originated as a soda fountain beverage in 1886 selling for five cents a glass. Early growth was impressive, but it was only when a strong bottling system developed that Coca-Cola became the world famous brand it is today.

1894: - A modest start for a bold idea

In a candy store in Vicksburg, Mississippi, brisk sales of the new fountain beverage called coca-cola impressed the store's owner, Joseph A. Bridenbarn. He began bottling Coca-cola to sell, using a common glass bottle called a Hutchinson.

Bridenbarn sent a case to Asa G. Candler, who owned the company. Candler thanked him but took no action. One of his nephews already had urged that coca-cola be bottled but Candler focused on fountain sales.

1899: - The first bottling agreement

Two young attorneys from Chattanooga, Tennessee believed they could build a business around bottling coca-cola. In a meeting with Candler, Benjamin F. Thomas and Joseph B Whitehead obtained exclusive rights to bottle coca-cola across most of the United States.... for the sum of one dollar. A third Chattanooga lawyer, John T. Lupton, soon joined their venture.

1900-1909 -----Rapid growth

The three pioneer bottlers divided the country into territories and sold bottling rights to local entrepreneurs. Their efforts were boosted by

major progress in bottling technology, which improved efficiency and product quality. By 1909, nearly 400 coca-cola bottling plants were operating, most of them family-owned businesses. Some were open only during hot weather months when demand was high.

1916: - Birth of the Contour Bottle

Bottlers worried that coca-cola's straight-sided bottle was easily confused with imitators. A group representing the company and Bottlers asked glass manufacturers to offer ideas for a distinctive bottle. A design from the Root Glass Company of Terre Haute, Indiana won enthusiastic approval. The Contour Bottle became one of the few packages ever granted trademark status by the U.S. patent office. Today, it's one of the most recognized icons in the world- even in the dark!

1920s -----Bottling overtakes fountain sales

As the 1920s dawned, more than 1000 coca-cola bottlers were operating in the U.S. Their ideas and zeal fueled steady growth. Six-bottle cartons were a huge hit starting in 1923. A few years later, open top metal coolers became the forerunners of automated vending machines. By the end of the 1920s, bottle sales of coca-cola exceed fountain sales.

1920s and 30s----- International expansion

Led by Robert W. Woodruff, chief executive officer and chairman of the board, the company began a major push to establish bottling operations outside the U.S. plants were opened in France, Guatemala, Mexico, Belgium, Italy and South Africa. By the time World War II began, Coca-Cola was being bottled in 44 countries.

1940s-----Post War growth

During the War, 64 bottling plants were set up around the world to supply the troops. This followed an urgent request for bottling equipment

and materials from General Eisenhower's base in North Africa. Many of these war-time plants were later converted to civilian use, permanently enlarging the bottling system and accelerating the growth of the company's worldwide business.

1950s-----Packaging innovations

For the first time³, consumers had choices of Coca-Cola packages size and type the traditional 6.5 ounce contour bottle, or larger servings including 10-, 12-, and 26- ounce versions. Cans were also introduced, becoming generally available in 1960.

1960s-----New brands introduced

Sprite, Fanta, Fresca and TAB joined brand Coca-Cola in the 1960s. Mr. Pibb and Mello Yello were added in the 1970s. The 1980s brought diet Coke and Cherry Coke, followed by PowerAde and Fruitopia in the 1990s. Today scores of other brands are offered to meet consumer preferences in local markets around the world.

1970s and '80s-----Consolidation to serve customers

As technology led to a global economy, retail customers of the Coca-Cola company merged and revalued into international mega-chains. Such customers required a new approach. In response, many small and medium size bottlers consolidated to better serve giant international customers. The company encouraged and invested in a number of bottler consolidations to assure that its largest bottling partners would have capacity to lead the system in working with global retailers.

1990s-----New and growing markets

Political and economic changes opened vast markets that were closed or underdeveloped for decades. After the fall of the Berlin Wall, the company invested heavily to build plants in Eastern Europe. As the

century closed, more than \$ 1.5 billion was committed to new bottling facilities in Africa.

21st Century----- Think local, act local

The Coca-Cola bottling system grew up with roots deeply planted in local communities. This heritage serves the company well today as consumers seek brands that honor local identity and the distinctiveness of local markets. As was true a century ago, strong locally based relationship between Coca-Cola bottlers, customers and communities are the foundation on which the entire business grows.

b. Pepsy

Barun beverage is multinational company. It is one of the most popular brands of cold-drinks. It established in Nepal. 2040 B.S. Barun Beverage product, Mirandea,. Team, 7-up soda etc.

1.1.1 Production Process of Cold-Drinks

All the company has its own production process. But its general cold-drinks company almost the same production process.

The production of cold-drinks has two primary requirements water and sugar. Firstly, the sugar and water are added into sirag tank concentrate and other side bottle wash. Before the bottle filling 1% siraf and 5% water mix + CO₂ process then bottle filling and check-up the bottle to sent the market.

At last production department sent to shipping department and the shipping department distribution the distributor or market.

1.2 Statement of the Problem

Marketing is a the backbone of economics growth because it increase one's economy, strengthens the firms producing goods. It creates more employment opportunities and more output.

Now a day, cold-drink industries are increasing rapidly in the world market, and developing countries like Nepal demand for the soft drink is increasing day by day. There is high competition among cold drink trying to make drinks tester and qualities. To reach in the market, they have to adopt product policy.

Nepal is such a country. Where we have to make sure that the product reaches the extremer corner of the country; even the hilly areas, where there are no proper roads, no educational people and non income. Our market from the Indian market in terms of control over the business.

Today, advertisement plays a vital role in promotion of sales. The cold-drinks industries expand a lot in advertising their product but they cannot get the return of it . it is a major problem of the company. Now a day cold drink are very popular in the market. Therefore, in market different type of cold-drinks such as coca, Pepsi, Frooti, and sprite etc. Are available which have different taste and price. It creates big problems for the potential consumers to select the product.

Thus, there are many problems existing in cold-drinks market, which are very important to be solved by the related industries. So we will try to find out better solution for this existing problem by the related industries, so, we will try to find out better solution fro this existing problem.

Reason for Selection of Parsa District (Birgunj Area)

Nepal is a Himalyan kingdom and the geo-diversity of Nepal has only aggravated the situation of road transportation within the country. For this reason, there is only one national highway linking eastern regions with far western regions of the country. The selected area-Birgunj lies mid region. It is the main market of Parsa and Bara. In 2058, the total population of Parsa was which is growing at a rate of% per year. The majority of people are engaged in services sector and agriculture. In recent years, a few industries have been established in Birgunj, Parsa district is junction of trade between India and Nepal as well as terai culture. As various cold-drinks are available in market. So we find out which cold-drink better and what's situation in Parsa District.

1.3 Objectives of the Study

1. To know the demand and supply in cold-drinks in the market of Birgunj area.
2. To examine the potential consumers of cold-drinks in Birgunj area.
3. To obtain the consumers opening on price, quality and test of cold-drinks.
4. To examine the popular media of advertisement for the cold-drinks.
5. To obtain and analysis the information on the sales of different kinds of cold drinks in Birgunj.

1.4 Importance of the Study

Cold-drinks are liquid. Most of the people used in tired, drinks and summer. Comparatively many people used in summer and goes high in that's seasons.

Market has a crucial role in the balance of payment of the country. Competition has been increasing day by day in the Nepalese market. Competitive market is preferred for best result. In marketing customer satisfaction is key of success. Marketing may be defined as the process of planning and exacting the conception, pricing, promotion and distribution of ideas, goods and services to create exchange that satisfy individual and organizational objectives. So the marketing plays very important role to individual business firms, consumer society and nation.

The knowledge of the motives behind pause behaviour of consumer on cold-drink is believed to be especially helpful to the marketers who are related with cold-drink. There are a number of retailers, who sales, in Birgunj who self different brands cold drinks. It is important to know the present days marketing of cold drinks. The knowledge of marketing can also help to formulate and to find out the strength and weakness of its marketing.

On the other hand, I have chosen the title "market situation of cold-drink in Birgunj area" this study may be helpful to thesis writer, marketing author and other researchers who are related with cold-drink. I think, it would be helpful to retailers, distributors, consumers, and marketer who buy and sell different types of cold-drink and it may also be helpful to future researchers and student to know about market situation of cold-drink in the Terai region. The finding of the study will

be based on survey of market situation consumer's needs and wants, potential consumer, feeling about tested quality and price of cold-drink. It is important for all the people who are related with cold-drinks. So it will be helpful for them to plan effective marketing policy.

1.5 Limitation of the Study

This study has certain limitation, which are follow:

1. Most of the data used in this study have been obtained through questionnaire.
2. Most of the data are primary and some are secondary.
3. Data are based on the sample survey conducted in Birgunj area.
4. The data analysis is based on simple statistical tools.

1.6 Organization of the Study

This study has been organized into five chapter introduction, reviews of literature, research methodology, analysis and presentation of data, summary conclusion and suggestions.

The first chapter deals with background of study history of cold-drinks, objective of study, importance of study, statement of problems and limitation the study.

Second chapter includes review of literature which consists of theoretical frameworks and the review s of related studies.

Third chapter deals with the research methodology. It consisted of research design, source of data, population sampling, data gathering procedure, research questions data processing and analysis procedure.

In fourth chapter, data analysis and presentation is shown. The data and information collected form the consumer are presentd, analysis and interpreted.

In fifth chapter, summary, finding and recommendation of the study.

At the end of the chapter, bibliography and appendices are given.

CHAPTER-II

REVIEW OF LITERATURE

While doing research the previous study cannot be ignored because it provides the foundation of present study. In other words, there has to be continuous research of relevant literature provides the knowledge of the status of the field of research to the researchers.

"According to Howard K. Wolf and Prem Raj pant, the purpose of literature review is that find out what research studies have been conducted in one's chosen field of study and what remains to be done. It provides the foundation for developing a comprehensive theoretical framework from which hypothesis can be developed for testing. The literature survey also minimized the risk of purposing the dead ends in research (Woolf and Pant 1999).

This chapter mainly focuses on the literature and research findings, which are available to the topic. It is relevant to disclose here that no one has made study on the market situating of cold-drinks in Birgunj area till now. Therefore in the absence of such written articles of present market situation it becomes necessary to review the literature, articles, books journals, related to the field of market situation of cold drinks.

This chapter includes, market marketing, marketing environment, marketing mix, product life cycle advertising, Branding, previous research work and study of cold drinks.

2.1 Market/ Marketing

"American marketing association on 1985 defined "marketing as the process of planning and execrating the conception, pricing, promotion and distribution of ideas, good and services to create exchange that satisfy individual and organizational objective" (Koirala, 1992).

"Marketing is a total system of business activities designed to plan, price, promote and distribute want satisfying goods and services to present and potential customers" (Stanton, 1981).

"Marketing is a social and managerial process by which individuals and groups obtain what they need/went through creating and exchanging products and value with each other" (Kotler, 1997).

The general concept of the market is some time confusing. One person may be going to the market and another may plan to go to market for his/her production. Clearly, there are many usage of this term in economic theory of business in general and also in marketing. The market is the place where buyer and seller meet and function goods and services offered for sale and transfer fro ownership of little occur.

At last, marketing is encompassing all the activities in satisfying the needs of the customer through the exchange relationship to achieve organizational objective with social responsibility is a dynamic environment.

2.2 Growth of Marketing

Marketing has been developing together with development in human civilization. If we turn three four hundred years back to the history of human civilization we find marketing of that time, by modern standard relatively uncultured, craft men carried on their business face to face with consumer.

They did not need many mechanism or tools or technique of marketing as used today for propagation of qualities of their products and for successful marketing of these products.

But they stage could not last long. Human needs and wants changed. Human aspiration for excellence and better status gave birth to

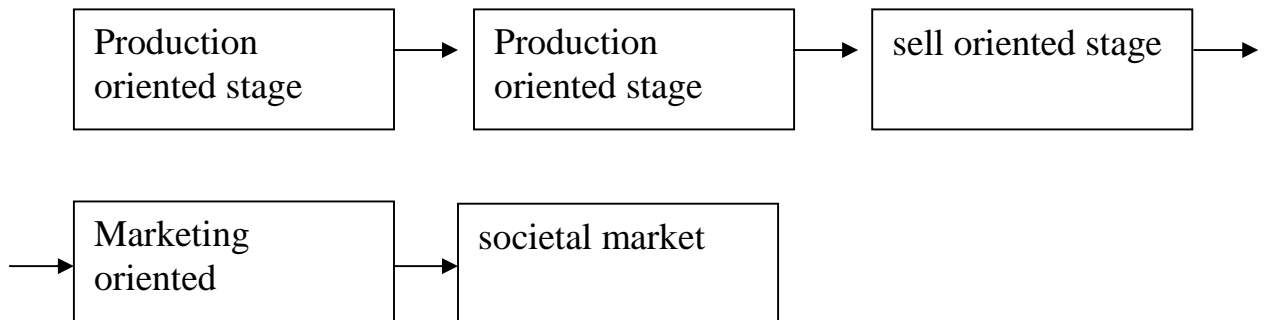
thousand of discoveries, inventions and innovations and established thousand of units of different types of industry to fulfill that aspiration. These changes not only invented different sophisticated tools and techniques and effective strategies for successful marketing but also made the marketing and most competitive field. Today, the philosophy of marketing guiding the marketing activity of the organizations has been changed drastically, originally, companies based their marketing decisions largely on immediate company profit calculations. Then, they began to recognize the long run importance of satisfying consumer wants. Now they are beginning to factor society's interest in their decision-making. That is to say companies have shifted their emphasis from production to product selling, consumer and society respectively.

Today, the marketing philosophy of the organization is the social marketing concept. The societal marketing concept holds that " the organization takes is to determine the needs wants and interest of target markets and to deliver to desired satisfaction more effectively and efficiently than competitors in a way that pressures or enhances the consumers and society's well being.

Thus, today the consumer and the society have been the center point (around), which all the marketing activities revolved. The various advancements made in marketing have established the consumers at the sovereign power in the marketing world. So in order to be successful productions must be produced according to the need of the consumer and interest of the society. In the modern business world, understanding of consumer choice, purchasing decision making process brand preference factors affecting decision making process sector say understanding of consumer behaviour is most necessary to become a successful marketer

study of consumer behaviour has been prevailed as an effective measure helping to develop the successful marketing strategy.

Thus, the growth of modern market can be seen from the following flow chart.



Source: Stanton William J. 1978.

2.3 Marketing System

A system may be defined as a goal-oriented organism composed of parts that are interrelated in such a way that the total system is greater than the sum of its parts. Marketing is viewed as a system and an approach can be effectively utilized in the market.

A system defined as a marketing system. In marketing, the interacting and interdependent groups of items form a unified whole and it includes of

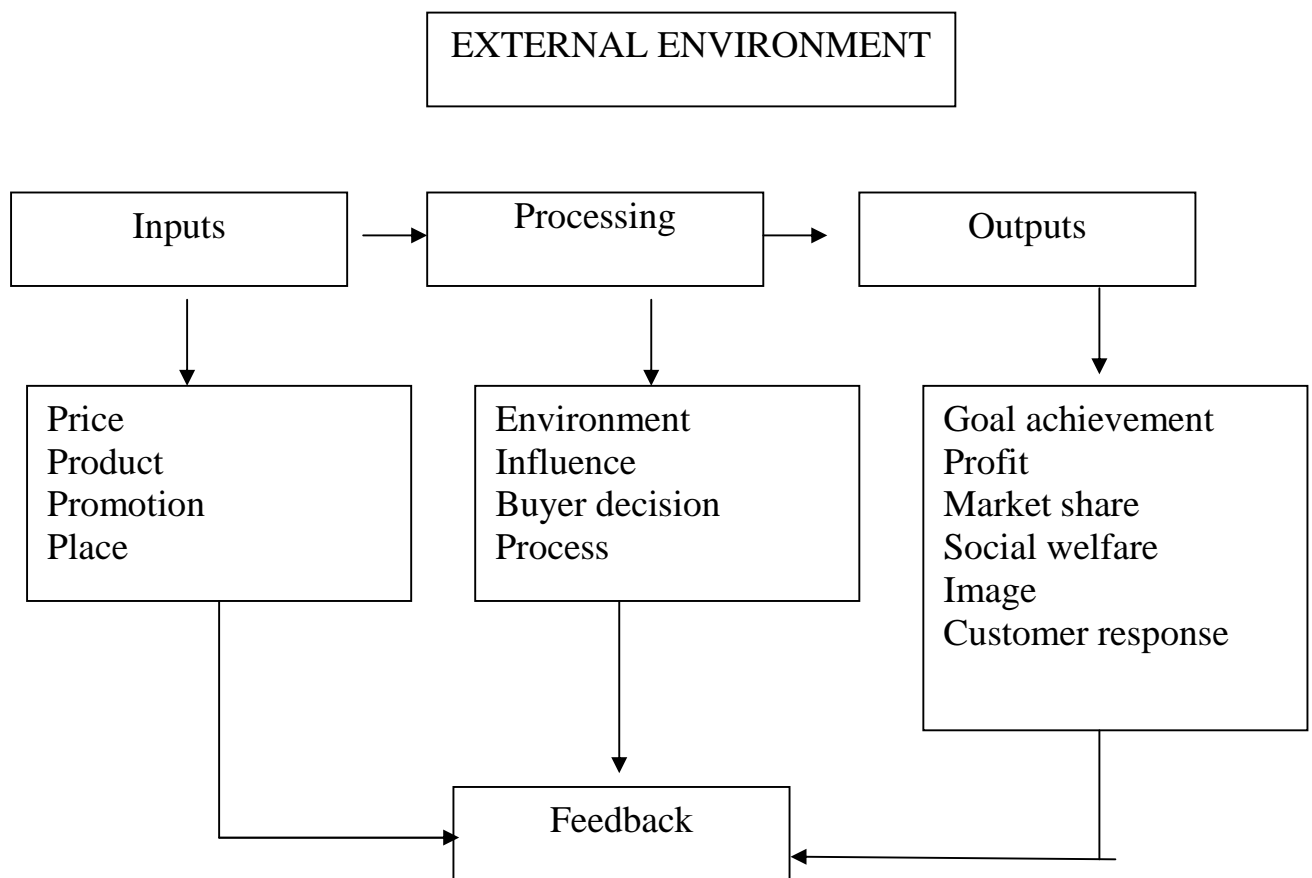
- Marketing organization
- Target market
- Product, service, idea or person being marketed
- Intermediaries helping in the exchange between the marketing organization and its market. These are retailers, wholesalers, transportation agencies, financial institutions etc.

- Environmental constraints: demographic factors, economics conditions, social and cultural forces, political and legal forces, technology and competition.

Above, these point further add that two interacting elements in a marketing system, "marketing organization and its market and in business; these two are linked by the exchange associated with exchange of the goods or services with something of value."

The system theory is based on the work of Bertalanffy who is created with general system theory: "bertalanffy defined a system as a set of objective together with the relationship among them and their attributes. As the marketing system refers with a set of objective to the groups of individuals firms and relationship with them and their attribute."

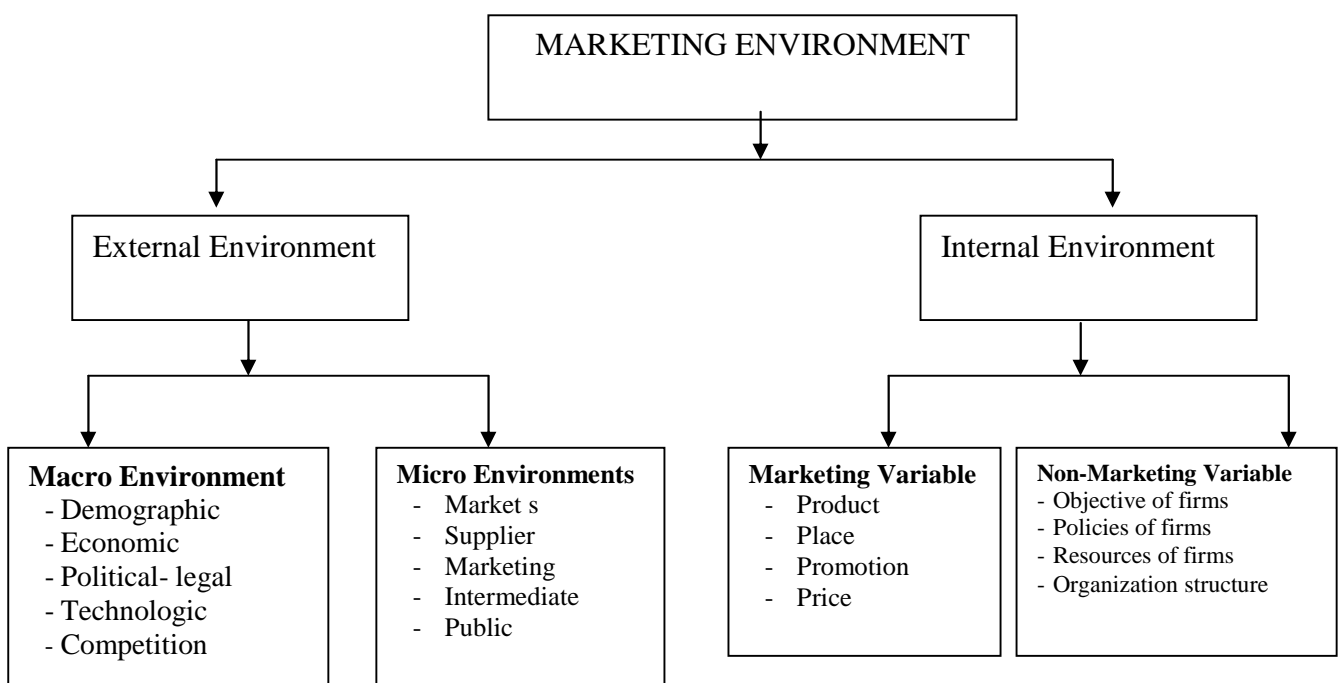
Marketing as a system clear the following figures



Source: Agrawal G.R. 1998, p-28.

2.4 Marketing Environment

Kotler and Armstrong define marketing environment as the actors and forces outside marketing that affect marketing management's ability to develop and maintain successful transaction with its target consume. The marketing environment offers opportunities and threats, successful companies known the vital importance of constantly watching and adopting to the changing environment. The various forces in a marketing environment are given by the following chart.



Source: Kotler and Armstrong, 1999.

"The marketing environment plays very important role in facilitating the marketing process. The external environment is uncontrollable by the company/ firms and the firms is expected to adopt to the external environment. However the firm has a vary significant degree of control over the internal environment and can make it conducive to the firms marketing process" (Koirala, 1992, p. 1).

2.5 Marketing Mix

Marketing mix is one of the key concepts in modern marketing. It refers to a set of variables that the business uses to satisfy consumer needs. Marketing mix may be considered as four P's namely product, price, promotion and place.

Each company should deeply study the marketing mix to run the business. A successful company will have effective knowledge over the marketing mix. The four P's are as follows.

2.5.1 Product

A product is anything that can be offered to the consumer satisfaction. Products can differ in size, quality factors, brand, packing etc. this is the most important variable of marketing mix. Accompany should deeply think over the quality of the product before market penetration.

2.5.2 Price

It is another variable of marketing mix that creates sales revenue. consumers pay price to buy products for their need satisfaction. It may be fixed on the basis of cost, demand, and competition. It may involve discount allowances credit facility etc. Prices has become the second important variable of marketing mix because of inflationary pressures in recent years. Thus before market penetration a good marketing manager always looks toward the price of the product so that he can penetrate the product as their capacity to pay.

2.5.3 Promotion

It is another variable of marketing mix, which communicates to the ultimate consumers about goods and services. It involves those activities,

which inform, educate and stimulate the demand for the product. It consists of advertising, publicity, personal selling and sales promotion. Company should follow effective promotional Medias to inform the consumer about the product. A good marketing manager always looks towards effective promotional Medias to compete with other brands. This variable is very important to stimulate sales.

2.5.4 Place

People are another variable of marketing mix, which takes product to consumer. It is concerned with distribution and physical distributions. It is also concerned with selection a channel and place of selling. "A good marketing manager always thinks of an effective channel and physical distribution system for the smooth flow of the goods at the right time, at the right place and to the right person or market" (Agrawal, 2039, p. 47).

Philip Kotler defined marketing mix as the set of marketing tools that the firm uses to pursue its marketing objectives in the target market. He popularized a four-factor classification of these tools called the four P's: product, price, place and promotion. The particular marketing variables under each P's are shown in figure.



2.6 Product Life-Cycle

All products have a life cycle. They are born, live and they die. No product sales forever change in technology competition and buyer's performance limit their life. Product sales also vary over the life cycle. Different types of consumers buy the product at different periods of time.

"The product life cycle is the course of a product's sales and profit over its life time. It involves five distinct stages, product development, and introduction, growth, maturity and decline" (Agrawal, 2039).

"The concept of product life cycle arises from the concept of demand cycle. Demand cycle refers to the secular trend of demand in response to given level of price and the demand cycle i.e. trend that is exhibited by demand with an elapse of time explains the product life cycle" (Ansof, 1991, p. 78).

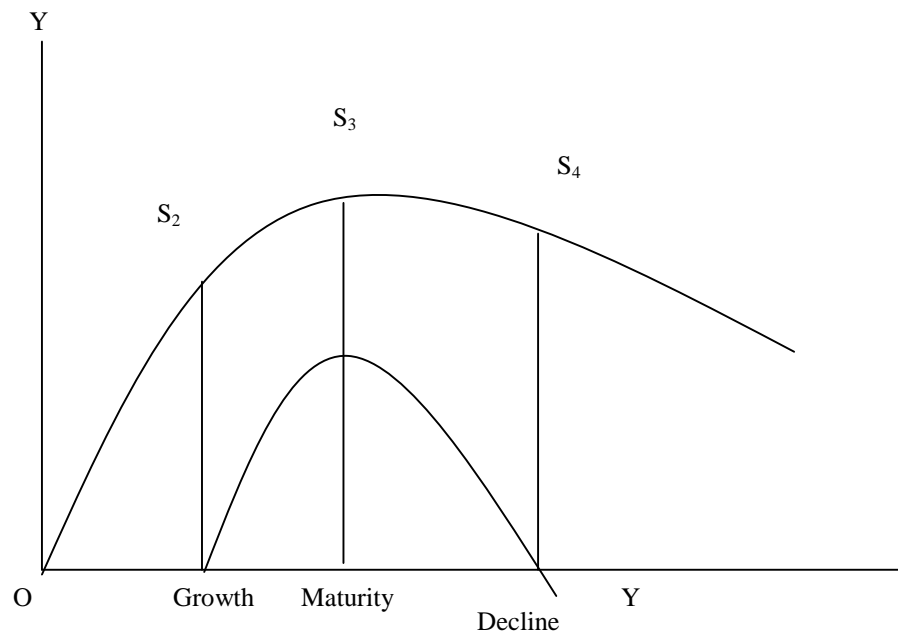
The concepts of product life cycle are in some certain foundations which are based up on the assertions that:

Product has a limited life

- ◆ Product sales pass through distinct stages each posing different challenges, opportunities and problem to the seller.
- ◆ The profit margin rise and fall at different stages.
- ◆ The sales of the product requires different marketing, financial manufacturing purchasing and human resources strategies in each stage of its life.

It has been recommended that especially in case of instant noodles and soft drinks advertisements through electronic media were found and the companies are required to make even more effective advertisements.

This research would be helpful to Govt. companies, experts, planners and university students in future.



2.6.1 Introduction Stage

In this stage, a period of slow sales growth as the product is introduced. In the market profit are non-existent in this stage because of the heavy expenses incurred with product introduction. It is a stage where there are four major strategies: price and promotion available to the producer, rapid skimming strategy, slow skimming strategy, rapid penetration strategy, and slow penetration strategy.

2.6.2 Growth Stage

In this stage in which a product's sales start climbing quickly during the stage, profit increases as promotion costs are spread over a large volume and as unit manufacturing costs fall.

The producers adopt various strategies of marketing in this stage. This strategy comes in the form of improvement in quality features and styling. It enters new market segments, increasing distribution channels,

shifts from building product awareness to product preference advertising and lowers prices at the right time to attract more buyers.

2.6.3 Maturity Stage

This is a period of slow down in sales growth because the product has achieved acceptance by most potential buyers. Profit decline because of increased marketing outlays to define the product against completion" (Ansof, 1991).

This stage normally lasts longer than the previous stage and it poses too fearful challengers to marketing management. this stage is accompanied by market modification through converting non users to users entering new market segment and winning competitors customers and old customers are encouraged to more frequent user use more pre are encouraged to more frequent user, use more precision and new varied user of the product.

2.6.4 Decline Stage

This stage in which sales and profit to grow feeble (dwindle). Especially, in the case of old fashioned and low quality goods, the rate of decline is very high as in the case of gramophone records, which disappeared from the market in less than half a decade.

"The major strategies of this stage are identification of weak products, increasing the firms investment to dominate the market or to strengthen its competitive position, maintaining the firms investment level until that uncertainties about the industry are resolved" (Richard, A.M., Business Week, April 24, 1995, p. 87).

2.7 Advertising

The word advertising is derived from the two Latin words: 'ad' means towards and 'verto' means 'turn'. So, the meaning of advertising is to turn people's attention to the specific thing. In other words advertising is to draw people's attention to certain goods. Advertising is one of the main tools in marketing used to influence the consumer's awareness, interest and response to the product in order to increase the firm's sales and profit. It is an important element in the modern marketing process but it can produce consistently profitable results only when the entire structure is sound and co-ordinate.

"Advertising consists of all the activities involved in presenting to a group, a non personal oral, or visual openly sponsored message regarding to a product service or idea. This message is collected an advertisement is disseminated through one or more media and is paid for by the identified sponsor" (Kotler, 1999, 49).

Advertising is defined as a firm communication where message is distributed by producer through different sources and it is acquired by the consumers. It is referred as non-personal, presentation because non-personal media are used to convey the message. Basically, media of mass communication are only two viz, publications and electronic transmitter radio and television .

Advertising includes the following forms of message, the message carried in newspaper and magazines, outdoor boards, street, car buses train, cards, poster radio and television broadcast and in circulation of all kinds whether distributed by mail, by person through trade men or by inserts in package, dealer help materials, window display and counter display materials and efforts stone signs, houses organs when directed to

dealers and consumer, nation pictures used of advertising message or signature of the advertiser."

Above all definitions expect last one tall that advertising is a method of mass communication which help to sell goods.

2.8 Branding

"Branding constitutes and important part of product mix. The work brand is comprehensive in compassing others narrower terms. a brand name consists of words, letters or number that can be vocalized. a brand mark is the part of the brand that aspersions the form of a symbol, design or distinctive colour or letter. A brand mark is recognized by sign and differential traits product. But it can not express when person pronounce the brand name eg. Gillets, Sony etc are the brand name. "Marketers say that branding is the art and corner stone of marketing" (Barden/Marshall, Advertising Management 1998 P.13).

"Building brands require a great deal of time money promotion and packaging. brands suggest product difference to customers. They convey attributes, image value and benefits most of the products are branded" (Op cit).

"A brand is a name terms, signs, symbol, or design or a combination of the intended to identify the goods or services of one seller or group of seller and to differentiate from those competitors" (Agrawal Dr. Govinda ram Marketing Management 1998 P.13).

It is clear from above definition that brand identifies the goods to market. It can be a name trademark, logo or other symbol. To differ from other assets such as patents and copyrights, which have expired dates. It trade mark is a legally protected brands which implies ownership of the users and exclusive right to use.

Now a day, market is being much more competitive is a subject of consideration. Every company should carryout a research before launching a new brand. But all Nepalese companies don't set budget a side for research and development. It is always important to study the need, interest, taste and purchasing power of the targeted consumers. as the consumer is the king of the market in today's liberal economy companies can not afford to be product oriented only. There is no specific formula for success. Market is different from place to place, consumers need taste and interest may vary form one place to another. In many cases affordability geographical, location culture and religion also determinate people need. Therefore, success of a brand largely depends on the different factors such as innovation, quality, attractive, packaging reasonable price, availability, good publicity brand positioning, unique selling proposition, value addition relationship etc" (Business age).

2.9 Review of Related Studies in Nepal

In recent years, cold drinks have been a part of food habit of Nepalese people. There have been vary few. Study on the cold drink and cold drinks marketing in Nepal. The available studies on cold-drink and its production and marketing have been revised below.

2.9.1 A Study on Marketing of Cold-drinks in Narayanghot

With the objectives to analysis the cold-drink market, its sales, position, tested, price, quality and customers loyalty in compared with other brands of cold-drink in Narayanghat. Ratna Prasad Shrestha conduced a study on "the marketing of cold drinks in Narayanghat". it also has objectives to suggest company for marketing activities for better distribution.

From his study he concluded that consumption of cold-drink is being increased in Narayanghat. There is high competition of different brands in terms of price quality, tested on the consumer side and incentives, profit margin etc. on the marketing side. The product of cold-drinks ranked different in market on the basis of sales of volume. Though its price is reasonable, its taste and quality has dissatisfied consumers need. The factory has adopted multistage sales mechanism, the drawback of its marketing system is that it hasn't devised attractive schema to promote sales for wholesalers and consumers the company lacks feedback from wholesaler, distribution and consumers.

"The role of advertising in brand choice and product positioning, specially in case of noodles and soft drinks" (Shrestha, 1997).

The main objectives of the study are to analyze the effectiveness of advertising on brand choice of consumer product; evaluate the role of advertising in product positioning and the consumer perspective and consumer's response to advertisement and other promotional tools.

This study has concluded that advertisements are the important means of sales promotion and consumers respond well on these. Advertisements are most effective. It is also stated that the advertisement aired through P.M. have been popular in recent years.

It has been recommended that specially in case of instant noodles and soft drinks advertisements through electronic media are effective and the companies are required to make even more effective advertisements.

There has been no research on the Cold-drinks and marketing in Nepal. But only related some topic of marketing has been reviewed below. From the interpretation and analysis of the data and information collected from the consumer. It is found that brand awareness of the Nepalese

consumers is high and most of them are brand loyal in each of the products selected for this study. Similarly, it is also found that the factors such as the consumer sex, age, marital status, income, family system etc. also affect brand loyalty. The consumers relate with brand loyalty but degree and directions of relationship varied across product.

Ishwor Raj Aryal, “The Study of Market Share of Colgate in Comparison with Other Brand” SDC, 2002

According to in his study, the sales promotion works as a starter to the Toothpaste users. People, who are not so educated, are not loyal towards any particular brand. Due to this, the sales promotion, advertisement easily attracts attention of those toothpaste users and as result the sales of that particular Toothpaste will increase. The sales promotion is very powerful, which can easily boost the sales have its impact of market share.

The major objectives of his study are as follows: -

- 1 To identify the purchase/buying behavior of Colgate toothpaste.
- 2 To identify the market share of Colgate toothpaste in comparison with other brands.
- 3 To find out the popular media of advertisement for toothpaste, this can easily attract the potential consumers on each brand of companies.

The major findings of his study are as follows:-

- a. The maximum numbers of consumers use Close-up than other brands.
- b. The maximum consumers purchase the toothpaste from general store and only minimum number of consumers purchase than toothpaste from wholesalers.

- c. Maximum consumers take self-decision while buying toothpaste but minimum consumers take decision according to others.
- d. Most of the consumers are attracted through T.V. media for buying toothpaste.

**Keshav Raj Khanal, “The Study of Market Situation of Toothpaste”
‘Pepsodent’**

In this study “The Study of Market Situation of Toothpaste ‘Pesodent’. Has stressed that most of the consumers in the marketing of toothpaste seen to be loyal on the specific brand this loyalty is found to be created by the quality rather than the price; similarly the advertisement also plays important role in the marketing. Sales especially the visual ads advertisement seen on the screen is quite considerable for them. Some significant facts and major findings of the thesis are pointed out as follows:

- a. In Nepalese context, the market of toothpaste is increasing.
- b. Most consumers are loyal to the specific brands.
- c. About 51% consumers are convinced by the shopkeepers’ suggestion to purchase a specific brand.
- d. More than 50% prefer quality in toothpaste rather than price.
- e. An effective promotional activity ensures the increment of sales in the toothpaste marketing.

Arun Kumar Thapaliya “A Study on Market Situation of Instant Noodles Yam-Yam”, Unpublished Dissertation of MBA Thesis, 1999.

The main objectives of the study were to analyze the Yam-Yam market, its sales, its position, taste, price, quality and customers loyalty in compared with other brands of Noodles in Narayanghar. Arun Kumar Thapailaya conducted a study on “Market situation in instant Noodles

Yum-Yum.” It also had objectives to suggest company for marketing activities for better distribution.

In his study he concluded that consumption of instant noodles is being increased in Narayanghar. There is high competition of different brands in terms of price, quality taste on the consumer’s side and incentives, profit margin etc. on the marketing side. The product of general food industry Yum-Yum brands ranked second in market on the basis of sales of volume. Thought, its price is reasonable, its taste and quality has dissatisfied consumers need. The factory has adopted multistage sales mechanism, the drawback of its marketing system is that it hasn’t devised attractive scheme to promote sales for wholesalers and consumers the company lacks feedback from wholesaler, distribution and consumers.

This study recommends to the general food industry to produce variety of brands with improvement in taste quality and price. It also suggested distributor for its sales promotion. The company must take marketing feedback from consumers, wholesaler and distributors.

Arun Kumar Thapaliya “A Study on Market Situation of Instant Noodles Yam-Yam”, Unpublished Dissertation of MBA Thesis, 1999.

Thapaliya has done the research entitled "The Role of Advertising in Brand Choice and Product Positioning, Especially in Case of Noodles and Soft Drinks." The main objectives of the study are to analyze the effectiveness of advertising on brand choice of consumer product, evaluate the role of advertising in product positioning and the consumer perspective and consumer’s response to advertisement and other promotional tools.

This study has concluded that advertisements are the important means of sales promotion and consumers respond-well on these. Advertisements are the means that introduce the products among consumer and the advertisements are most effective.

Rajendra Krishana Shrestha “The Role of Advertising in Brand Choice and Product Positioning” Case of Noodles and Soft Drinks, Unpublished Dissertation of MBA Thesis, 1997

Shrestha has done a research entitled “The Role of Advertising in Brand Choice and Product Positioning, Especially in Case of Noodles and Soft Drinks.” The main objectives of the study are to analyze the effectiveness of advertising on brand choice of consumer product, evaluate the role of advertising in product positioning and the consumer perspective and consumer’s response to advertisement and other promotional tools.

This study has concluded that advertisements are the important means of sales promotion and consumers respond-well on these. Advertisements are the means that introduce the products among consumer and the advertisements are most effective.

It has been recommended that especially in case of instant noodles and soft drinks advertisements through electronic media were found and the companies are required to make even more effective advertisements. This research would be helpful to Govt. companies, experts, planners and university students in future.

Dil Kumar Shrestha, “Market situation of toothpaste marketing in Katmandu Valley”, Unpublished Dissertation Submitted to Nepal Commerce Campus, Minbhawan, Kathmandu, 2007

Shrestha has done a research entitled “Market situation of toothpaste marketing in Katmandu Valley.” His objectives of the research

are to identify the consumers' behaviors towards the purchase and use of toothpaste in Kathmandu Valley, to ascertain the role and effectiveness of advertisement and promotion-schemes on sales toothpaste, to analyze the reaction of consumers on product, to observe the brand loyalty of consumers in Toothpaste marketing.

The major findings of the study were as given below:

1. Close-up and Pepsodent Toothpastes are top position in Katmandu valley.
2. Most of the consumers who consumed toothpaste are under 20 years of age.
3. Most of the Students have seen using toothpaste in comparison to other professional area.
4. Demand & Supply of toothpaste and Close –up and Pepsodent are highly increasing in Katmandu valley.
5. Consumers give more preference to the quality and less preference to the brand.
6. In Kathmandu Valley, the main competitive brands of toothpaste are Close-up, Pepsodent & Dabur.
7. People staying in Kathmandu Valley always use their own particular brand, if they can't get their own brand then only they purchase another brand.

On the basis of analysis and conclusion, the recommendations were made as: an improvement in the quality and fixing reasonable price can be helpful measures to increase the volume of the sales in the market, the company should adopt effective marketing mechanism & activities to compete with Close-up and Pepsodent. The company should undertake frequent market studies and establish an information system to understand the brands loyalty and the preferences of the consumers and design the products and product qualities accordingly.

None of the above studies have done such type of research previously. so that , this research would be helpful to government experts, planners and university students in future.

CHAPTER –III

RESEARCH METHODOLOGY

Research methodology third chapter of the study is an art of scientific inquiry. In other words, it is systematic product of knowledge. It provides the connection between the hypothesis and the collection of data. This chapter discusses methods of data collection, how the study is preceded and what variable are studies. The basis purpose of study is to know market situation of cold-drinks and point out its efficiency and effectiveness in accomplishing marketing goals. To meet the objectives of study data was collected form consumes, dealers and producers. The research methodology employed in present study is described as follow.

3.1 Research Design

“Research design is the plan, structure, and strategy of investigation conceived so as to obtain answer to research questions and to control variance” (Karlinger, 2002, p. 300).

After exploring the sources of information about different aspects of marketing of cold-drinks, primary information were generated through interview with consumers who used cold-drinks. The study is therefore exploratory as well as descriptive in nature. To, generate primary data a survey research design has been applied in the study.

3.2 Source of Data

The information and data required for conduction the study was collected form both primary and secondary sources. Primary sources were used predominantly. Primary information and data were generated through questionnaire and interview with consumers of the Parsa district.

Secondary information was obtained from dealers, producers through interviews and their records.

3.3 Population and Sampling

All the Nepalese are potential consumers of cold-drinks. So, they are considered as the population of this study.

As this large population is difficult to be included in study, for easy purpose 100 consumers and a few producers and dealers have been surveyed. In this study judgmental sampling method has been used because study sample is very small as compared to large population. In order to make the study sample representative of whole professions, age group and sex groups. All groups responded the questionnaires that was given.

3.4 Data Collection Technique

For data collection, researcher or provision of permission card from campus. Basically primary data was collected by questionnaire method. Different aspects of marketing practice and its impact on population were considered while preparing the questionnaire. Colleagues teachers and experts were consulted for the preparation. A set of 21 questions was included in the questionnaires forms to be distributed to consumers. The researcher personally visited the consumers to distributed the questionnaire form and to take interview. Consumers from different socio-economics back ground were considered.

Similarly, secondary data and information were collected through desk-research reviewing, reports of cold-drinks industry ministry of commerce, magazines and journals etc.

3.5 Data Analysis Method

To answer the research questions and to achieve objectives information and data collected are systematically and properly analyzed. The collected information's are concerned with the objectives of the study.

Entire questionnaire distributed to the consumers were collected and checked thoroughly. Then it was compiled and presented in appropriate tables to facilities analysis and interpretation. Master table is then considered for all the analysis. Both for this analysis are-simple mean, pie-chart, percentage, ven-diagrams etc.

CHAPTER-IV

DATA ANALYSIS AND PRESENTATION

This research is mainly an exploratory type; the researcher has tried to be representative of the whole population. So, two ways of collection and interpretation of data is considered and given in this study.

4.1 Data Collection from Producer's and Dealers

The information required to meet the objective of the study was supplemented by producer's and dealer's response. A different set of questionnaire was administered to them. It was found that producer produces one brand or multiple brands of cold drinks. The production of cold drinks at least 5 years or 3 years was taken.

4.1.1 Cold drinks Production in Nepal

Table No. 1

Years	Production in ceses	Amount in Lakh
		Percentage
2005	56	16.17
2006	61	17.94
2007	67	19.17
2008	74	21.76
2009	82	24.12
Total	340	100.00

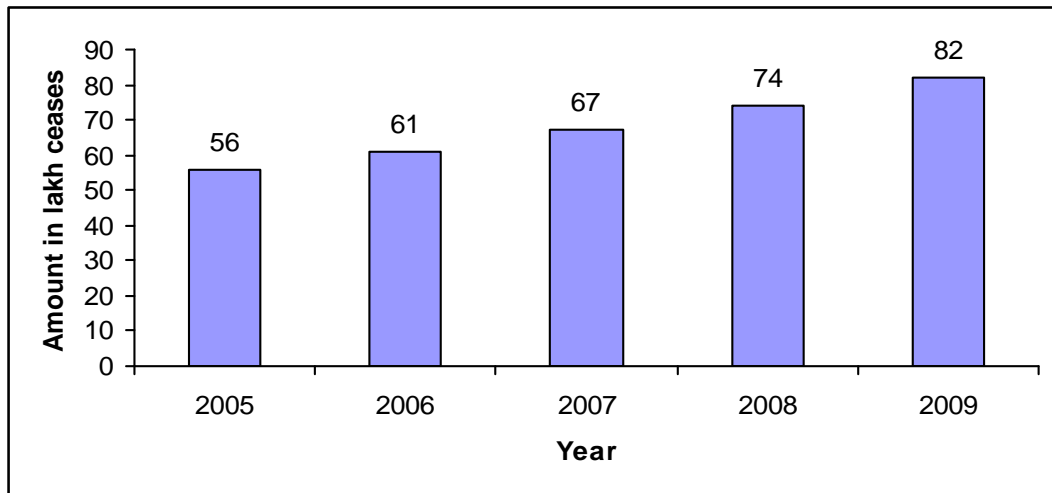
Source: www.cocacola.com.

(1 ceses =10 bottle)

Above the table shows five years production of cold drinks in Nepal. In 2005 the total production was 56 lakh ceses (16.47%). In 2006, the total production was 61 lakh ceses (17.94%). Similarly, in

2007 the production reached 67 lakh ceases (19.17%), 74 lakh ceases (21.76%) in 2008 and 82 lakh ceases (24.12%) in 2009. In this year the production of cold drinks.

Figure No. 1



4.1.2 Production of Cold Drinks Major Players and Brands

Table No. 2

Amount in '000'

Brands	Annual Capacity (ceases)
Coca-Cola	130
Fanta	85
Sprite	65
Pepsi	70
Miranda	50
Frooti	55
Others	45
Total	500

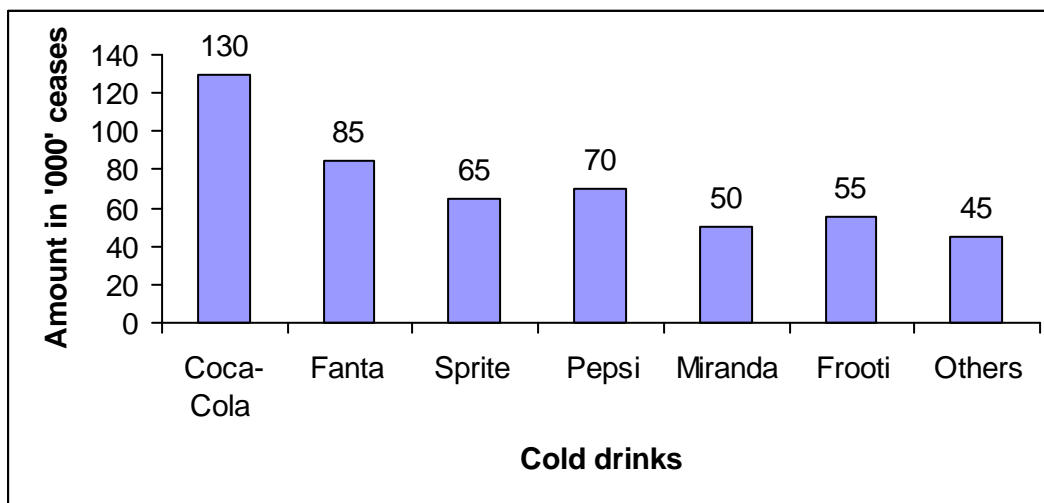
Sources : Companies Contracted and Business Estimation

In above table, the capacity of the brands coca cola, fanta, sprite, respectively 130, 85, 65 ceases in thousand production by coca cola

company. other side Pepsi, Miranda produce the Baruna beverage industries was 70, 50 thousand ceases and others branded produce 45 thousand cases.

The table presented in following Bar-diagram.

Figure No. 2



4.1.3 Supply Situation of Cold Drinks in Birgunj

Table No. 3

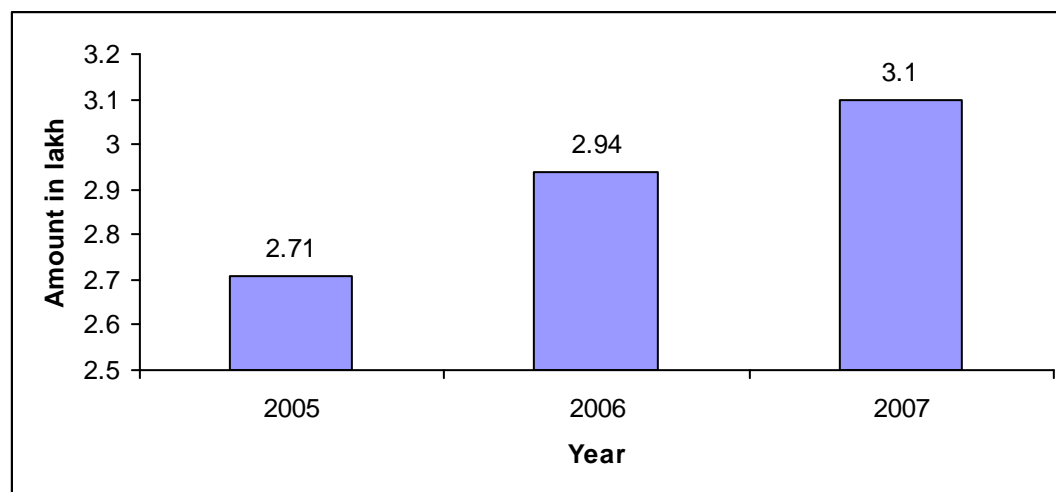
Amount in lakh

Years	Supply Situation	Percentage
2005	2.71	30.97
2006	2.94	33.60
2007	3.10	35.42
Total	8.75	100

Above table shows, the supply situation of cold drinks in Parsa for past three years. In 2005 the total supply was 2.71 or at 30.97%. Similarly in 2006 the supply was 33.60%. In 2007 the supply of cold drinks was 3.10 lacks or 35.42%.

Supply situation of cold drinks in Parsa district is shown in following Bar-diagram.

Figure No. 3



4.1.4 Supply of Cold Drinks Major Players Brand in Parsa District

Table No. 4

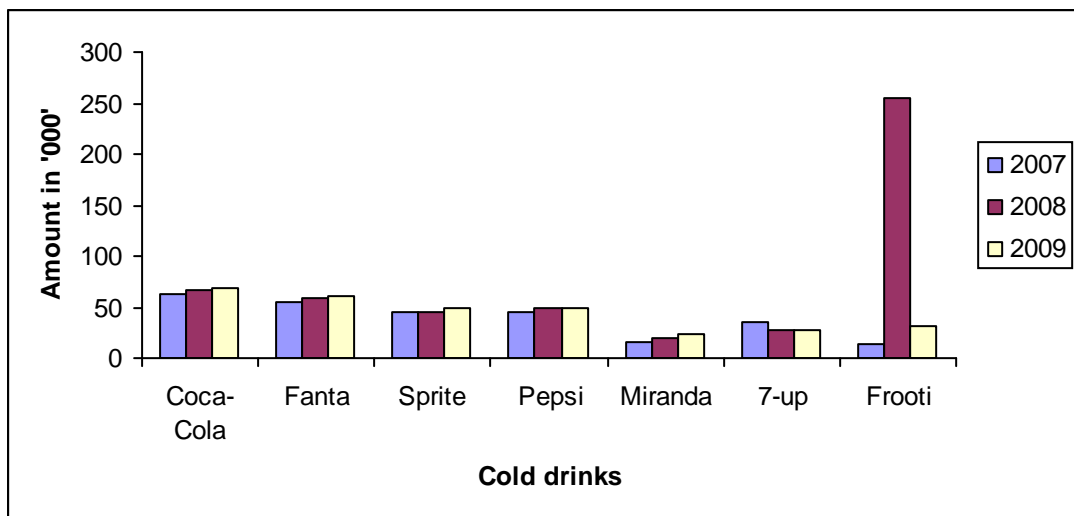
Amount in '000'

Year	Coca-Cola	Fanta	Sprite	Pepsi	Miranda	7-up	Frooti
2007	62	55	46	45	15	35	13
2008	66	58	45	49	20	27	254
2009	68	61	49	49	23	28	32
Total	196	174	140	143	58	90	70

Source: Distribution of cold drinks in Parsa District.

The table shows the market supply of cold-drinks by different brands from the 2006 to 2009. From 2006 to 2009 the brands of coca-cola supplied 19,6000 cases. Similarly the others brands supply Fanta, Sprite, Pepsi are 174, 140,143, the low supply Miranda in market. Thus the table show the increasement or decreasements of market supply of different brands in Birgunj.

Figure No. 4



4.1.5 Difference Brands of Cold Drinks Supply Situation in Parsa District

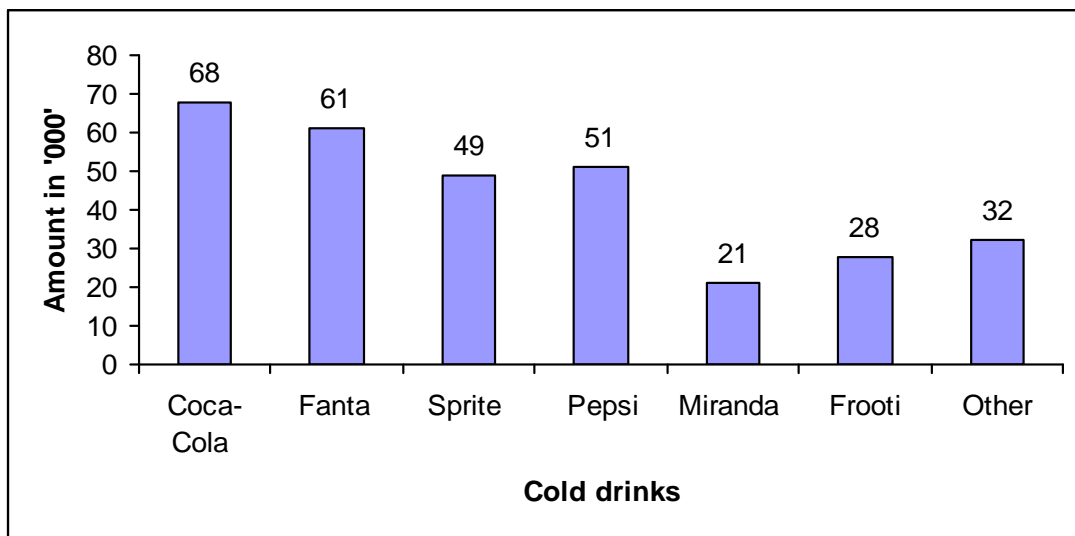
Table No. 5

'000'

Brands	Supply (in)	Percentages
Coca-Cola	68	21.94
Fanta	61	19.68
Sprite	49	15.81
Pepsi	51	16.45
Miranda	21	7.42
Frooti	28	9.03
Other	32	10.32
Total	310	100

Source: Distributor of Cold Drinks in Parsa, 2010.

Figure No. 5



4.2 Data Collection from Consumers

Data collection for the semi-structured question are was administrated among 100 randomly selected respondents. it was confirm that all of the respondents used cold drinks. it was found that all of respondents has been using cold drinks for last two years among. Which 75% of the respondents used cold drinks as hot time a rest used of any time.

4.2.1 Age

Table No. 6

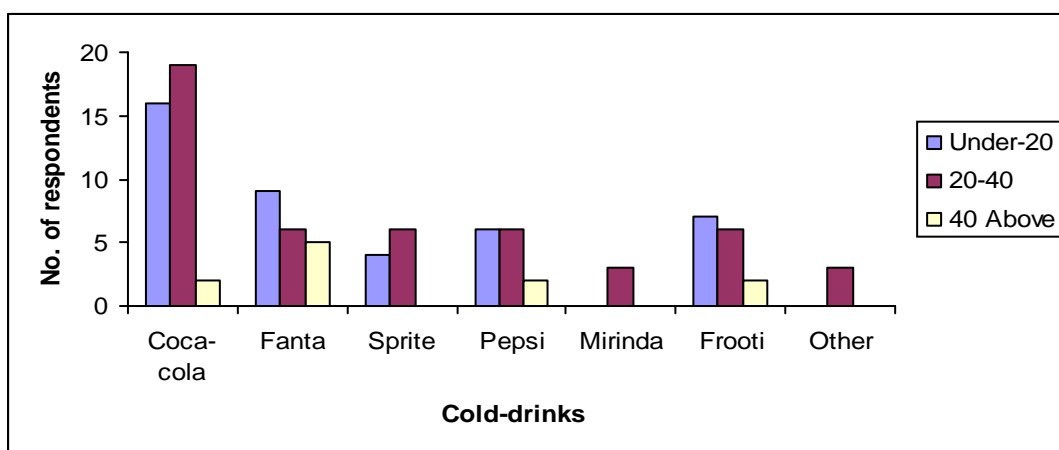
Analysis of Age of the Consumers who Used Cold Drinks

Age	Coca-Cola		Fanta		Sprite		Pepsi		Miranda		Frooti		Other		Total
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	
Under-20	16	16	9	9	4	4	6	6	-	-	7	7	-	-	42
20-40	19	19	6	6	6	6	6	6	3	3	6	6	3	3	47
40 Above	2	2	5	5	-	-	2	2	-	-	2	2	-	-	11
Total	37	37	20	20	10	10	12	12	3	3	15	15	3	3	100

Source: Field survey, 2010.

The table shows the age wise preference of cold drinks. the table shows that 16% of consumers under 20 years 19% between 20-40 years and 2% above 40 year prefer coca-cola. Similarly, 9%, 6%, 5% are the consumers of Fanta brands of age below 20 years 20-40 years, and above 30 years respectively, 6%, 4%, 2% are the consumers of Papsi brand of age respectively. The study shows that coca-cola is preferred by teenagers i.e. below 20 years are covers 16% of total consumers. Otherwise 20-40 years preference of coca-cola and above 40 years are Fanta respectively.

Figure No. 6



4.2.2 Data Collection from Consumers

Table No. 7

Occupation-Wise Analysis of Cold-drinks Users

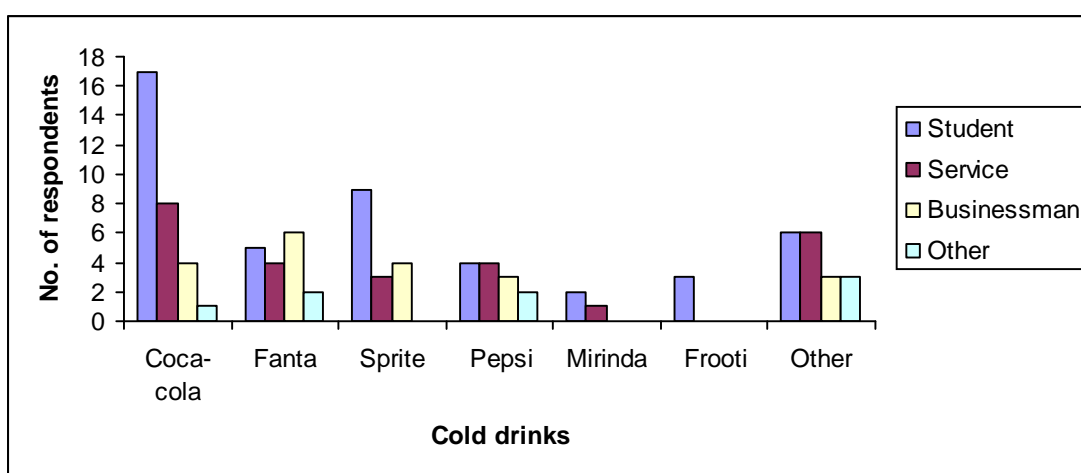
Age	Coca-Cola		Fanta		Sprite		Pepsi		Miranda		Frooti		Other		Total
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	
Student	17	17	5	5	9	9	4	4	2	2	3	3	6	6	46
Service	8	8	4	4	3	3	4	4	1	1	0	0	6	6	26
Businessman	4	4	6	6	4	4	3	3	0	0	0	0	3	3	20
Other	1	1	2	2	0		2	2	0	0	0	0	3	3	8
Total	30	30	17	17	16	16	13	13	3	3	3	3	18	18	100

Source: Field Survey, 2010.

The above table shows that there are 17%, 5%, 9%, 4%, 2%, 3%, 6% are the students who use coca-cola fanta, sprite, pepsi, miranda, 7-up, frooti brands of cold drinks. 8%, 4%, 3%, 1%, 6% are the services holders who use cold drinks of coca-cola, fanta, sprite, pepsi and others brands respectively. Most of the people use coca-cola and frooti.

This table can be show the following pie-chart

Figure No. 7
Occupation-wise Analysis of cold-drinks users



4.2.3 Sex

Table No. 8
Sex-wise Analysis of Consumers Who Use Cold-Drinks

Age	Coca-Cola		Fanta		sprite		Pepsi		Miranda		Frooti		Other		Total
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	
Male	14	14	8	8	9	9	8	8	2	2	3	3	5	5	49
Female	5	5	20	20			13	13	3	3			10	10	51
Total	19	19	28	28	9	9	21	21	5	5	3	3	15	15	100

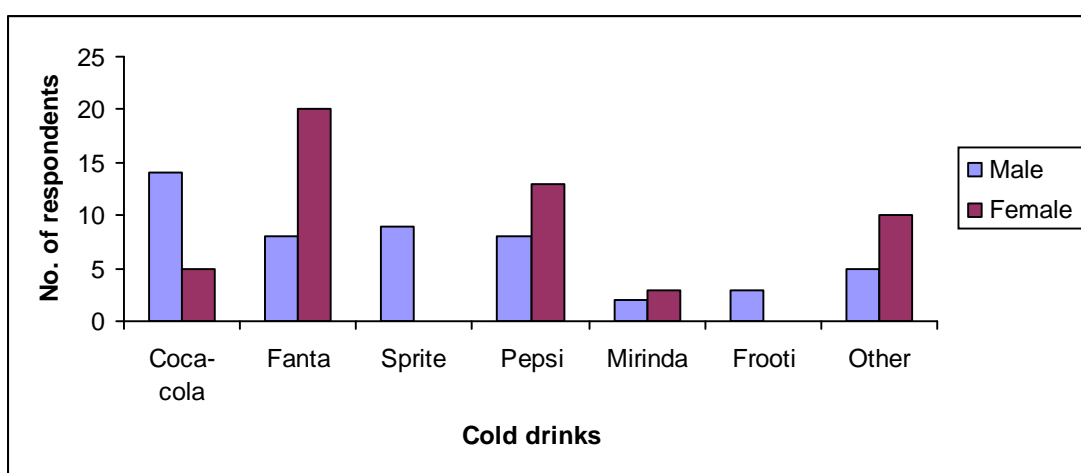
Source: Field Survey, 2010.

In above table, 100 consumers in converted as 100%. The table shows sex wise preference of cold drinks. it shows 14%, 8%, 2%, 3% , and 5% respondents are male who use cold drinks of coca-cola, fanta, sprite, Pepsi, Miranda, others frooti respectively. Thus in the total 49% are male and 51% are female.

This table cab be resented following bar- Diagram

Figure No. 8

Sex-wise Analysis of Consumers who Use Cold-drinks



4.2.4 Distribution of Cold Drinks on the Basis of Consumers Priority

Table No. 9

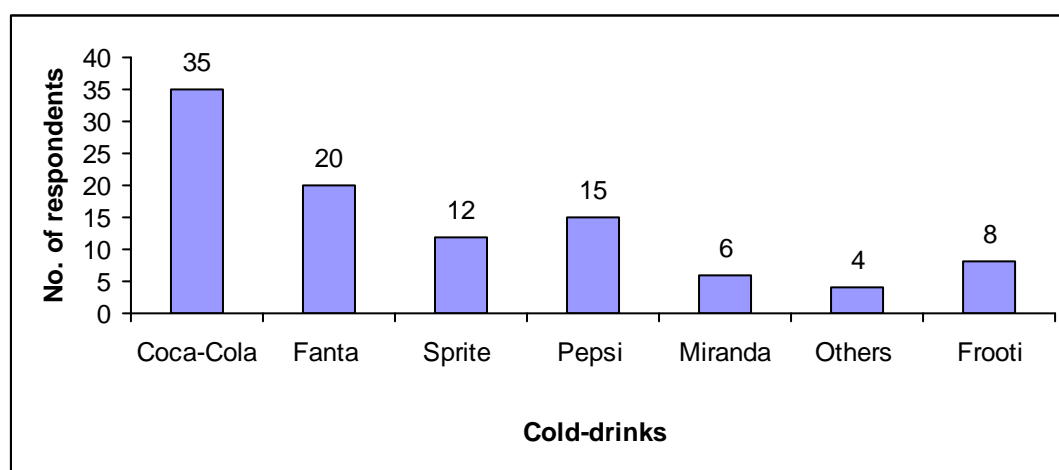
Brands	No. of consumer	Percentage
Coca-Cola	35	35
Fanta	20	20
Sprite	12	12
Pepsi	15	15
Miranda	6	6
Others	4	4
Frooti	8	8
Total	100	100

Source: Field Survey, 2010.

The table shows that the coca-cola brands has been most popular in the market. The second popular brands is fanta and they are followed by others which covered by small area.

This table can be shown in following pie-chart.

Figure No. 9
Pie-chart Showing Priority of Cold-Drinks



4.2.5 Price Reaction of Consumers Overall Cold-Drinks

Table No. 10

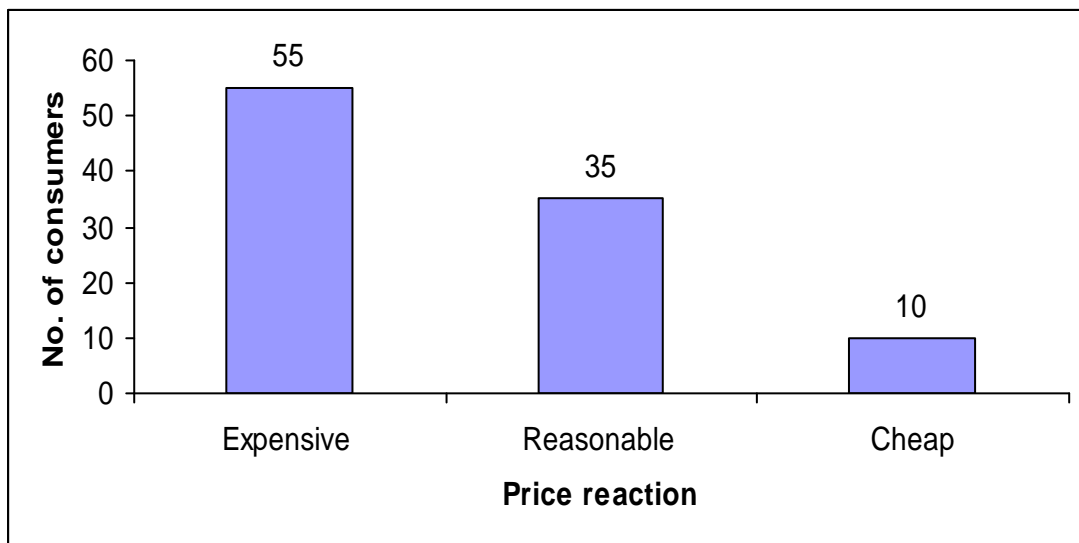
Reaction	No. of Consumers	Percentage
Expensive	55	55
Reasonable	35	35
Cheap	10	10
Total	100	100

Source: Field Survey, 2010.

Now, on price condition, 55% respondents think that cold drinks is expensive, 35% have the opening that the price is reasonable. Rest of them think that it is cheap. Thus we can conclude that, the price of cold-drink is expensive imaret.

This table can be presented in following bar-diagram

Figure No. 10
Price Reaction of Consumers Overall Cold-Drinks



4.2.6 Test of Cold Drinks

Table No. 11

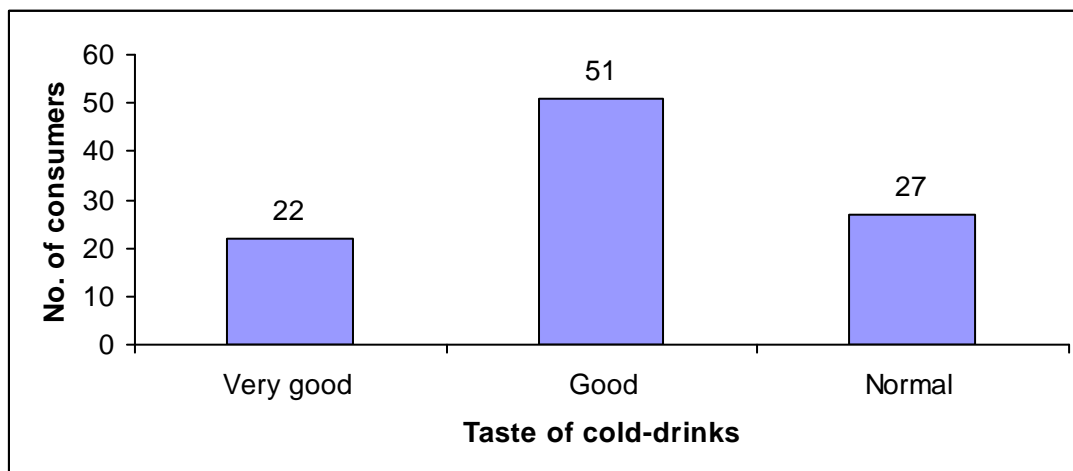
Taste rank	No. of consumer	Percentage
Very good	22	22
Good	51	51
Normal	27	27
Total	100	100

Source: Field Survey, 2010.

The table shows the taste of cold drink 51% consumers think that it is good. As 22% it is very good and rest of them it is normal. The taste of cold drink should be improved according to consumers demanded if it aspires to be competitive in the market.

The table can be presented in following pie-chart

Figure No. 11
Test of Cold Drinks



4.2.7 Quality of Cold-Drinks in Market

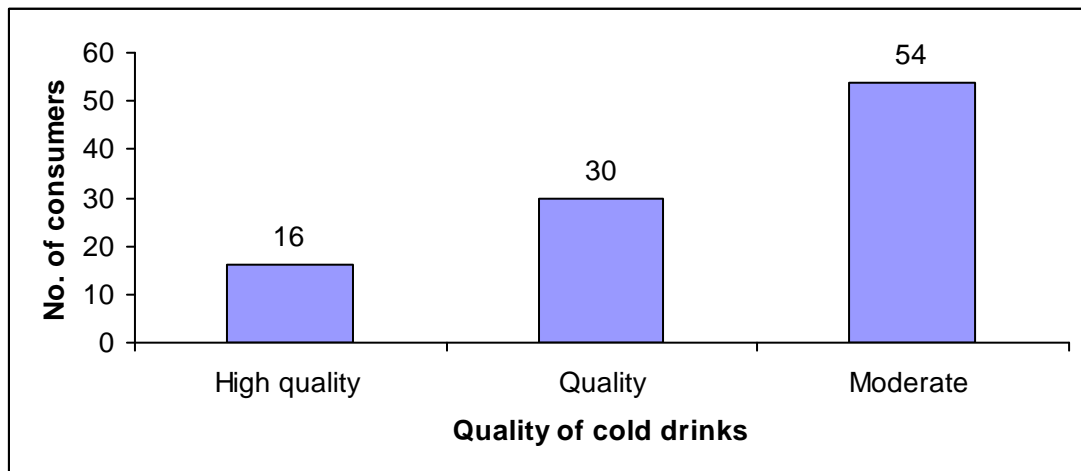
Table No. 12

Quality	No. of consumers	Percentage
High quality	16	16
Quality	30	30
Moderate	54	54
Total	100	100

Source: Field survey, 2010.

The table shows that 54% of consumer thinks that cold drink is moderate quality. 30% says that it is qualitative and rest of them says it is highly quality.

Figure No. 12
Quality of Cold-Drinks in Market



4.2.8 Distribution of Different Brands by their Quality

Table No. 13

Brand Ranking	Coca- Cola	Fanta	Sprite	Pepsi	Miranda	Other	Frooti
1	70	1	20	40	25	10	15
2	20	34	30	35	10	20	40
3	5	27	15	10	20	15	10
4		10	10	9	40	30	20
5	5	28	25	6	5	25	15
Total	100	100	100	100	100	100	100

Source : Field survey, 2010.

The table shows the rank of quality of all cold drink in market. The ranking of different brands was made depending on consumption.

Ranking Mean

Lower value the rank indicates better the quality.

Coca-cola - 1.5

Fanta	-	3.3
Sprite	-	2.9
Pepsi	-	2.06
Miranda	-	3.0
Frooti	-	2.8
Others	-	3.4

The mean data ranking shows that the maximum number of people regarded coca-cola as the best quality followed by Pepsi.

4.2.9 Media Recognition of Cold-Drinks

Table No. 14

Media	No. of persons	Percentages
Radio- Nepal	25	25
T.V	20	20
F.M	7	7
Friends	16	16
New paper	8	8
Wall painting	7	7
Hoarding board	5	5
Cinema	4	4
All of above	8	8
Do not know		
Total	100	100

Sources: Field survey, 2010.

Above table the radio-Nepal is the most popular media in Birgunj area. Similarly 20% , 16% are covered by T.V and friends.

4.2.10 The Advertisement Attractiveness test in T.V

Table No. 15

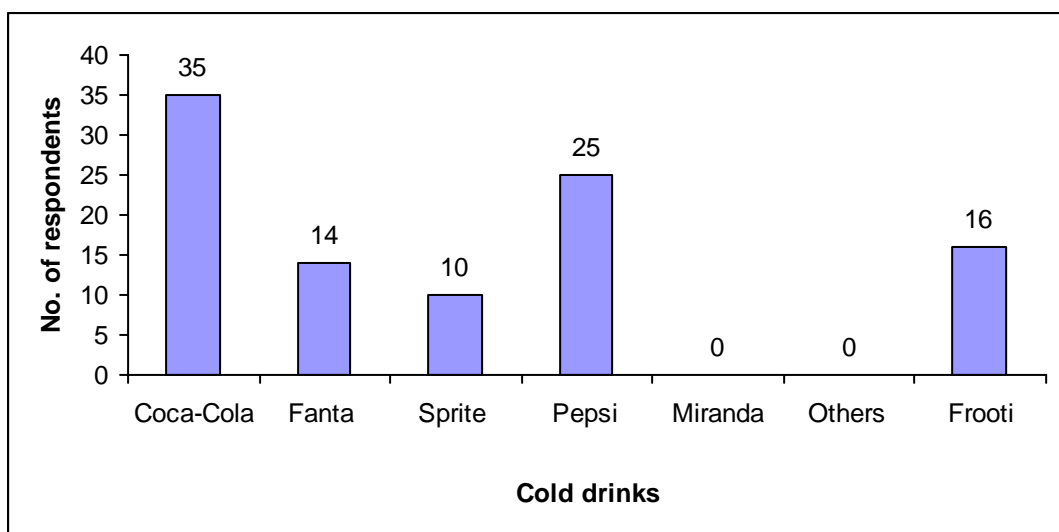
Brands	Frequently	Percentages
Coca-Cola	35	35
Fanta	14	14
Sprite	10	10
Pepsi	25	25
Miranda	0	
Others	0	
Frooti	16	16
Total	100	100

Sources: Field survey, 2010.

The table show that coca-cola holds the first position in T.V. Similarly other brands i.e pepsi take the second position and frooti is 3rd position in T.V .

The table can be show following pie-chart.

Figure No. 13
Quality of Cold-Drinks in Market



4.2.11 The Advertisement Attractiveness Test in Radio Nepal FM

Table No. 16

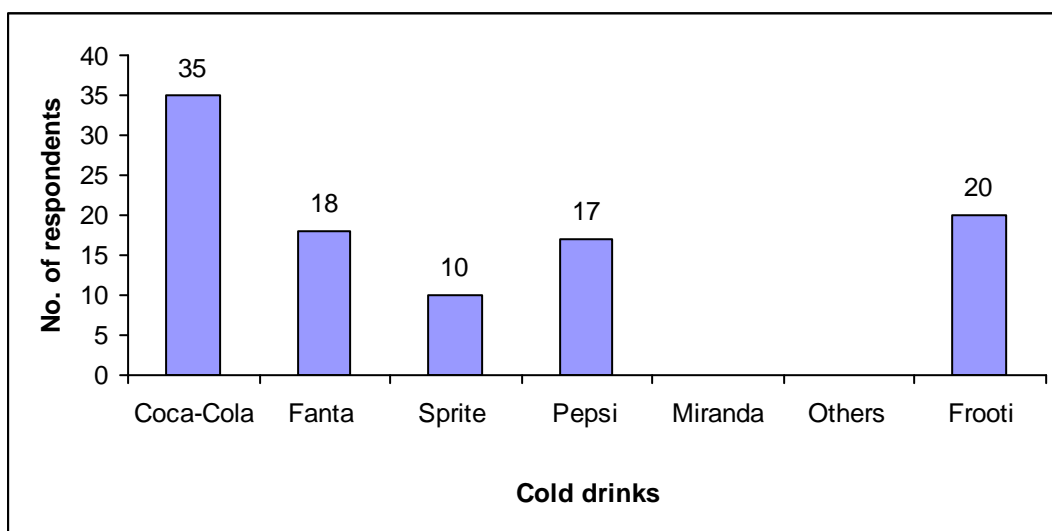
Brands	Frequently	Percentages
Coca-Cola	35	35
Fanta	18	18
Sprite	10	10
Pepsi	17	17
Miranda		
Others		
Frooti	20	20
Total	100	100

Sources: Field Survey, 2010.

From the table it can be seen advertisement that coca-cola takes the 1st position in radio Nepal / FM. Similarity fanta brands holds the second position and frooti holds the 3rd position. Thus, it can be concluded the most popular by coca-cola advertisement in radio/ FM.

This table is presented in following pie-chart

Figure No. 14



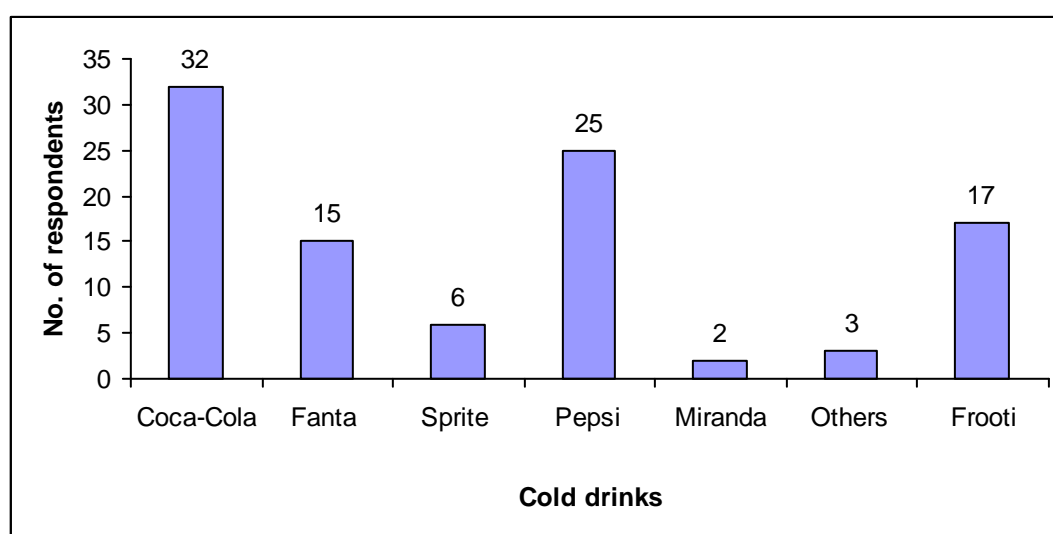
4.2.12 The Advertisement Attractiveness Test in Newspaper

Table No. 17

Brands	Frequently	Percentages
Coca-Cola	32	32
Fanta	15	15
Sprite	6	6
Pepsi	25	25
Miranda	2	2
Others	3	3
Frooti	17	17
Total	100	100

Sources: Field Survey, 2010.

Figure No.: 15



The above table shows that 32% respondents know about coca-cola from news paper. Similarly, pepsi, frooti holds the 2nd 3rd position in news paper.

4.2.13 Most Listen, Read and See Through the Strengths of the Advertisements

Table No. 18

Brands	Listen		Read		See	
	No	%	No	%	No	%
Coca-Cola	34	34	27	27	25	25
Fanta	20	20	15	15	18	18
Sprite	11	11	13	13	15	15
Pepsi	20	20	18	18	20	20
Miranda			6	6	3	3
Others			4	4	3	3
Frooti	15	15	17	17	16	16
Total	100	100	100	100	100	100

Source: Field survey, 2010.

The above table shows that most of the respondents listen, read and see thought the strength of the advertisements of 7 brands of cold drinks. In the above table, 34% respondents leistered the advertisement of coca-cola, 27% respondents read the 25% respondents saw the advertisement of coca-cola.

4.2.14 Reason for buying the cold-drinks

Reason for buying the cold-drinks:

Table No. 19

escription	Coca-Cola	Fanta	Sprite	Pepsi	Miranda	Other	Frooti
Brand	25%	18%	12%	19%	4%	6%	16%
Quality	22%	17%	13%	20%	7%	8%	15%
Test	27%	20%	8%	15%	8%	3%	19%

Source: Field survey, 2010.

Above the table, 25% respondents were buying coca-cola for brands. Similarly 22%, 17% , 13% , 20% , 79%, 8%, 15% respondents consumers for quality. Thus, in this table shows that the best brands, quality and test easily to know responded coca-coal.

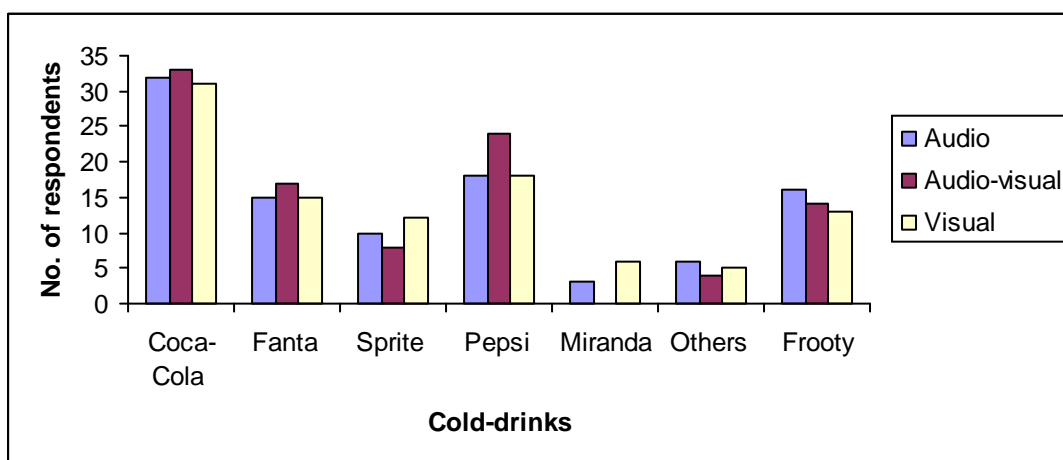
4.2.15 Distribution of Strength of Audio, Visual and Audio-Visual Advertisement of Consumption

Table No. 20

Description	Audio		Audio-visual		Visual	
	No.	%	No.	%	No.	%
Coca-Cola	32	32	33	33	31	31
Fanta	15	15	17	17	15	15
Sprite	10	10	8	8	12	12
Pepsi	18	18	24	24	18	18
Miranda	3	3			6	6
Others	6	6	4	4	5	5
Frooti	16	16	14	14	13	13

Source: Field survey, 2010.

Figure No. 16



The above table shows that the strength of audio audio-visual and visual advertisement of consumption of different brands are almost equal. The table shows 32% of coca-cola consumers were made familiar of this brands by audio advertisement. Similarly, 32% and 31% of coca-cola consumers were familiar of by audio-visual and visual. The second familiar brands are pepsi by audio, audio-visual and visual. Thus, the table shows all brands play equal for promoting of the sales.

4.3 Findings

1. Cold-drinks are popular in Birgunj area.
2. Demand of cold-drinks is highly increasing in Birgunj.
3. Regarding, cold-drinks only 100 consumer of Birgunj are selected for the opening. It was found that 100% of the respondents has been using cold-drinks for last two/ three years.
4. Most of the consumer who consumed cold-drinks are under 20 years of age.
5. Most of the consumers have been using cold-drinks as hot time, tired hot season, meeting, traveling, seminars and conferences.
6. The consumers reaction over price of different brands 55% takes on the first position as being expensive and it is followed by 35% reasonable and 10% cheap.
7. Consumers gives more preference to the taste and less preference to the brands and quality.
8. The distribution of different brands by their quality the coca-cola is the best quality cold-drinks to take maximum number of people and the Pepsi brands follows in the second position.

9. Radio Nepal is the most popular media of advertisement in Birgunj T.V. is the second and Friends comes at 3rd position.
10. The advertisement of the coca-cola of the T.V. is much more attractive than others.

CHAPTER-V

SUMMARY, FINDING, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

Marketing has gained new dimensions in recent years and passed through different stages to reach at the present stage of societal marketing concept which aims at maximizing social welfare through delivering goods and services are produced to satisfy social wants and are produced according to consumer preferences.

Marketing is a system which can be compared with human system, as it has its input output and process marketing environment is influenced by many factors and is broadly classify as external and internal factor. The firm should have through knowledge of these factors so that it can formulate plans and policies in order to achieve its definitive objectives.

The importance of marketing is increasing day by day in competitive market. The marketing concept seen its present world market has passed through different stage of development and finally involved as social concept of marketing. The present concept of marketing includes ups (product, place, demand & promotion). All the firm has no passes through different stage while delivering its product in market and it also formulate its plans and policy in that process. The product passes through the various stages of development, introduction, growth, maturity and decline stage to the market.

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delivering goods and services are product to satisfy social wants and are produced according to consumer preference.

Marketing is a system which can be compared with human system, as it has its input output and process marketing environment is influenced by many factors and is broadly classify as external and internal factor. The firm should have through knowledge of these factors so that it can formulate plans and policies in order to achieve its definitive objectives.

The present concepts of marketing include ups (product, place, price, promotion). All the marketing activities depend on these 4 Ps. Any firm has to passes through different stage while delivering its product in market and it's also formulated plans and policy in that process. The product passes through the various stage of development, introduction, growth, maturity and decline stage to the market.

In Nepal cold drinks was introduced in 2035 B.S. but the production of cold drinks was started form 2044 B.S., since then several industries were established in Nepal. In present concept the main coca-cola, paspy and others were established. An effective marketing and the consumer has become rational in that their demand is largely affected price quality, taste of these product on their health.

In this study an attempt is made to analysis the marketing strategy, potential users, estimate demand, consumer preference (taste, price, quality) popular media of cold-drinks in the market in Birgunj area based on the survey of the consumer, producers and dealers, opening as well as the all cold-drinks company strategies.

From the study, it was found that the demand of cold drinks was increasing in Birgunj area. Among various brands, coca-cola product of the coca-cola company has covered most market. The consumer used

cold-drinks mostly as hot time and tired. The cold drinks were using many media of advertisement as N.T.V., Radio/FM, newspaper, friends, hoarding board etc to make familiar of their product to consumer.

5.2 Conclusion

From the above study, we have arrived to the following conclusion.

1. It is high demand in Birgunj area.
2. Various new brands are coming in the market but producers aren't considering about improving the taste and quality consumer are getting new brands with price competition and incentives but no improvement in quality and taste.
3. Advertisement quality has high influence on the preference of brand by consumers.
4. There is high competition among different brands. The factors taste, price, quality, availability in the market on the consumer.
5. Consumers give more preference taste rather than brand and quality.
6. Government should discourage unhealthy competitions and give emphasis on taste and quality for consumers.

5.3 Recommendations

1. The company should produce a variety of brands so as to increase the demands through providing cold-drinks to satisfy the wants of wide range of consumers with different tastes.
2. An improvement in the taste and quality and fixing reasonable price can be helpful measures to increase the volume of sales in the market.

3. The company should adopt effective marketing mechanism and activities to compete with coca-cola and Pepsi.
4. The language and message used in advertisement should be easily understandable to all types of consumer groups.
5. The result of observation and survey are some extent difficult part to the thesis dissertation. Because this is the first study on this topic. This type of consumer researches has not done yet in our country, and also the respondents are not habitual to respond. So that their respond cannot to easily data collection. Thus it is suggested that the future researchers this are should try to control their research environment better. An indirect questionnaire can do better then a direct question and observation is to conducted for a short time taking systematic sampling method.
6. Cold-drinks is one of the important products which can also influence the consumers, Now a day we have seen different types of cold drinks in every small shop, Restaurant and Hotel. It is also more demanded product on important occasion, such as at feast, meetings, traveling seminars and conferences etc. Even most of the people in Nepal, to know the cold-drinks and used.
7. Nepal is a hilly country large number of people live in the villages. They don't usually use cold-drinks. Therefore to get maximum benefits companies should induce village people to use drinks.

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www.cokewatch.com

www.2collestcola.com

www.colacorner.com

Appendix-I
QUESTIONNAIRE

Name:

Date:

District

Education:

Town/Village/Tole

Profession:

Age:

1. Have you even drink cold-drinks?

Yes

No

2. If you have drink when did you start?

a) One years before

b) Two years before

c) More then two years before

3. How many types of cold-drinks you have useful seen in market? In which basis do you buy the instant noodles available at market?

a) In the basis of brand

b) In the basis of personality

c) In the basis of investigation

4. Which cold-drink do you prefer the most?

a) Coca-cola

b) Fanta

c) Sprite

d) Pepsi

e) Miranda

e) Fruti

f) Others

5. Which Priority do you give in buying cold-drinks?

a) Teste

b) Quality

c) Name

d) Others

6. In which category do you put the cold-drinks which you prefer the most?

a) Good

b) Moderate

c) Very good

d) Normal teste

7. How do you judge cold-drink on the basis of teste?

a) Good teste

b) Very good teste

c) Normal teste

8. According to the prince, how do you judge cold-drinks?

a) Cheap

b) Very good taste

c) Normal teste

9. Give you view in price for following brands of cold-drinks?

S.N.	Brands	Cheap	Expensive
a	Coca-cola	<input type="checkbox"/>	<input type="checkbox"/>
b	Fanta	<input type="checkbox"/>	<input type="checkbox"/>
c	Sprite	<input type="checkbox"/>	<input type="checkbox"/>
d	Pepsi	<input type="checkbox"/>	<input type="checkbox"/>
e	Miranda	<input type="checkbox"/>	<input type="checkbox"/>
f	Frooti	<input type="checkbox"/>	<input type="checkbox"/>
g	Others	<input type="checkbox"/>	<input type="checkbox"/>

10. Give your view in the quality of the following brands of cold-drinks with priority in the position.

S.N.	Brands	1	2	3	4	5
1	Coca-cola	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Fanta	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Sprite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Pepsi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Mirinda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Frooti	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Others	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11. Which media you know about the popular for cold-drinks?

1. Radio Nepal 2. T.V. 3. News paper
 4. Postage and pamphlets 5. Friends
 6. Cinema 7. Wall painting 8. All the above

12. Which you buy is mainly inspired by advertise or not?

1. Yes 2. No 3. Don't know

13. Which of the following brands cold-drink has made the most attractive advertise?

- a) Coca-cola b) Fanta c) Sprite
 d) Pepsi e) Miranda e) Frooti
 f) Others

14. Which cold-drinks advertise have you heard the most?

- a) Coca-cola b) Fanta c) Sprite
 d) Pepsi e) Miranda e) Frooti

f) Others

15. Which cold-drinks advertise have you seen the most?

a) Coca-cola b) Fanta c) Sprite

d) Pepsi e) Miranda e) Frooti

f) Others

16. Which of the cold-drinks advertise you read the most?

a) Coca-cola b) Fanta c) Sprite

d) Pepsi e) Miranda e) Frooti

f) Others

17. What types of advertise you like the most?

a) Similar type b) Different type

c) Not so much different

18. Do you remember the advertise?

a) Yes b) No

19. When do you buy cold-drink after watching its advertise?

a) Recently b) After watching more times

c) After more information d) Not so different

20. How much do you believe in advertisement?

a) Do not believe b) Believe in some extent

c) Believe fully

APPENDIX-II

NAME OF THE RESPONDENTS

While doing the research of cold-drinks. I faced 100 respondents personal visit to take interviews to help for the collection of primary data. Following are the lists of the respondents who visited.

S.N.	Name of the respondents	Address
1	Ram Narayan Yadav	Ghantaghar, Birgunj
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Source: Field Survey, 2010