

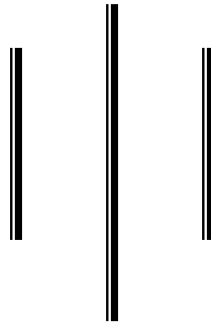
**IMPACT OF RADIO ADVERTISEMENT
ON CONSUMER BEHAVIOUR
(WITH REFERENCE TO MAYOS NOODLES)**

By:

SUMAN KUMAR NIRLA

POST GRADUATE CAMPUS, BIRATNAGAR

T.U. Registration No: 7-1-3-1123-99



A Thesis Submitted to:

Office of the Dean
Faculty of Management
Tribhuvan University

*In partial fulfillment of the requirements of the degree of
Masters of Business Studies (M.B.S.)*

Biratnagar, Nepal.
March, 2009



TRIBHUVAN UNIVERSITY
POST GRADUATE CAMPUS
BIRATNAGAR
NEPAL

Tel. 021-526327, 522204

Ref. No.....

RECOMMENDATION

This is to certify that the thesis:

Submitted by

Mr. SUMAN KUMAR NIRLA

Entitled

**IMPACT OF RADIO ADVERTISEMENT
ON CONSUMER BEHAVIOUR
(WITH REFERENCE TO MAYOS NOODLES)**

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

Thesis Supervisor
Dev Raj Shrestha

Head of Research Department
Dr. Madhav Bahadur Shrestha

.....

.....

Campus Chief

.....

Date:



TRIBHUVAN UNIVERSITY
POST GRADUATE CAMPUS
BIRATNAGAR
NEPAL

Tel. 021-526327, 522204

Ref. No.....

VIVA VOICE SHEET

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

SUMAN KUMAR NIRLA

entitled

**IMPACT OF RADIO ADVERTISEMENT
ON CONSUMER BEHAVIOUR
(WITH REFERENCE TO MAYOS NOODLES)**

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

VIVA-VOICE COMMITTEE

Chairperson, Research committee

Member (Thesis Supervisor)
(Dev Raj Shrestha)

Member (External Expert)

Date:

DECLARATION

I hereby declare that the work reported in this thesis entitled “**Impact of Radio Advertisement on Consumer Behaviour (With Reference to Mayos Noodles)**” submitted to Post Graduate Campus, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirements for the Master of Business Studies (M.B.S) under the strict supervision and guidance of Mr. Dev Raj Shrestha, Lecturer, Post Graduate Campus, Biratnagar.

.....
Mr. Suman Kumar Niraula
Researcher
T.U. Regd. No.: 7-1-3-1123-99

Date:

ACKNOWLEDGEMENTS

This dissertation work entitled "Impact of Radio Advertisement on Consumer Behavior" is prepared in partial fulfillment for the requirements of the degree of Masters of Business Studies (MBS).

I am highly indebted to the thesis supervisor Mr. Dev Raj Shreshtha, Post Graduate Campus, Tribhuvan University, Biratnagar, for providing guidance, encouragement, valuable supervision and meticulous care during the preparation of this thesis.

I would also like to extend my special thanks to Dr. Madhav Bahadur Shrestha, Chairperson, Research Committee, and Campus Chief Mr. Harihar Bhandari. I am also grateful to Mr. Gopal Prasad Ghimire, and all my teachers and administrative staffs at Post Graduate Campus whose suggestions have also been fruitful to me for the completion of this thesis.

I would also like to thank my friends Abin, Bishnu, Gokul, Nitin, Rajendra, and Tulsi, for their encouragement to complete this thesis. It is my pity that I cannot thank all of my friends here who gave me their direct and indirect help during the preparation of this thesis.

Finally, I feel indebted to all the authors whose works were cited during the study. I am also thankful to the librarians of Post Graduate Campus, Tribhuvan University, Biratnagar, for providing necessary information for the thesis.

Date:
Biratnagar

Suman Kumar Niroula

LIST OF ABBREVIATION

Abt.	:	About
B.S.	:	Bikram Sambat
Corr.	:	Correlation
Ed.	:	Edition
F.M.	:	Frequency Modulation
Hr.	:	Hour
Pp.	:	Page no.
Rs.	:	Rupees
T.V.	:	Television

TABLE OF CONTENTS

	Page
Acknowledgements	
List of Tables	
List of Figures	
List of Abbreviations	
Chapter I: INTRODUCTION	
1.1 Background of the Study	1
1.2 Focus of the Study	4
1.3 Statement of the Problem	5
1.4 Objectives of the Study	6
1.5 Significance of the Study	6
1.6 Limitation of the Study	8
1.8 Organization of the Study	8
Chapter II: REVIEW OF LITERATURE	
2.1 Conceptual Review	10
2.2 Review of Major Past Studies	32
Chapter III: RESEARCH METHODOLOGY	
3.1 Research Design	35
3.2 Population and Sample	35
3.3 Nature and sources of data	36
3.4 Data Collection Procedures	36
3.5 Data Analyzing Technique	37
3.6 Data Presentation and Analysis Tools	37
Chapter IV: DATA PRESENTATION AND ANALYSIS	
4.1 Presentation and Analysis of Data	39
4.2 Major Findings of the Study	54
Chapter V: SUMMARY, CONCLUSIONS & RECOMMENDATION	
5.1 Summary	58
5.2 Conclusions	59
5.3 Recommendation	59

BIBLIOGRAPHY

APPENDICES

LIST OF TABLES

Table No.	Page
1: Gender wise sample collection	37
2: Educational wise sample collection	38
3: Age wise sample collection	38
4: Effectiveness of Media	39
5: Consumer habit of hearing Radio advertisement	40
6: Impact of advertisement on consumer	41
7: Impact of the frequency of the Advertisement	42
8: Need of consumer from advertisement	43
9: Consumer's preference to the product having same price and quality	44
10: Age wise consumer preference on advertisement	45
11: Literacy wise consumer preference on advertisement	47
12: Preference of advertising according to gender	48
13: Age wise consumer's reaction to the advertisement	49
14: Education wise reaction to the advertisement	50
15: Gender wise reaction to the advertisement	52
16: Factor that influence consumer to buy the product	53
17: Comparison cost of media	53
18: Sales and advertising expenses of company	54

LIST OF FIGURES

	Page
Figure 4: Effectiveness of media	40
Figure 5: Consumer habit and hearing Radio advertisement	41
Figure 6: Impact of advertisement on consumer	42
Figure 7: Impact of the frequency of the Advertisement	43
Figure 8: Need of consumer from advertisement	44
Figure 9: Consumer's preference to the product having same price and quality	45
Figure 10: Age wise consumer preference on advertisement	46
Figure 11: Literacy wise consumer preference on advertisement	47
Figure 12.1: Preference of advertising according to gender male	48
Figure 12.2: Preference of advertising according to gender female	49
Figure 13: Age wise reaction to the advertisement	50
Figure 14: Education wise reaction to the advertisement	51
Figure 15: Gender wise reaction advertisement	52
Figure 18: Sales and advertising expenses of company	54

CHAPTER-I

INTRODUCTION

1.1 Background of the Study:

Marketing is the ongoing process of moving people closer to making a decision to purchase, use, follow, refer, upload, download, obey, reject, conform, and become complacent to someone else product, services or values. Simply, if it doesn't facilitate a sale then it is not marketing.

From the above statement it is clear that the whole marketing activities depend on sales or making people to buy their products. For this work the producer will have great ability to influence the buyers. Making consumer to know about product is very complicated and challenging work. There are some certain kinds of tools which help producer to introduce their product. Among them, advertising is one.

The word Advertising is derived from a Latin word "advertere" which is to turn attention towards a specific things. The dictionary meaning of the word Advertising is to announce publicly or to give public notice. In earlier time advertising meant merely to inform. But today advertising is a communication intended to promote the product or service or to influence the public.

Advertising is one of the most widely used promotion tools. It is used by business, non government organizations, charities and service institutions. It is one of the major tools that companies use to persuade target buyers and publics to buy their products or services. The main purpose of advertising is to inform the people about product features used etc and to persuade the people to purchase the product features uses etc and to persuade the people to purchase the particular product. "Many people used advertising at some time in their life. Some may use it privately while other may use in business. And many people respond to advertisements, they enjoy the choices available to them in every sphere of life" (Kotler:1994:35)

"Advertising is any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsor". (Kotler:2000:42)

Human behavior is very complex process. Behavior is the sum total of observable human activities. No two people always behave in the same way. Advertisers must understand the customer's behavior and must present the advertisement in such the way that persuades the people to buy the particular product. Advertisers must understand how customer select, buy, use and dispose products. They must know customer motivation.

Advertisement is the most important marketing activities in the modern world. It is notable and easily identified form of promotion in international as well as domestic marketing. The wings of globalization have increased its importance. It is also a most widely used promotional mix. Advertising is a powerful communication force highly visible and one of the most important tools of the marketing communication that helps to sell the products, services, ideas, images, etc. It is a form of mass communication, a powerful marketing tool, a component of economic system, a means of financing the mass media, a social institution, an art form and an instrument of business management.

A product, service or idea can be presented and promoted in a variety of ways and among them advertising is one of the most acceptable tools. Advertising influences consumer attitudes and purchase behavior in a variety of consolidated manner. It has multiple objectives and roles in persuading the consumer. The techniques of the advertising may be directed by one or more objectives of advertising depending upon the nature of the product and situation.

Advertising is a part of every day life for every one, hence it is difficult to escape them even if we never go through the television program or listen to the FM radios or read newspaper or magazine. We would still be bombarded with the advertisements trough billboards at the highways shopping complex, bus park, crossway posters in the shops and offices and pamphlets in the wall. More than that advertising is in the form of the leaflets too.

The American Marketing Association, Chicago, defines advertising as “any paid form of non personal presentation of ideas, goods and services by an identified sponsor.” An analysis of each element of this American definition follows: Advertising may be in any form of presentation. It may be a sign, a symbol, an illustration, an advertising message in a magazine or newspaper, a commercial on the radio or on the television. Any form of presentation, which an advertiser imagines will fulfill the requirements of an ad can be employed. Secondly it is defined as any

paid form. Favorable publicity projects products, services or ideas in any media because it is considered informative and useful for the audience. For publicity no payment is made by the benefited organization. The paid aspect of the definition reflects the fact that the space or time for an advertising message generally must be bought. It has been defined as non personal also. This phrase excludes any form of personal selling, which is usually done on a person to person or people to people basis. Advertising is totally non personal, offering no personal interaction, delivered through media and often viewed as intrusion. Of course, advertising may help the sales person in his or her sales effort.

Goods, services, and ideas for Action: It is well known that advertisements are employed to communicate information about products and services. Most definitions neglect the use of advertising to promote ideas. The post office advertisement to promote the use of house number in any city viz Biratnagar for faster delivery of letters is an example of selling an idea for action.

Openly paid for by an identified sponsor: This means that advertising is openly paid for. The sponsor is identified by his company's name or brand name or both. If in an ad, the sponsor is not identified and it is not paid for its use of media in which it has appeared then the message is considered to be publicity.

“Advertising is any paid form of non-personal presentation and promotion of ideas, goods or services by an identified sponsor.” (Kotler:2000:578)

Advertisement is an announcement to the public of a product, services or ideas through a medium to which the public has access. The medium may be print (newspaper, magazine, posters, banners and hoardings), electronic (radio, television, video, internet, cinema) or any other. An advertisement is usually paid for by an advertiser at rates fixed or negotiated with the media. It is a form of persuasive communication with the public.

Generally the aim of advertising is to sell a product (toothpaste, tea, perfume, soap, car) or services (restaurant, tours, entertainment), but there are also advertising, in its modern sense is the persuasive force that makes use of mass communication media and is aimed to changing customer attitude or patterns in a direction favorable to the advertiser.

Advertising creates the awareness in the mind of the consumer and it motivates the consumer to purchase the product or we can say that actual purchase occurs as a result of advertising but in reality, many other factors also affects on it.

Sometimes advertising can do its job and bring the customer to the retail outlets, but if the retail outlet doesn't have products in stock, purchase may not occur. Advertising stimulates the potential buyer to go to the store to buy actual advertised products. In general, advertising is done in expectation of tangible gains, such as favorable attitudes, better image of the firm and increased sales. Marketing manager decides the techniques of advertising depending upon the situation and also blend all promotional tools- advertising, publicity, sales promotion and personal selling to arrive at a right mix. Each of the promotional tools has got unique characteristics and is complementary.

Compared to other forms of promotion and persuasion advertising has dominant role in any business organization. Advertising can touch and influence a large number of consumers at given period of time. Besides, it can be used in many forms, used for variety and occurs in several media. Advertising fulfills all objectives undertaken by promotion. It can substitute for personal selling and it can be a complement to personal selling also. Without advertising 'promotional strategy of any business organization becomes less effective and most often ineffective. Thus the role of advertising cannot be ignored in the business world.

1.2 Focus of the Study

There are many studies that had been conducted about advertising, its effectiveness, and on how advertising works. But little effort has been made to find the effectiveness of advertising on FM broadcasting and its consequent effect on consumer buying decisions. The main focus of this study is to find out how advertising on FM broadcasting affects the behavior of people in buying different types of commodities. Nepalese market is very small in relation to the international market. However, in this small periphery there seems to regular outflow and inflow of product in the dynamic environment. Competition is rising, similarly marketing activities are regularly interacting with the so called targeted group in trying to maintain their position. Advertisement is the means that introduce the product among consumers and it is one of the most effective way of introducing product in the market and maintaining product position. This study focuses on the effectiveness of advertising on FM broadcasting with reference to Mayos Noodles, in Nepal.

The main focus of this study is to find out how advertising affects the behavior of the people in buying different types of commodities. Many important decisions have to be made before undertaking the advertising program. It is certainly one of the most important and complex decision facing business executives. Major decision areas in developing advertising program include setting the advertising objectives, deciding on the advertising effectiveness. Human behavior is very complex process. Behavior is the sum total of observable human activities. No two people always behave in the same way. Advertisers must understand the customer's behavior and must present the advertisement in such a way that persuades the people to buy the particular product. Advertisers must understand how customer select, buy, use and dispose products. They must know customer motivation.

In this paper the researcher's prime aim is to study the relationship on consumer's attitudes, credibility towards advertising and its subsequent effect on consumers' buying behaviors.

1.3 Statement of problem:

Business organization always tries to increase sales volume by applying different methods of promotion. It is common worldwide, and it common in Nepal too. The cut throat competition of growing market has compelled Nepali business organizations to spend more and more on promotion, i.e. advertisement, publicity and other tools.

Advertising plays a pivotal role in the promotional effort by familiarizing, making people aware and influencing the consumer to buy the products or services or ideas and help those about the buying decision. In the developed countries, without advertisement business seems to be handicapped. So in these countries a huge amount of money is spent on advertisement. Hence expenditure on advertisement has become the integral part of the budget of the manufacturers, traders and service sector organization.

Nepalese market is becoming competitive and sophisticated than before, which has made advertising as a compulsion to any business organization. In Nepalese perspective, advertising is in developing stage and still some people think that advertising means charity or wasting of time and money, but this type of misconception has been disappearing by the developing of the advertising and its

increasing popularity. Entry of multinational advertising companies made Nepalese advertising world creative and competitive than ever before.

In Nepal, there are various newspapers available with nationwide circulation, such as, The Kantipur Daily, The Kathmandu Post, Nepal Samacharpatra, Rajdhani Daily, Gorkhapatra, The Himalayan, The Rising Nepal, The Annapurna Post, etc. Many other daily, weekly, fortnightly, and monthly magazines such as (Himal, Nepal, Nari, Samaya, The Nation, etc.) with nation-wide circulation are also available. Similarly, Radio/FM broadcasting as well as the TV channels are also growing in numbers rapidly day by day, which makes the advertising easier to be reached to the ultimate users of the products. So, there is problem of which media to choose for effective advertising. This study tries to find out the effectiveness of advertising on FM broadcasting.

1.4 Objectives of the Study:

Buyer behavior is concerned with the activities and action of people that purchase and use economic goods and services. It includes what factors influence on these activities and action, among them advertising is also one. Therefore, this study focuses on the effectiveness of Radio Advertising on consumer behavior. The main objective of this study are as follows:

- 1) Which advertising media is more effective?
- 2) Which advertising media is popular among different age group, gender, etc?
- 3) How people react to advertisement?
- 4) What is the relationship between sales and advertising expenses?
- 5) What factors affect consumer decision process?

1.5 Significance of the Study

Since the present situation of a market is highly competitive and similar kinds of products are mushrooming day by day the need of advertisement is highly observed. Each firm wants to get the target market and the market coverage by advertising its product in every stages of product life cycle. It is only because of advertising which makes the wide distribution of the mass production possible. Though marketing manager prefers the personal selling concept it seems expensive and time consuming an can't do mass selling like advertising. The job of advertising is to build brand preferences as well as to help the purchasers to confirm their

decision. Advertising introduce the product to consumers and persuades them to make a choice in its favor. It also helps to make the consumer more confident about the product with which they are familiar. Advertisement to some extent protects the consumer from being cheated by the manufacturer and protects producers against unfair competition.

Mostly the advertisement helps the producer to describe that their products are different from the products of the competitors, Advertising is highly essential to product positioning and for the brand preference. More than that advertisement helps to create an image about the product in the consumer's perception and in consumers mind.

Nepalese advertising sector is rapidly growing as it is in the world. This is the business world which can't be even imagined without effective advertisement. Most of the business houses and the business companies are doing their business with the help of the advertisement by allocating huge proportion of the amount in the same.

This study carries the comprehensive information on the effective aspects of advertising. It also explores the role of advertising in creating the awareness among general consumers and changing buying attitudes of consumers brought by it. This study helps to generate the data to show to what extent advertisement help in brand choice and brand loyalty decision of consumers in case of low involvement product like noodles.

Given the complex nature of advertising, it is important for those involved in the field, or just interested in its workings, to have an understanding of its underlying communication processes. The development of effective advertising builds upon the knowledge of how ad messages may influence buying decisions once consumers receive them. It is important how consumers react to advertising and its subsequent effect on buying decisions. This study tries to find out the impact of advertising towards buying behavior of consumer.

The researcher believes that this study will be beneficial directly or indirectly to the advertisers, Advertising Agencies, Media, Copywriters and Businessmen to know about consumers' attitude and credibility towards ads and the factors that affect consumers to behave the way they do and accordingly design, build and communicate their message about product and services to the targeted group effectively. Similarly, this study will equally be beneficial to the students of marketing to get insight about consumer attitudes towards advertisement and subsequent effect on their buying

decision process and it is beneficial the future researcher to build research problem in the subject. The other people who are interested on its working can also get the benefit of the study.

1.6 Limitation of Study

It is a fact that every studies or surveys have some limitations. It is very difficult to find any study that is perfect. There are some limitations of this study though the researcher has paid much attention to reduce it. It is very hard to find a research design without error. Since this research is based on secondary data, its reliability depends upon the accuracy of those data. The limitations of this study are as follows:

- i The study covers only five years.
- ii The target consumers are mainly focused within Biratnagar.
- iii Most of the data used in this study has been obtained from both the company and primary data will be collected from sample survey conducted in Biratnagar.
- iv The responses of the researcher's primary data are analyzed with chi-square test and tabulations are presented in graphs .
- v This study gives emphasis mainly on consumer behavior as well as advertising concept.

1.8. Organization of the Study

The study has been organized into five chapters. The titles of each of these chapters are as below:

- | | | |
|------------------|----------|--|
| Chapter 1 | : | Introduction |
| Chapter 2 | : | Review of Literature |
| Chapter 3 | : | Research Methodology |
| Chapter 4 | : | Data Presentations and Analysis |
| Chapter 5 | : | Summary, Conclusion and Recommendations |

Chapter one contains the introduction part of this study. As already mentioned, this chapter describes the major issues to be investigated along with the general background, brief introductions, statement of problems, objectives, signification of the study and finally limitations of the study.

Chapter two is dividend to review of previous theories or conceptual from work and review of the major studies in general. It's mainly content theoretical analysis and view related pertinent literature available.

Chapter three describes the research methodology employed in the study. This chapter deals with the research design, nature and source of data.

Chapter four is the heart of the study. It deals about the method of presenting the collected data, analyzing the data or research procedure and statistical tools.

Chapter five states summary conclusion and recommendations. This chapter present the major conclusion, compresses them with empirical evidence to the extent possible and provides some suggestions. The bibliography and appendices are in corporate in the end of the study.

CHAPTER- II

REVIEW OF LITERATURE

2.1 Conceptual reviews

Advertising

The word advertising is derived from a Latin word “advertere” which is to turn attention towards a specific things. The dictionary meaning of the word Advertising is to announce publicly or to give public notice. In early time advertising meant merely to inform. But today advertising is a communication intended to promote the product or service to the public

Advertising is one of the most widely used promotion tools. It is used by business, non government organization, charities, and service institution . It is one of the major tools that companies use to persuade target buyer and public to buy their products or service. The main purpose of advertising is to inform the public about the product features, uses etc and to persuade the people to purchase the particular product. “Many people use advertising at one time in their life. Some may use it privately while others may use in business. And many people respond to advertising, they enjoy the choices available to them in every sphere of life” (Kotler:1994 :35)

“Advertising is any paid form of non personal presentation and promotion of ideas, goods or services by an identified sponsor.” (Kotler:2000:42)

Different other people have defined advertising in different ways. Some of the popular definitions are as follows:

“Advertising is the means by which we make known what we have to sell or what we want to buy.” (Jetkins:1985:65)

The official definition established by The American Marketing Association’s Committee for Definitions is “Any paid form of non-personal presentation of goods, services or ideas for action, openly paid for by an identified sponsor.” (Chunawala:1998:5)

“Advertising is a non personal communication of information usually paid for and usually pervasive in nature about products or ideas by identified sponsor through the various media,” Boove and Arens (1986).

An advertising is a form of persuasive communication with the public. The communication is a usually one sided in ane direction from the advertiser to the public. The member of the public are free to respond to it in their own way the response is at an individual or family level. There is little or no dialogue with the public advertising focus itself upon the public At the same time, especially in a democracy with a market economy such communication is required so that intelligent choice are made . Therefore the advertising mere goal is to communicate message about an idea, product or service to the target consumer or group of consumer. Advertising is made to public through specific media device. Advertising is a non personal form of communication; it is targeted to the mass through identified sponsor for the targeted consumer.

Advertising theory

Advertising Theory can be highlight by the stage mentioned below

- 1) Awareness
- 2) Consideration
- 3) Reaffirmation
- 4) Action
- 5) Reinforcement

Devising a theory of advertising of how advertising is effective within a consumer's mind is difficult because consumer's struggle with every decision they take. the process in which consumers choose a brand and a product is extremely complicated. Advertising message must be tailored and relevant during each stage of a consumers buying or decision making process. Advertising initiatives can be viewed as effective on many different levels within this pattern. Advertising message are created in order to change the awareness, Knowledge, and attitude of consumer towards a specific brand offered. Theses changes take place all throughout the buying a decision making pattern

Stage 1

The initial step within the buying or decision making pattern is a basic awareness of the product or service. The pure notion that a product is available to the consumer, whether they need or can afford it at any specific moment within their life, creates some form of awareness. This stage represents the initial introduction a

consumer has with a brand. The degree of awareness at this point is obsolete due to the necessity of an advertising messages need to have some sort of presence with a consumers environment. Once a brand becomes part of a consumer s environment, or better yet knowledge base, the possibility of purchase is increased.

The time a product stays in the awareness stage varies depending on the current stage in life a person is in. the stage in life a person is in defined by their financial status and current needs. The awareness stage could lead directly into the following consideration stage or remain in that stage inevitably.

The chance of remaining in the awareness stage does not mean that the advertising initiatives were ineffective or wasteful. Many times consumer influence each other and a brand in one consumer s awareness stage could lead to the introduction of the brand to another consumer. One of the most influential sources of information regarding product come from the consumer themselves, passing the word along through daily conversation.

However, the initial introduction must be made through advertising in order to have the possibility of consumer influencing each other.

Stage 2- CONSIDERATION

Once an advertising message has moved past the awareness' stage, the consumer begins to consider the message. This stage represents the point in which a personal connection must begin to be made. Consideration of whether this is a product that will meet a need of the consumer is the most crucial point within the buying and decision making process.

This is the stage where consumer weighing the fact. These facts are from the advertising

Message itself and from their current environment not related to the message, including

Other ad message

The main point to consider regarding this stage is that it is a stage where advertising want to establish a connection with the consumer. Research on the target market and profiling on the target help to ensure a message to resonate with the consumer in a positive way. The connection would then push them to later purchase or develop an affinity for a certain brand.

Stage 3 -REAFFIRMATION

Once the consumer has had time to evaluate the message and the product or service, a connection must be made in order to move the next stage. The next stage involves reaffirming the consumer that the connection does exist. This stage is where they fully understand the connection, which has been made, and see a place in their lives for the advertised product or brand. This stage is similar to the considerations stage but involves an additional awareness of competition and evaluation of preference. This stage can lead back to the consideration phase if not enough positive association are made with the product or brand. This positive association can come from influential friends and relation and additional advertising messages in varying forms of media

Stage 4-CONFIRMATION

After the consumer has been reaffirmed by additional advertising message and influence from other consumer, the communication and relevance in the consumer's life exists. The consumer then enters the confirmation stage. This stage is where the brand and product are viewed in a position light and there is increased chance of recommendation to other consumer or action. The confirmation stage does not always lead to action. Consumer can stay in the confirmation stage for a long time before any initiatives to buy actually take place. This mostly involves the level of involvement the consumer has with the product or brand. Higher cost items might have to remain in the confirmation stage until available funds are available to the consumer. In this case, the consumer could go back into the consideration and reaffirmation stage. More likely, confirmation will take place again at a later time where the product or brand is more appropriate within the consumer's time in life.

Stage 5- ACTION

After a confirmation of a brand or product is made, hopefully an action will take place. This stage is where the consumer has found a need and a connection, and believes it is the right time for them to purchase the product. Within this stage, reaffirmation and consideration come back into play both prior to the purchase and after. There is a constant need to convince oneself that this decision is the correct one. Advertising message from competitors is still playing a large role in the consumer's decision making. This consideration and reaffirmation occurs as the consumer is

bombarded with competitor message and the message of the brand or product now preferred. However, it is important that once a consumer decides to initially purchase a product, they go back and forth between the reaffirmation stage and confirmation stage until the actual purchase takes place. Once the purchase takes place, the consumer must have reinforcement in order to defer dissonance with the product or brand

Stage 6-REINFORCEMENT

The reinforcement stage involves continuing advertising initiative to maintain the positive association the consumer initially had. This stage is where the consumer decides if the produce actually did fulfill the need to be met as promised. This reinforcement brings additional advertising initiatives and the actual experience with the product or brand after purchase. If the consumer is satisfied with the product or brand, a continuation of use will be established. Advertising

Purchase or try the brand once these messages are designed to become part of the consumer's lifestyle and induce repeat and purchasing behavior.

History of advertising in Nepal

Archeologists have been found evidence of advertising dating back to the 3000s BC; among the Babylonians. The outdoor display, usually an eye catching sign painted on the wall of a building was one of the first known methods of advertising. Many such symbols were uncovered by archeologists notably in the ruins of ancient Rome and Pompeii. An outdoor advertisement excavated in Rome offers property for rent, and one found painted on a wall in Pompeii calls the attention of travelers to a tavern situation in another town.

Advertising by 'word' of mouth is probably the earlier form of advertising, because oral skills were developed before reading and writing. Advertising was given the commercial status the day man entered into the process of exchange

Word of mouth praise of product was the way of advertising used in medieval times. This given rise to a simple but effective form of advertising, the use of so called town criers. These criers were citizens who read public notice aloud. Merchant also employed these town criers to shout the praises of their wares. Even in Nepal, during Rana Regime, town criers walked through the streets announcing the opening and closure of gambling periods during the Laxmi Puja and other occasion.

This form of advertising was called 'Jhali Pitne' in Nepal ' Jhali ' means a certain type of an instrument which produce music and 'Pitne' means to beat. This is so called because the town crier beat the 'Jhyali' while making announcement or informing the public. The town criers were forerunners of the modern announcer who delivers radio and television commercials.

Although graphic forms of advertising appeared early in history, printed advertising made little headway until the invention of the movable type printing press by German printer Johannes Guttenberg about 1450. This invention made the mass distribution of posters and circulars possible. This first advertisement in English appeared in 1472 in the form of a handbill announcing a prayer book for sale. Two hundred years later, the first newspaper ad was published offering a reward for the return of 12 stolen horses.

Another major technological breakthrough in the field of advertising was the invention of photography in the late 1880s. prior to this invention, advertising were illustrated only by drawings. Photography adds credibility to advertising as it shows products as they are visualized by an artist.

During the 16th century, newspaper was the largest among the prints, and these newspapers were in the form of newsletters. The first news slate was started in 1622 in England. Latter half of the 16th century witnessed newspapers in the form of news books and by the middle of the 17th century, there were special advertising periodicals. By 1675, newspaper published excellent news book. By the end of 17th century, newspapers were well established in England undertaking advertising on a regular basis.

Advertising agencies initially focus on print. Than a new powerful advertising medium, Radio started on Nov,2,1920 in Pittsburgh Pennsylvania. The introduction of these broadcasting medium created new opportunities and by the end of the 1920s, advertising had established itself in radio to such an extent that advertising were producing many of their own programmers. The early 1930s produced dozns of radio dramatic series in America that were known as sponsored by soap companies.

Though television had been introduced in 1940, it was not immediately embraced because of the cost of TV set and the lack of programmed. In the 1950s the American economy soared which lead to the rise in the sale of TV sets and the advertising that paid for the popular new shows. Soon TV becomes the largest advertising medium which surpassed radio as an advertising medium. The tone of the

advertising is also changing. No longer does advertising simply present the product benefit. Instead it creates a product image.

The change in advertising corresponds with social, economic and political changes of the country. There are so many advertisements of products and services on television and in the popular press today which were not there only a few years ago. We can see many advertisements of domestic airlines like Nepal air, Buddha air etc on television. There are many advertisements of cosmetic products, noodles etc. in mass communication media like newspaper, radio etc. before, people were not bombarded with as many advertisements about offering prizes by noodles like wai wai, mayos etc.

The face of Nepal has been changed and people are more sensitive about the particular types of products and services which best satisfy their needs. Life style is changing. Advertising helps people in their buying decision. Since people are faced with many products that satisfy their particular need, the decision making process has become complicated. In this regard, advertisements come to their rescue. People have started to take decisions on the basis of advertisements they preferred. For instance, some teenagers choose the cosmetic that is well advertised from among other cosmetics which are not much advertised. The importance of advertising is growing day by day and so does the field of advertising. No one can predict what new forms of advertising may take in the future. The most recent advanced form is advertising through internet i.e., by creating different websites on the internet etc.

Methods of advertising

Medium is the instrument or the way through which the advertisements are put before the public. It is the vehicle that carries the messages to the right readers, viewers, listeners or passers by. In advertising agencies there are media planners and media buyers who are highly experienced experts. The media owners exploit the advantages of their media in order to sell air time, space or sites.

One of the functions of advertising is to select medium from among the available alternatives that will maximize the number of people reached and the frequency with which they are reached. The advertisers must first set the target market they want to reach and then they must decide (a) the desired frequency of the message exposure in order to effect the change in behavior that will affect the sales of their brand (b) the maximum number of the people in the target market that can be reached with the desired frequency. The greater the frequency desired, the smaller the

reach obtainable with a given budget. The media selection is a complicated process because not only is it necessary to choose among major media types, such as television, radio, newspaper, but also specific selections must be made within each general type. For instance, if magazines are chosen, specific magazines and even issues must be selected. Similarly, in case of radio and television, there is not only the question of what networks or stations, but what programs, what day or days of the week, time etc. to be considered as well.

The classification of different mediums into different groups differs from another to another. The eastern concept and western concept of classification are different. For example, author chunawala with other four authors in their book. Advertising theory and practices have classified advertising media as broadcast and non broadcast media. Broadcast media include radio and television where as the non broadcast media include videos, cable, network cinema etc. beside these media there is print media which include newspaper and magazine. These three media are called the “mass media” or “technological media”. In additional to these three media they have explained the outdoor media like hoarding, postures, banners, transit media etc. however, the media can be classified as:

1) Print Media

The print media also can be classified into:

- (a) news paper, magazines
- (b) other paper

2) Electronic media

The electronic media includes:

- (a) Radio
- (b) Television
- (c) Video
- (d) Cinema
- (e) Electronic signs
- (f) Sky-writing

3) Direct advertising media:

The direct advertising media is also in four types

- (a) Envelop enclosure
- (b) Catalogue and booklets

- (c) Sales letters
- (d) Gift novelties

Types of advertising

Advertising can be divided into two categories

- (a) consumer advertising
- (b) trade advertising

Consumer advertising is the type of advertising which is directed at the public. Consumer advertising can be further divided into national advertising and local advertising. National advertising is directed at consumer throughout the entire country. This type of advertising usually aims to create awareness among the public of a product or service, or it tries to build loyalty to a product or service. Local advertising aims to inform public in a particular area where they can purchase a product or service. Advertising to the public also take the form of institution advertising, image advertising, cooperative advertising or informational advertising.

Rather than trying to sell a specific product, institution advertising seeks to create a favorable impression of a business or institution. It is designed solely to built prestige and public respect. For non profit institution, such advertising helps support the institution's activities i.e., by encouraging blood donations or cash contribution for the work of an organization like the Red Cross. However, profit earning business

Radio Advertising

Radio is one of the most popular media that reaches to ear of mass public. There are usually two types of radio broadcasting i.e., FM and AM, Fm is frequency modulation in which singles are receive with great regularity and with clear sound where as AM is amplitude modulation in which sound wave length in size though the frequency remains constant.

“Advertising is carried on in Radio either by the use of short commercial, also known as ‘spot advertising’ or by the use of sponsored programs. In spot advertising, short advertisements of the duration of a few seconds are introduced as a part of the usual broadcasting programs. The advertisements may consist of jingles, dialogues, and position of well known personalities or such other advertisements. Sponsored programs going on for fifteen minutes or more may be prepared by advertisers, for a popular program with advertising” S.A. sherlakar.

In a country like Nepal, advertisement through radio can have a great impact on the prospective buyers because other media like television and newspaper cannot reach to the remote place. Due to the lack of electricity and the expensive cost of the television sets people from remote places are deprived of it. On the other hand, due to the high illiteracy rate in villages, press media cannot provide the necessary impact on the prospective buyers.

Radio broadcasting first started on the UK and spread to the other countries. In Nepal, radio Nepal was established on 20th Chaitra, 2007. Some merits and demerits of radio advertising are as follows:-

Merits of radio advertising

1) human touch

The radio advertising has human touch .the advertisements in the form of jingles, dialogues of the live broadcasters and opinions of well known personalities from their own mouth are more effective. The listener can listen to their favorite anchor's voice. In some programs, the listeners can present their opinions and broadcast their voice on air as well, which appeals to the mass.

2) Selectivity

There are locals and national radio broadcasting system that the listeners as well as advertisers can select among them. The listeners tune into the most interesting and good station as per their choice. The advertiser can take into consideration the listening habit of their target customers and broadcast the advertisement according to them. They can select the programs or station and time of broadcasting suitable to their target customers.

3) Economical

Radio advertisement is comparatively cheaper than other media of advertising. As it covers to the mass in every hook and corner of the country, per listener cost is definitely cheap. In other words the advertisement cost, thus, is cheap press is wastage and television can not reach the remote places, and the importance of radio is high. Radio sets are also available in relatively cheap price so the poor people can also offer them. As such radio advertising is also economical.

Demerits of radio advertising

1) Short life of message:-

The message broadcasted through radio has a short life. The advertisement through radio is wasted if the target listener is not listening to the advertisement. The

life of message ends. Even if the listener listens, he cannot refer back to the message because the life of advertisement ends with the completion of the announcement.

2) Lack of illustration:-

Visual display is not possible through radio. Other media have this advantage over radio advertising. As such advertising through radio may not be effective. Radio advertising only tries to impress listeners through hearing only. It uses word sound and music for the advertisements.

3) Time Limit:-

There is certain time allotted to the advertisements in radio. As the allotted timing, the advertisement is also limited. The advertisement must not be; lengthy as an advertiser cannot buy long announcement timings so there is always limited timed in radio.

4) Wastage:-

Radio advertisement covers the mass so specific coverage of special groups like youth. Old age etc are not possible. Beside, listeners are more interested on music, news so the advertisements are often not given attention. As such, there is wastage of advertisements.

Specific Reason for Advertising

The primary reason for advertising by any organization is to promote the sale of a product or service. However there are many special and specific reasons for advertising. Following are some specific reason for advertising:-

1. To announce anew product or service
2. To expend the market to new buyer
3. To announce a modification
4. To announce a price change
5. To announce a new pack
6. To make a special offer
7. To invite inquires
8. To sell direct
9. To test a medium
10. To announce the location of stockiest
11. To obtain stockiest
12. To educate consumer

13. To maintain sales
14. To challenge competition
15. To remind
16. To retrieve lost sales
17. To place stockiest
18. To please the sales force

Announcing a new product or service usually means a costly and dramatic launch. To create market for a product is not an easy job. The buying public is conservative, skeptical and is hard to shift from established habits. The advertising has to be bold, dramatic, persuasive and convincing to promote something new. A long term campaign of advertising is required instead of a solitary big splash. The advertising should be persistent and insistent for the new product to create the markets.

Manufacturers also use advertising to expand the market to new buyers. Since, the products already have some market the advertising is likely to have greater impact. People are already aware of the products. The products have already been providing in profession, commercial or some other accepted use. The advertising used by the advertiser is more persuasive rather than informative in this case.

An existing product is sometime modified. It may be given a 'face lift' with as additive, a new finish or casing such as a new pack are container etc. the product is advertised to announce a modification with an attempt to receive the sale of a product because of competition.

Advertisement announcing a price change is more common from. We can see many examples of these types of advertisement during festive discounts and hence change in price.

Some advertisement announce anew pack sometimes, a manufacturer may update a very old-established and probably old fashioned container. At that time, it is necessary to promote the product to assure the consumer that the product is the same or better in quality. Consumers may suspect that a new pack means a different or inferior product so the new pack is announce through advertisement assuring the consumer about the quality product.

For various reasons such as competition, slack season, the business houses may plan to give special offers need to be advertised. For example, Buddha air announcing mileage card system offers to their regular clients traveling some sectors.

Some manufacturers advertised to sell direct while other advertised to test a medium. The advertising objective or reasons for advertising differ as per the advertisers; requirement. The other objectives of advertisements can be to educate consumer, to announce the location of stockiest, to challenge sales, to maintain sales etc.

Consumer Buyer Behavior

Psychologists have long been interested in the topics of buying and shopping behavior. Some major perspective in psychology such as behavior and cognitive have formulated different theories to explain buying motivation and behavior. The behaviorists stress the process of operant conditioning and individual's history of reinforcement, while the cognitive approach puts its accent on individual's free will and intentional, voluntary action. The views of these two perspectives can be examined in terms of the nature of buying behavior and the process of choice.

With regard to the nature of buying behavior, the behaviorists consider it as a response to reinforce. One of the famous behaviorists represents buying behavior as the outcome of the relative strengths of conflicting approach and escape behavior, each of which is determined by its own reinforces. On the other hand, the cognitive perspective views buying behavior as more voluntary, rational and intentional in nature than mere response to the environment. People buy what they want to buy and their reasons for buying embrace " whatever consideration induced, inclined, weighed with or decided then to buy "

Based on their different conception about the nature of buying behavior, the behavior and the cognitive theorists have different views on the process of choice when buying. The behaviorists propose that consumer choice begins with as external stimulus such as an advertising message or word of mouth communication. However, the cognitive psychologists adopt a different approach to explain the process of choice. They consider the choice of buying as a rule following behavior.

To the behaviorists, therefore, choice of buying is simply behavior, the only way of acting in a given set of circumstances defined in terms of controlling contingencies. On the other hand, the cognitive theorists present choice of buying as

an outcome of internal, mental deliberation and psychological decision. Actually, although the behaviorists and the cognitive theorists have different idea of the content of choice, they do share similar view on the unconscious feature of choice.

Stage of consumer buying process

Six stage to the consumer buying decision process (for complex decision). Actual purchasing is only one stage of the process. Not all decision process lead to a purchase. All consumer decision does not always include all six stages. The six stages are as followed

- 1) Problem reorganization
- 2) Information search
- 3) Evaluation of alternative
- 4) Purchase decision
- 5) Purchase
- 6) Post purchase evaluation

Differences between the desired state and the actual condition results in assortment of products. Hunger food. Hunger stimulates your need to eat. Can be stimulate by the market through product information did not know you were deficient? IE see a commercial for a new pair of shoes, stimulates your recognition that you need a new pair of shoes.

Internal search, memory.

External search if you need information. Friends and relatives. Marketer dominated sources, comparison shopping, public saucers etc.

A successful information search leaves a buyer with possible alternatives, the cover set.

Hunger want to go out and eat, evoked set is

Chinese food

Indian food

Burger king

Klondike kates etc

Need to establish criteria for evaluation. Features that buyer wants or does not want. rank\weight alternative or resume search. May decide that you want to eat something especially, Indian gets highest rank etc. if not satisfy with your choice than return to the search phase. Can you think of another restaurant? Look in the yellow

pages. Information from different sources may be treated differently. Marketers try to influence by “framing” alternative.

Chooser buying alternative includes products, package, and store, method of purchase etc.

May differ from decision, time lapse between 4&5 product alternatives.

Satisfaction or dissatisfaction, cognitive dissonance, have you made the right decision. This can be reduced by warranties after sales communication etc.

Consumer Psychology

Psychology is the description and explanation that is, the study of the causes, conditions, and immediate consequences so far as these can be ascertained, of states of consciousness such as sensations, desires, emotions, cognitions, reasoning, decision, volitions, and the like in human beings.

Consumer is an individual or organizational unit that uses or consumes a product. W. J. Stanton, M. J. Etzel, B. J. Walker (1994).

Consumer psychology is thoughts and feelings (transitory states of consciousness) of consumers about product and services, knowledge gained by way of thoughts and feelings, (procedural knowledge, conditioned knowledge) about product and services, and responses to product and services (decisions) by the consumers. Consumer Psychology is a state of mind i.e. thoughts, feelings, and knowledge about product and services of consumers. Moreover, Consumer’s mental facts cannot be properly studied apart from the physical environment of which they take cognizance i.e., thoughts, feelings, and knowledge can only be understood within a social-cultural context. Individuals think, feel, and know about products and services in ways that promote behaviors that enhance self-preservation. The study of Consumer’s Psychology may be divided into three fundamental conscious process and their conditions, i.e., the states of consciousness (thinking, feeling, and knowing) in correlation with their probable neural conditions.

1. Sensation- anatomically, the fibers which carry currents (affect).
2. Cerebration or Intellection- the organs of central redirection of them (cognition).

3. Tendency to Action- the fibers, which carry them out (action).

In sum up, consumer psychology is attitude, beliefs, perception and credibility of consumers about particular products or services accustomed by the physical environment, socio-economic and cultural context of the consumers and response to the particular products.

Consumer Buying Behavior or Decisions

Behavior is a positive or negative reaction made by individuals toward some objects, things, or an idea that he/she sees, feel, experienced or confronted etc. Behavior of an individual is guided by several factors. Any showed reaction is the combination of several factors influences to react to this manner. Buying Behavior is the decision processes and acts of people involved in buying and using products.

Need to understand:

Why consumers make the purchases that they make?

What factors influence consumer purchases?

The changing factors of our society.

Consumer Buying Behavior refers to the buying behavior of the ultimate consumer. A firm needs to analyze buying behavior for:

Buyer's reactions to a firms marketing strategy has a great impact on the firm's success; The marketing concept stresses that a firm should create a *Marketing Mix* (MM) that satisfies (gives utility) to customers, therefore need to analyze the what, where, when and how consumers buy; Marketers can better predict how consumers will respond to marketing strategies.

Consumer Buying Process

- 1. Need or problem recognition:** Consumer buying process always starts with the emergence and recognition of a problem or a need. Problem recognition occurs when a need state is felt. A need can be activated through internal and external sources.
- 2. Search:** Consumers, in this stage, are engaged in information search about products that can best satisfy their need.

3. **Evaluation of Alternatives:** To establish criteria for evaluation features the buyer wants or does not want. Rank/weight alternatives or resume search may decide that you want to eat something spicy, Indian gets highest rank etc. If not satisfied with your choice then returns to the search phase. Can you think of another restaurant? Look in the yellow pages etc. Information from different sources may be treated differently. Marketers try to influence by “framing” alternatives.
4. **Purchase decision:** Choose buying alternative, includes product, package, store, method of purchase etc.
5. **Purchase:** May differ from decision, time lapse between 4 & 5, product availability.
6. **Post-purchase Evaluation:** outcome: Satisfaction or Dissatisfaction. Cognitive Dissonance, have you made the right decision. This can be reduced by warranties, after sales communication etc. After eating an Indian meal, may think that really you wanted a Chinese meal instead.

Types of Consumer Buying Behavior

Types of consumer buying behavior are determined by:

Level of involvement in purchase decision and importance and intensity of interest in a product in a particular situation. Buyers’ level of involvement determines why he/she is motivated to seek information about a certain products and brands but virtually ignores other.

High involvement purchases- Honda Motorbike, high priced goods, products visible to others, and the higher the risk the higher the involvement. Types of risk:

Potential risk.

Social risk.

Economic risk.

The four types of consumer buying behavior are:

Routine Response/Programmed behavior- buying low involvement frequently purchased low cost items; need very little search and decision effort; purchased almost automatically. Examples include soft drinks, snack foods, milk etc.

Limited Decision Making- It means buying product occasionally. When you need to obtain information about unfamiliar brand in a familiar product category,

perhaps it requires a moderate amount of time for information gathering. Examples include clothes- know product class but not the brand.

Extensive/Complex Decision Making- It deals with high involvement, unfamiliar, expensive and/or infrequently bought products.

High degree of economic/performance/psychological risk- Examples include cars, homes, computers, and education. Spend a lot of time seeking information and deciding. Information from the companies MM; friends and relatives, store personnel etc. Go through all six stages of the buying process. The purchase of the same product does not always elicit the same Buying Behavior. Product can shift from one category to the next. For example; Going out for dinner for one person may be extensive decision making (for someone that does not go out often at all), but limited decision making for someone else. The reason for the dinner, whether it is an anniversary celebration, or a meal with a couple of friends will also determine the extent of the decision-making.

Factors that affect the Consumer Buying Decision Process

A consumer, making a purchase decision will be affected by the following three factors;

1. Personal.
2. Psychological.
3. Social.

The marketer must be aware of these factors in order to develop an appropriate MM for its target market.

Personal

Unique to a particular person. Demographic Factors; Sex, Race, and Age etc.
Who in the family is responsible for the decision-making?
Young people purchase things for different reasons than older people.

Psychological factors

Psychological factors include:

Motive: A motive is an internal energizing force that orients a person's activities towards satisfying a need or achieving a goal.

Actions are affected by a set of motives, not just one. If marketers can identify motives then they can better develop a marketing mix.

MASLOW's hierarchy of needs:

Physiological

Safety

Love and Belonging

Esteem

Self Actualization

It is very essential to determine what level of the hierarchy the consumers are at to determine what motivates their purchases. Motives often operate at a subconscious level therefore are difficult to measure.

Perception: What do you see? Perception is the process of selecting, organizing and interpreting information inputs to produce meaning. We choose what info we pay attention to, organize it and interpret it. Information inputs are the sensations received through sight, taste, hearing, smell and touch.

Selective Exposure: select inputs to be exposed to our awareness. More likely if it is linked to an event, satisfies current needs, intensity of input changes (sharp price drop).

Selective Distortion: Changing/twisting current received information, inconsistent with beliefs. Advertisers that use comparative advertisements (pitching one product against another), have to be very careful that consumers do not distort the facts and perceive that the advertisement was for the competitor.

Selective Retention: Remember inputs that support beliefs, forgets those that don't.

Average supermarket shopper is exposed to 17,000 products in a shopping visit lasting 30 minutes. 60% of purchases are unplanned. Exposed to 1,500 advertisements per day. Can't be expected to be aware of all these inputs, and certainly will not retain many.

Interpreting information is based on what is already familiar, on knowledge that is stored in the memory.

Ability and Knowledge

It is very necessary to understand individual's capacity to learn. Learning changes in a person's behavior caused by information and experience. Therefore to change consumers' behavior about your product, need to give them new information are: product, free sample etc. When making buying decisions, buyers must process information knowledge is the familiarity with the product and expertise. Inexperienced buyers often use prices as an indicator of quality more than those who

have knowledge of a product. For example: Non-alcoholic Beer. Consumers choose the most expensive six-pack, because they assume that the greater price indicates greater quality.

Learning is the process through which a relatively permanent change in behavior results from the consequences of past behavior.

Attitudes

Knowledge or positive and negative feelings about an object or activity maybe tangible or intangible, living or non-living drive perceptions. Individual learns attitudes through experience and interaction with other people. Consumer attitudes towards a firm and its products greatly influence the success or failure of the firm's marketing strategy.

Talking about Honda "you meet the incest people on a Honda" dispels the unsavory image of a motorbike rider, late 1950s. Changing market of the 1990s, baby boomers aging, and Honda's market returning to hardcore. To change this they have a new slogan "Come ride with us." Attitudes and attitude change are influenced by consumers' personality and lifestyle. Consumers screen information that conflicts with their attitudes. Distort information to make it consistent and selectively retain information that reinforces our attitudes i.e. brand loyalty. There is a difference between attitude and intention to buy (ability to buy).

Personality

All the internal traits and behaviors that make a person unique, uniqueness arrives from a person's heredity and personal experience. Examples include:

- Workaholic
- Compulsiveness
- Self confidence
- Friendliness
- Adaptability
- Ambitiousness
- Dogmatism
- Introversion
- Extroversion
- Aggressiveness
- Competitiveness

Traits affect the way people behave. Marketers try to match the store image to the perceived image of their customers.

There is weak association between personality and Buying Behavior; this may be due to unreliable measures. Nike ads, Consumers buy products that are consistent with their self-concept.

Lifestyles: Lifestyles are the consistent patterns people follow in their lives. For example, healthy foods for a healthy lifestyle.

Social Factors: Consumer wants, learning, motives etc. are influenced by opinion leaders, person's family, reference groups, social class and culture.

Opinion Leaders: Marketers try to attract opinion leaders...they actually use (pay) spokespeople to market their products. Michael Jordan (Nike, McDonalds, Gatorade etc.) Can be risky...Michael Jackson...O.J. Simpson...Chevy Chase.

Roles and Family Influences: Roles are things you should do based on the expectations of you from your position within a group. People have many roles- Husband, father, employer/employee etc. Individual's roles are continuing to change therefore marketers must continue to update information. Family is the most basic group a person belongs to. Marketers must understand the following things:

- Many family decisions are made by the family unit.
- Consumer behavior starts in the family unit.
- Family roles and preferences are the model for children's future family (can reject/alter etc.)
- Family buying decisions are a mixture of family interactions and individual decision making.
- Family acts an interpreter of social and cultural values for the individual.
- The family life cycle: families go through stages; each stage creates different demands:
 - Bachelor stage...
 - Newly married, young, no children.
 - Full nest I, youngest child under 6.
 - Full nest II, youngest child 6 or over 6.
 - Full nest III, older married couples with dependant children.
 - Empty nest I, older married couples with no children living with them, head in labor force.
 - Empty nest II, older married couples, no children living at home, head retired.

Solitary survivor, in labor force.

Solitary survivor, retired.

Modernized life cycle includes divorced and no children.

Reference Groups: Individual identifies with the group to the extent that he takes on many of the values, attitudes or behaviors of the group members like families, friends, sororities, civic and professional organizations etc. Any group that has a positive or negative influence on a person's attitude and behavior are reference groups.

Membership groups (belong to).

Affinity marketing is focused on the desires of consumers that belong to reference groups. Marketers get the groups to approve the product and communicate that approval to its members. Credit Cards etc.

Aspiration groups (want to belong to).

Disassociate groups (do not want to belong to).

Honda tries to disassociate from the "biker" group. The degree to which a reference group will affect a purchase decision depends on an individual's susceptibility to reference group influence and the strength of his/her involvement with the group.

Social Class

An open group of individuals who have similar social rank are called social class. In the world there is no classless society. Criteria, Occupation, Education, Income, Wealth, Race, Ethnic Groups and Possessions etc are social class which influences many aspects of our lives. Social class determines to some extent, the types, quality, and quantity of products that a person buys or uses. Lower class people tend to stay close to home when shopping; do not engage in much pre purchase information gathering. Stores project definite class images. Family, reference groups and social classes all have influence on consumer behavior.

Culture and Sub-culture

Culture refers to the set of values, ideas, and attitudes that are accepted by a homogeneous group of people and transmitted to the next generation. Culture also determines what is acceptable with product advertising. Culture determines what people wear, eat, where they reside and travel etc. It has big impact on marketing. Culture affects what, how, and when people buy? Understanding Consumer Buying Behavior offers consumers greater satisfaction (Utility).

Review of Major Past Studies:

There are some similar studies which had been conducted previously about advertising in Nepal. Professionalism and highly advanced marketing and advertising practices have not institutionalized here in Nepal. However, the Nepalese business environment is also influenced and the entrepreneurs have recognized the need of advertising. For this, some research studies are conducted on advertising and sales promotion by different researchers of university students of masters' level.

The first study on advertising field is conducted in 1980 by P.R. Pandey entitled as "Advertising in Nepal" which is focused on the advertising situation and its environment in Nepal. The other objectives of this study are patterns and blends of advertising and the constraints prevailing in advertising practices in Nepal. His study was confined to the descriptive analysis of then situation of advertising business. It was natural to undertake such an advertising field at that time as the advertising was still on infant stage of development. Thus, the study did not touch the creative aspect of advertising.

The major findings of the study stated in the study is that the advertising is the main method of promotion practiced in the country. Advertising in the company is handled by persons at the senior level, when there is a separate advertising department in the company. Regarding to the services rendered by the advertising agencies none can offer full services properly.

In 1981 Upadhyay (1981) conducted a study regarding on "Radio Advertising and its impact on purchasing acts in consumer goods." As radio was on the reliable medium of advertising in Nepal, he conducted the research on the radio advertising and its lively impact on purchasing acts in consumer goods. In his study he has listed twenty different findings regarding the radio advertising and its impact on purchasing decisions. The objective of this study were to study the availability and comparative costs of different forms of advertising in Nepal to find out the impact of radio advertising on consumer buying behaviors and to study the influence of radio advertising on sales of the advertised product. Thus his study is strictly confined to the impact of advertising on sales and consumer buying behavior.

Similarly, Baral (1995) conducted a study regarding the "advertising and brand preferences of instant noodles." His study has been contributed to the evaluation of communicative function of advertising and its impact on brand selection

in the case of consumer non-durable goods. The objective of the study was to explore the effect and communication of product brand attributes and its likely impact on consumer brand selection regarding the instant noodles case as the basic product. Thus, his study specifically dealt with communicative aspect of advertising.

Another research conducted by Pant (1999) entitled “The study on brand loyalty” focused to find out whether or not brand loyalty exists in the Nepalese consumer market while purchasing low involvement consumer products. Despite of this the objectives of the study are to analyze and overlook what is brand? What factors relate to brand loyalty and how far these correlates are decisive to explain consumer brand loyalty in Nepalese market? What is the strategy further taken for making consumer brand loyalty?

For this research work some consumer products are taken such as detergent soap, instant noodles, shaving blade, toothpaste and soft drinks. Through this study it is found that consumer give high importance to brand names at movement of purchasing. They emphasize in brand. Brand awareness to the Nepalese consumer is found to be high and majority of the Nepalese consumers are found brand loyal. It is found that the factor such as sex, age, marital status, income, family size, store loyalty, specific deal, and favorite brand of the other member, of the family influence brand loyalty but the degree and direction of relationship varies across product. Major recommendation of the study are branding is necessary for the product benefits, qualities such as action or color, easy to pronounce, recognize and remember as well as distinctive. Brand loyalty is absolutely a great asset of the company. For the achievement of the greater asset the marketing strategy of the company into product, price, place and promotion should be sound and well defined.

Shrestha (1998) has done one more attempt in the field of advertising. The study entitled “The Role of Advertising in Brand Choice and Product Position” has been conducted to find out the role of advertising on brand choice of low involvement consumer goods. It is the study trying to show the importance of advertising on brand choice of low involvement products. The objective of this study was to find out if advertising plays any supportive role in brand choice decision if the consumers brand choices for low involvement goods are completely, partially or not impressed through advertisement, if there other promotional tool exist which has more weight in brand choice decision than advertising.

The other significant study on promotional effort conducted by Bhatta (2000) entitle “Sales Promotion and its effect on Sales: A case study of Beer Market of Nepal.” The objective of the study was to find out if the sales promotion does impact on sales of Beer. To find out which mode of sales promotion is more wisely used by the manufacturers as sales promotion tools, to find out the most suitable media to advertise about the sales of beers in Nepal and to predict the sales of coming year if every factor remains the same. This study specially deals with the most recent and widely used methods of sales promotion and its impact on product market.

In Nepalese product market there are various cosmetic products are available for consumer use. These products are manufactured by various national and international manufacturers and out of them Vatika Shampoo is one of the most favorites cosmetic product which is produced and introduce into the Nepalese product market by Dabur Nepal Pvt. Ltd., and this is the sister concern of Dabur India Ltd. However, there are no previous research reports are available in Nepal in the field of marketing studies regarding the Nepalese cosmetic product. Likewise, there is no any research can be found with reference to impact of radio advertisement on consumer behavior though there is a necessity of such types of research in Nepal.

Thus, researcher has attempted to prepare and present this report to fulfill the requirements of such reports.

CHAPTER III

RESEARCH METHODOLOGY

This is the part which deals with methods and Techniques use for organizing research work. This study is based on both primary and secondary data secondary data were collected different source and primary data were collected by taking interviews to different people.

This study attempts to study the impact of Radio advertising towards the buying behavior of consumer. To get this objective the relationship between three independent variables, i.e. consumer attitude perception and credibility towards advertisement which dependent variable consumer buying behavior is analyzed. Besides these prime objectives there are two subsidiary objectives of the study, i.e. to know about the factor that affects consumer buying behavior. It is very hard to choose the research design to best fit to the study without error to achieve. The mention objective the research methodology use is given below.

3.1 Research design

This chapter deals with the various methodologies pick up for the conduction of the fieldwork at the study. For the achievement of the stated objectives basically it followed survey type of research design perusing. It has included data collect from the management of company and survey questionnaire for primary data collection. For the purpose of analysis, the data were tabulated and analyzed using mostly descriptive and analytical tools. The following section contains the designs of the study, various sources of data, a description of research instruments and the methods to collection data.

“Research design is the plan, structure and strategy to investigation conceived so as to obtain answers to research questions and to control variable” FN Kerliger (1986)

3.2 Population and sample

The population of the study comprised all the consumer of Biratnagar. Both primary and secondary data are used in this study. As discuss above for primary data collection questionnaire are developed and 100 samples were collected during the

study and secondary data were collected from different books unpublished MBS thesis NTV viewers' survey.

3.3 Nature and sources of data

In this study two kinds of data are used primary and secondary data. Primary data are those data which is collected first time by researcher from the tide by using several kinds of technique like questionnaire technique, observation technique interview and Secondary data are those data which is obtain by other person and which is take in count by researcher from other sources. The sources of secondary data are unpublished research, published research book journal etc.

3.4 Data collection procedures:

As already mentioned above both primary and secondary data are used in this study.

I. Primary data: For collecting primary data and information, the different method have been adopted there were

- i) Questionnaire method: During the course of the research study different questionnaire have been designed or prepared as per the requirement of the research study. The list of questionnaire and their types are attached in the Appendix 'I' of the research study the list of questionnaires has been distributed among 100 people of the city Biratnagar randomly to receive information accurately.
- ii) Interview method: The interview is a method allowing the researcher to ask question which will enable him/her to answer research options in order to get information for the introductory from work at research study. Structured and unstructured interview has been conducted to the different people of different age groups.

II. Secondary data and information:

Secondary data are actually the results and data collected by previous investigations. It provides the researchers with a considerable amount of useful information.

With reference to research study the different secondary information has been collected from different sources. The different sources are book magazines news paper, TV viewer survey and dissertation submitted to the institute of management and manuals and papers.

3.5 Data Analyzing Technique

In order to fulfill the objectives of study various graphs diagrams including pie-chart has been applied for the purpose of analysis. The result of analysis has been properly tabulate compared analyzed and science the proper data the study has become more completed. For collecting data structured questionnaire were sent out limited person respondent and sent proper answer. So structure, multi-choice, open-ended as well as closed questionnaires were constructed for data collection. In so question some questions were designed to collect the personal information like name, age, sex education family life cycle and occupation. Some questions were designed to collect the information on factors that affect consumer buying decision process; some questions were designed to collect the data on consumer attitude towards advertisement and buying behavior. Three kinds of Analysis Technique are use in the research:

- i) Multiple Bar diagram and graph
- ii) Pie diagram
- iii) Percentage

3.6 Data presentation and analysis tools.

The consistency of answer provided by respondent was checked and tabulated according to age sex and education status. Different set of tables have been prepared for Every important questionnaire. Simple listing method is used for tabulation of Data and different responses made by them are presented on percentage basis as well. The responses were categorized, tabulated, processed and analyzed using different methods to present in the understandable for pie-chart and simple bar diagram were used. The sample data collected covering the various back grounds are presented in table below.

The Situation of gender wise data collection is presented in table -1.

Gender wise sample collection

Table: - 1

Description	Sample size
Male	50
Female	50
Total	100

Similarly the data collected from various educational Backgrounds is presented in table 2.

Table: - 2

Educational wise sample collection

Description	Sample size
Uneducated	20
Below SLC	20
SLC	20
Above graduate	20
Graduate	20
Total	100

Like wise the situation of age wise sample collection from various age groups are presented in table 3.

Table: - 3

Age wise sample collection

Below 20	20
20-30	20
30-40	20
40-50	20
Above 50	20
Total	100

CHAPTER IV

Data Presentation and Analysis

4.1 PRESENTATION AND ANALYSIS OF DATA

The presentation of collected data and their analysis is performed to achieve the objectives which have been mentioned in the introduction chapter. The presentation and analysis of Data consisting of organizing, tabulating and analyzing mathematical and statistical result. Different tables and diagrams are drawn to make result simple and easily understandable some table and diagrams have been published by the company itself which are also presented while analyzing data.

It is a pictorial presentation of Data to understand the further analysis at a glance. It is presented hear to given idea on the factors affecting buying behavior, consumer attitude and buying pattern. It also helps to understand the general attitude towards advertising. It can prove or disprove the fact by the data presented in graphs, but it help to get insight into the nature and direction of the data. The prime objective of this presentation is to provide the background to understand the next part of the analysis easily to present the factors considered under study and to give an insight into the nature of the Data studies.

4.1.1 Effectiveness of the media

In this chapter the researcher tries to find which media is more effective among the consumer. There are several types of medias like Television, Radio, Newspaper hording board etc. The table below shows the effect of media.

Effectiveness of Media

Table: - 4

Television	30
Radio	32
Newspaper	22
Hoarding Board	16
Total	100

Source: Field Survey

It is found that 30 person (30%) reorganization those Advertisement which telecast throw T.V. 32 people (32%) people reacting for those advertisement which is board casting throw the Radio/FM. 22 people (22%) people reacting for the those advertisement which publish in Newspaper and 16 people (16%) get their attention towards hoarding Board. These data clearly indicate that most of the people reacting about those produce which advertisement is pass throw F.M. / Radio. It means Radio / F.M. is more effective then other media. The effect show in below pie-chart.

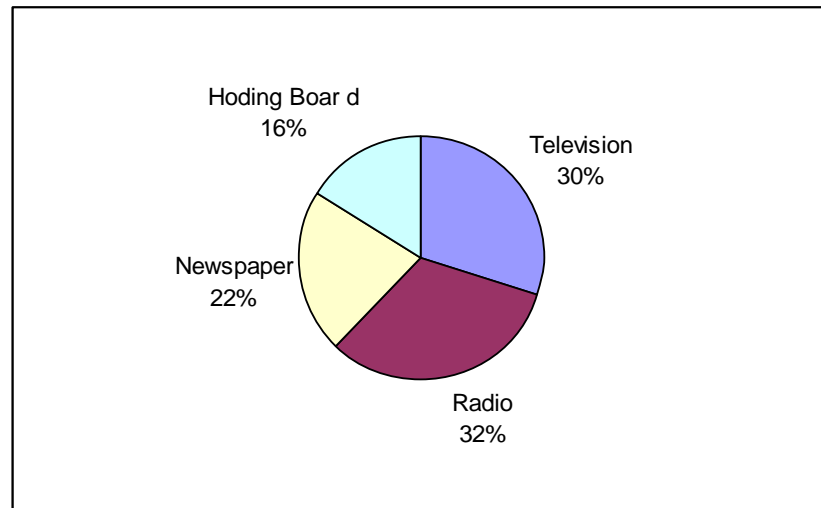


Figure 4: Effectiveness of media.

4.1.2 Consumer habit of watching and hearing TV advertisement:

It is no meaning of advertisement if consumers have not interest on watching television advertisement so in this chapter we try to test consumer habit of watching and hearing T.V advertisement. The table below presents the consumer habit of watching advertisement.

Consumer habit of hearing Radio advertisement

Table: - 5

Description	Sample size	Watching	% .	Not watching	%
Male	50	40	80%	10	20%
Female	50	42	84%	8	16%
	100	82		18	

Source: Field Survey

Living in Biratnagar, out of total sample population 82% of people are found to have the habit of watching Television advertisement to analyze the figure of male and female. (80% male and 84% female) The percentage of women watching advertisement seem to higher by 4% like wise(20% male and 16% female) 4% higher

male have habit of not watching advertisement. The statistics is presented below thought multiple bar diagram.

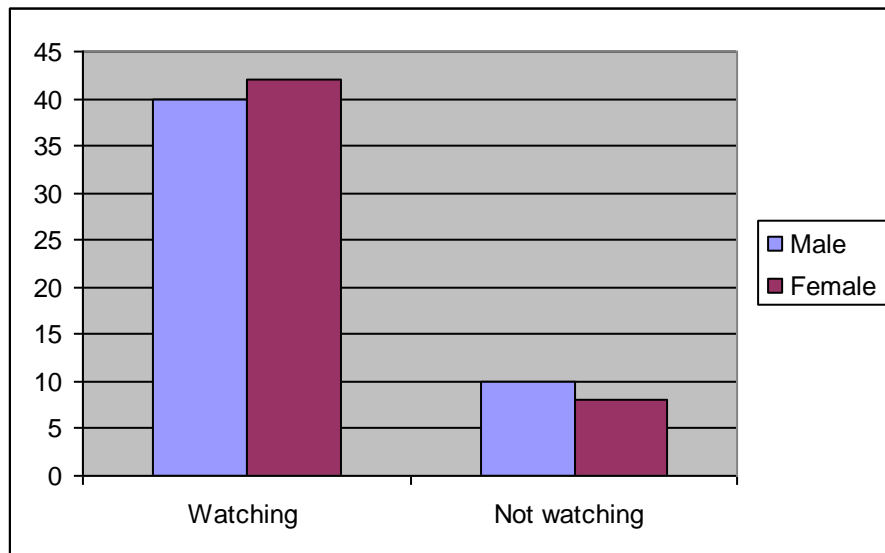


Figure 5: Consumer habit and hearing Radio advertisement

4.1.4 Impact of advertising on consumer

It is very important to know that what kind of impact Advertisement provides to consumer. Some advertisement creates positive impact among the consumer regarding the advertised product while sometime it creates negative impact. So this survey is for the test. The impact of Advertisement and result is presented below.

Impact of advertisement on consumer

Table: - 6

Descript	No. of sample	No. of Respond	%
Positive impact	100	63	63%
No impact	100	22	22%
Negative impact	100	15	15%
	100	100	100

Source: Field Survey

The above table shows the impact of advertisement out of 100 sample 63 people (63%) says that the advertisement made their decision easy while purchasing good. They say easily recall those product which has good advertising out of 100 sample 22 people 22% people say they have no impact for advertisement i.e. they purchase those good which they purchase further out of 100 sample 15 people (15%) say they doesn't purchase those good which advertise highly. The above result presented in pie-Chart below

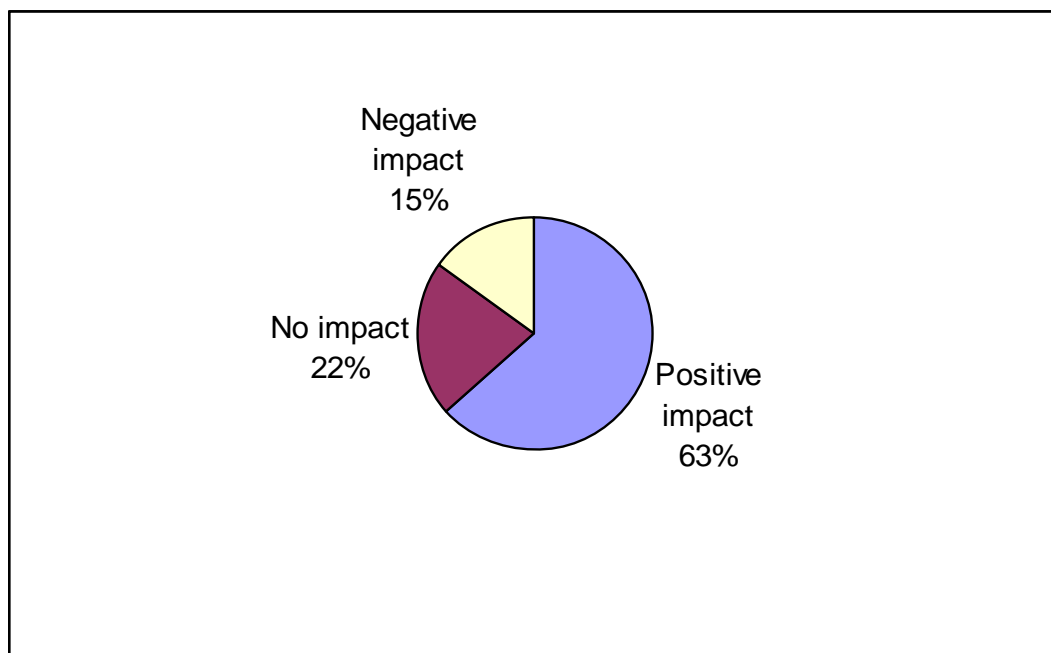


Figure 6: Impact of advertisement on consumer

4.1.5 Impact of frequency of advertisement:

Frequency of Advertisement plays a great role to influence consumer preferences for different products by considering various factors. Advertisement is also one of the important factors which affect the consumer's preference for a particular product. The result of the consumer preference for various types of products is presented in the table below.

Impact of the frequency of the Advertisement

Table: - 7

Description	No. of respondent	Percentage
Product frequency Advertised	81	81%
Product not Advertised	19	19%

Source: Field Survey

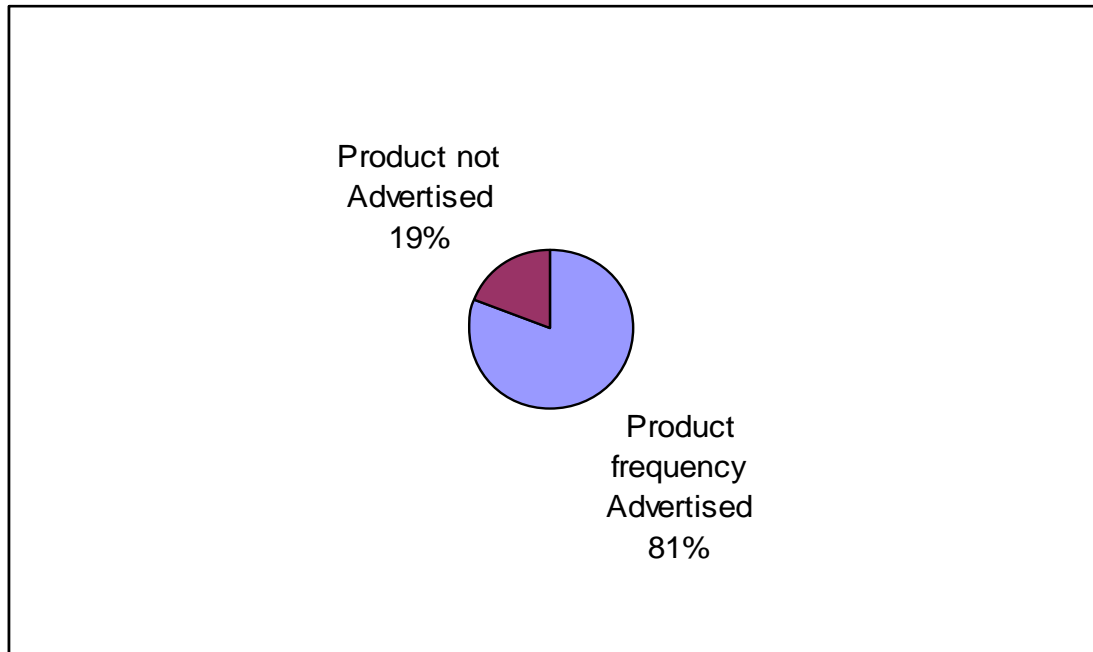


Figure 7: Impact of the frequency of the Advertisement

The above figure clearly shows that the majority of people believe on those advertisement which advertised frequently 81% people says that they appreciate for frequently advertised advertisement and only 19% says that they understand advertisement of one time. The above information nearly shows in pie-chart below.

4.1.6 Need of consumer from Advertisement

Consumers can receive various useful information regarding the product usefulness or benefits, using techniques and its effect on their daily life etc. from the advertisement. The situation of consumer's response regarding the adequacy of advertisement is presented below:

Need of consumer from advertisement

Table: - 8

Description	No. of respondent	Percentage
See information for additional	78	78%
Adequate information	22	22%
Total	100	100%

Source: Field Survey

The above table shows in brief the consumers reaction to the adequacy of the advertisement. Among the total 100 respondent 78% wanted some more information to be added in the advertisement whereas 22% responded that the context of the advertisement are adequate i.e. they are fully satisfied with the information received from advertisement of particular product.

Therefore, from the analysis it can be concluded that mayor it's of consumer are willing to add additional information in the advertisement so that the advertisement would be adequate enough to accomplish the demand of the consumer. The above information clearly shows in pie-chart below.

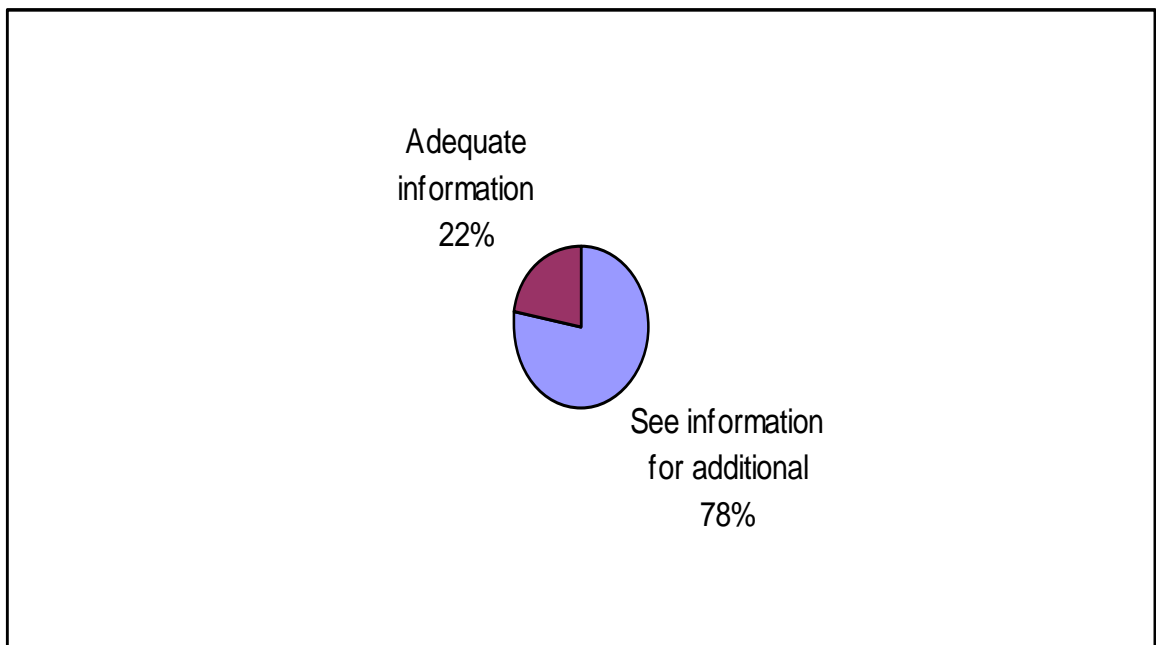


Figure 8: Need of consumer from advertisement

4.1.7 Consumer’s preference to the product having same price and quality.

The consumer may give different preference to the product having same price and quality due to effect of advertisement. The result of the consumer’s preferences towards such product due to the impact of advertisement can be presented as follows:

Consumer’s preference to the product having same price and quality

Table: - 9

Description	No. of respondent	Percentage
Advertise product	83	
Not advertise product	17	17%
Total	100	100%

The above table shows the preference of consumer to the product having same price and quality act of the total 100 respondent 83% given preference to the advertised product whereas 17% given reference to non advertised consumer. The following result is shown in pie-chart below.

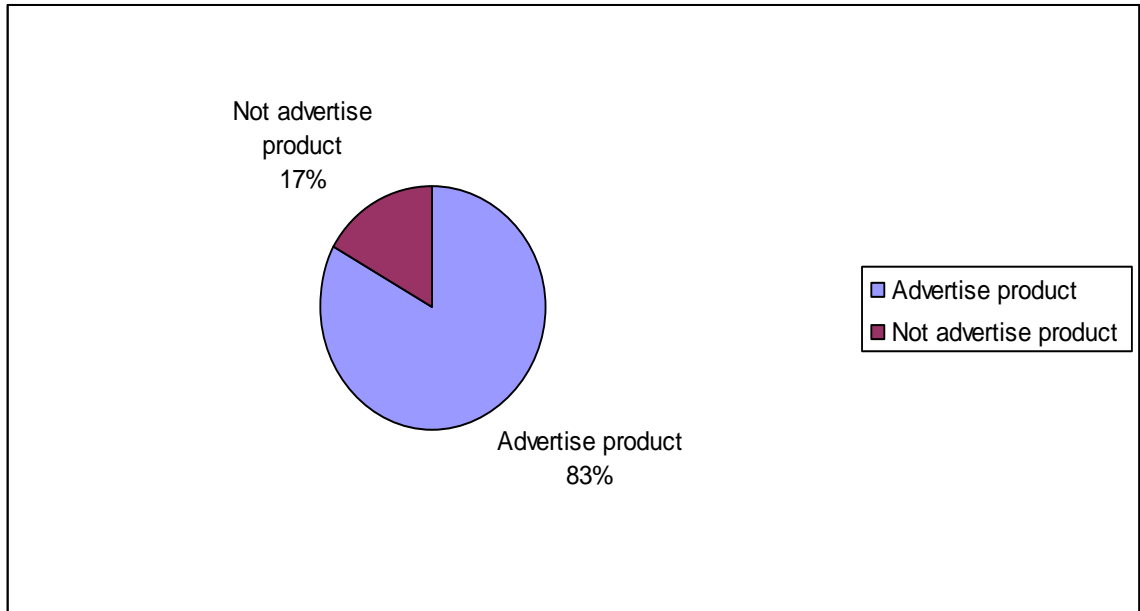


Figure 9: Consumer's preference to the product having same price and quality

4.1.8 Age wise consumer preference on Advertisement

The table shows the age level and their advertisement preference the sample size of total people is divided into five groups of 20 people. The detail situation has been presented in below:

Age wise consumer preference on advertisement

Table: - 10

Description	Same size	Musical	Good working	Simple	All type
Below 20	20	12	4	2	2
20-30	20	11	4	4	1
30-40	20	5	8	2	5
40-50	20	3	7	6	4
Above 50	20	1	11	9	0
Total	100	32	33	23	12

Source: Field Survey

From the table above, It was found that out of 20 people of age group Below 20, 12 people preferred musical advertisement 4 people found to prefer good wording, 2 people of Below 20 preferred good wording and 2 people also prefer all types. The reaction of people those fall in age group 20 to 30, 11 people preferred musical advertisement. 4 people each preferred good wording and simple advertisement and only 1 people preferred all type i.e. musical good wording. Simple which clearly means that majority of age group prefer musical advertisement taking about of age group 30 to 40. 5 people preferred musical advertisement 8 people preferred good wording. 2 people preferred simple and 5 people preferred all type advertisement at the age group of 40 to 50, out of 20 people 3, 7, 6, 4 preferred musical, good wording simple, all types respectively. It means that majority of people preferred good wording advertisement at the age group of above 50, only 1 people preferred musical advertisement. 11 people preferred good wording. 9 people preferred simple and zero people preferred all types of advertising the data are clearly show on multiple bar diagram below.

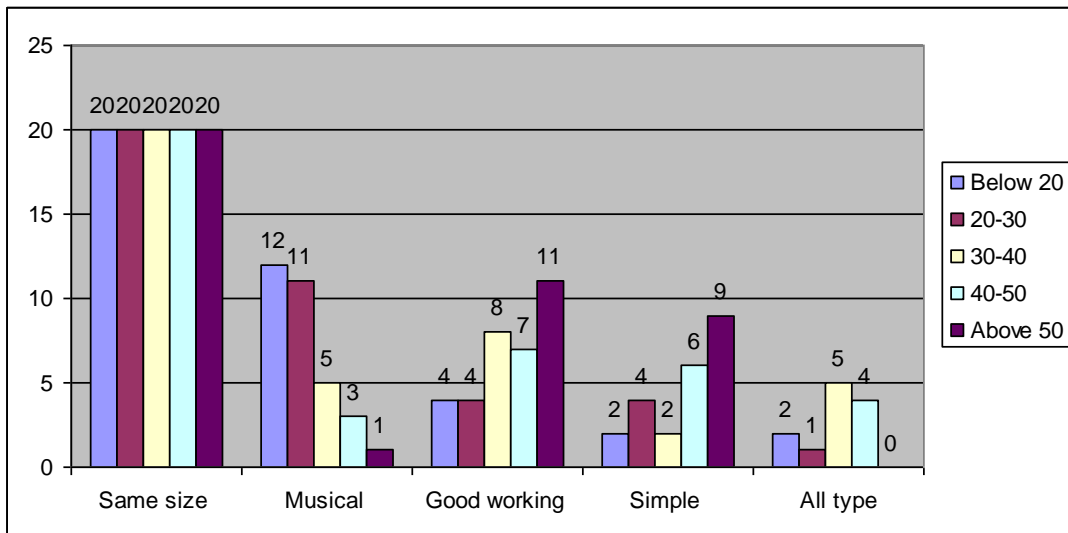


Figure 10: Age wise consumer preference on advertisement

4.1.8 Literacy wise consumer’s preference on advertisement

The table below shows the literacy level and their advertisement preference. The sample size of total people is divided in to five group or respondent in each group. The detail situation has been presented in the following table.

Literacy wise consumer preference on advertisement

Table: - 11

Description	Same size	Musical	Good working	Simple	All type
Below SLC	20	13	2	1	4
SLC	20	9	4	4	3
Graduate	20	5	9	3	3
Upper graduate	20	2	7	6	5
Uneducated	20	11	2	2	5
Total	100	32	33	23	12

Source: Field Survey

The above table shows that lower educated respondents people preferred to musical advertisement regarding musical advertisement 13 people preferred musical advertisement whereas 9 people of SLC preferred it. Likewise 5 graduate people preferred it 2 upper graduates preferred it and if uneducated people preferred it. Similarly, regarding advertisement with good wording 2 people and 2 uneducated people preferred advertisement with good wording, considering simple advertisement 1 Below SLC. 4 SLC level, 3 graduate, 6 upper graduate and 2 uneducated people preferred it. And for all types 4, 3, 3, 5, 5 people of Below SLC, SLC pass, graduate, upper graduate preferred it. The meaning of that calculation upper graduate and graduate people are more focus about good wording. While lower equated people focus on musical advertisement to understand the above information properly the below multiple Bar diagram is presented.

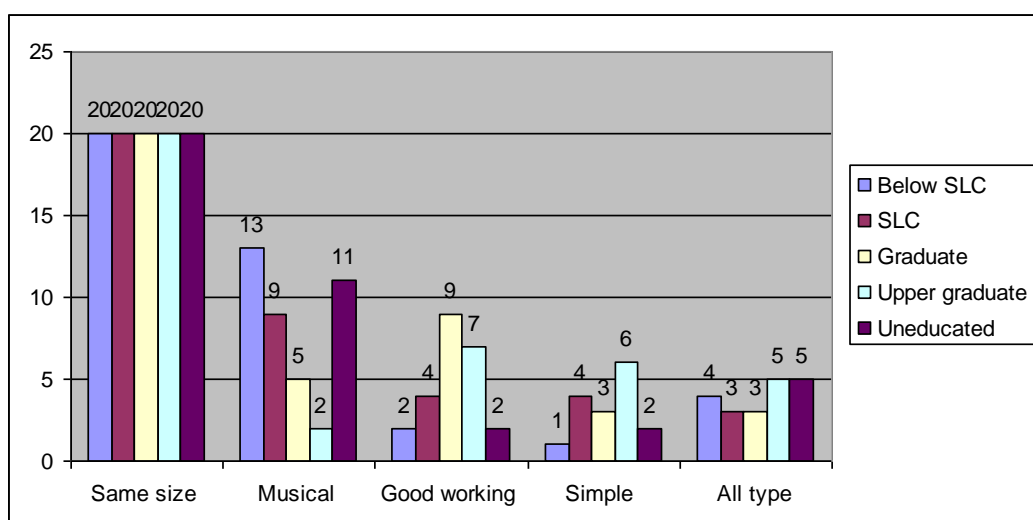


Figure 11: Literacy wise consumer preference on advertisement

4.1.9 Preference of advertising according to gender

The situation of preference of consumer on advertising according to the gender is presented below:

Preference of advertising according to gender

Table: - 12

Description	Same size	Musical	Good working	Simple	All type
Male	50	20	24	5	1
Female	50	22	17	3	6
Total	100	42	41	8	7

Source: Field Survey

The above table show preference of advertisement according to gender of 50 male, 20 responded are found to like the musical advertisement, 24 respondent preferred good wording, 5 respondent preferred simple advertisement and 1 like all type of advertisements. Regarding no female respondents 22 preferred for musical advertisement, 17 good wording, 3 simple, 6 all type preferred advertising respectively for more clarity the above information presented with the help of the pie-chart.

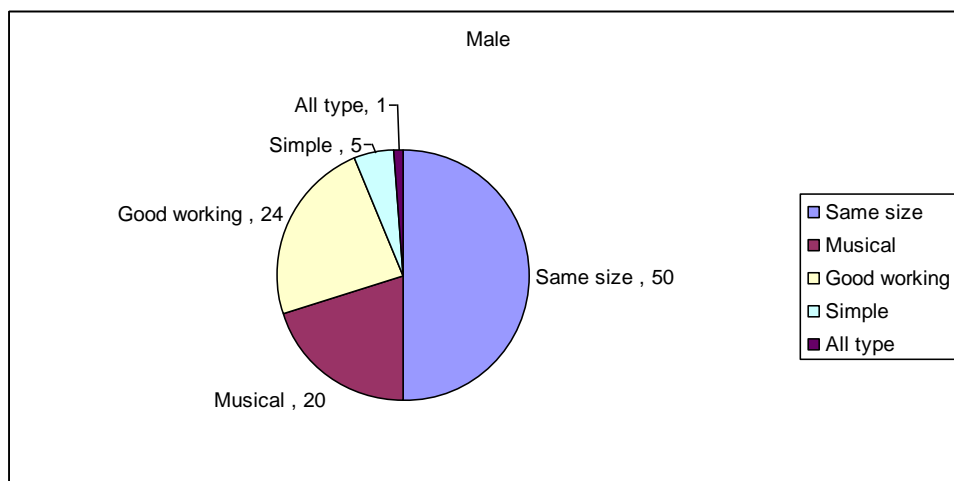


Figure 12.1: Preference of advertising according to gender male

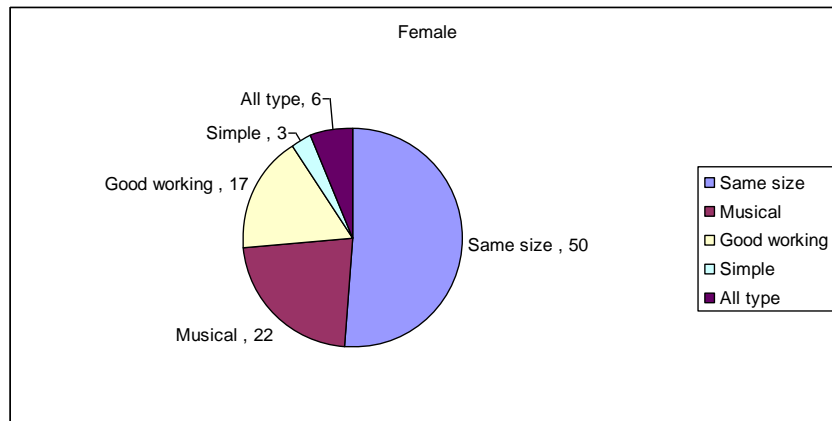


Figure 12.2: Preference of advertising according to gender female.

4.1.10 Age wise consumer’s reaction to the advertisement:

The different age group recall to advertisement differently like some of them tries to know what advertisement meant some of them may be urines about advertisement, whereas, some just watch or hear advertisement. The situation of consumer reaction according to the age group is presented in table below:

Age wise consumer’s reaction to the advertisement

Table: - 13

Description	Same size	Try to know	Curious	Just hearing
Below 20	20	7	4	9
20-30	20	11	5	4
30-40	20	5	10	5
40-50	20	9	1	10
Above 50	20	3	10	7
Total	100	35	30	35

Source: Field Survey

The above statistic shows that the total sample population belonging to different age group does not have the same opinion about advertisement. The result regarding the consumer opinion on advertisement indicate that 7 respondent belongs to tryst age group want just to know the literal meaning of advertisement. 4 respondents are really curious about advertisement whereas 9 respondents are passive advertisement audience. Like wise, among the respondent belonging to age group of 20 to 30. 11 respondents are conscious only with the meaning of advertisement 5 are highly inquisitive to the advertisement while 4 responded are more audience. Analyze

the third group 30 to 40 out of 20 responded 5 people are try to know the meaning of advertisement 10 people are curious about advertisement and 5 people are more audience then other. In the fourth age group out of 20 people 9 are interested on the meaning of advertisement 1 person curious about to advertisement and 10 people are just hearing. In the fifth age group majority of people 10 people are curious about advertisement than after 7 people are just passing their time by hearing advertisement, 3 people are conscious of meaning i.e. they try to know the meaning. The above analysis is more clearly presented in the following chart.

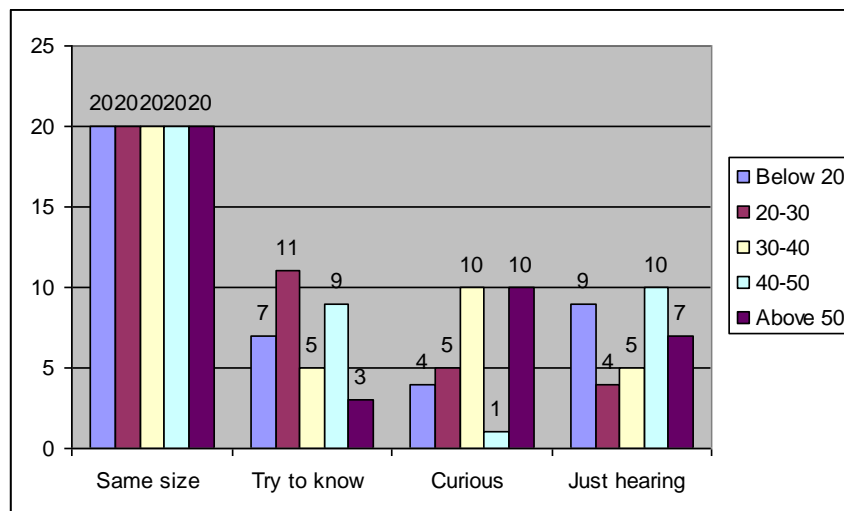


Figure 13: Age wise reaction to the advertisement

4.1.11 Education wise reaction to the advertisement:

The consumer reaction to the advertisement according to their education id presented in the table below:

Education wise reaction to the advertisement

Table: - 14

Description	Same size	Try to know	Curious	Just watch or near
Below SLC	20	6	2	12
SLC	20	6	8	6
Graduate	20	13	6	1
Above Graduate	20	9	11	0
Uneducated	20	4	3	13
Total	100	38	30	32

The above table indicates the reaction of respondents in term of their education status 6 respondent having qualification below SLC opined that they want to know only the meaning of advertisement. 2 out of total 20 respondent are found to be highly interested to the advertisement where as 12 respondent are found to be more audience. The group of SLC passes qualification 6 respondent want to know the advertisement mean 5, 8 respondents are curious about advertisement while 6 people are just watch or hearing. Taking about the third group having graduate degree 13 respondent viewed that they are only conscious to the meaning of advertisement 6 people are inquisitive to the advertisement where as 1 people found to be only audience. In the fourth group i.e. having qualification of above graduate degree 9 people are found to be aware of the meaning of advertisement, 11 are excited about advertisement while zero people are found to be inactive audience. To see the uneducated people 4 people want to know the meaning of advertisement. In people are highly interested whereas 3 are dull audience. The above calculation can be presented with the help of multiple bar diagram given below.

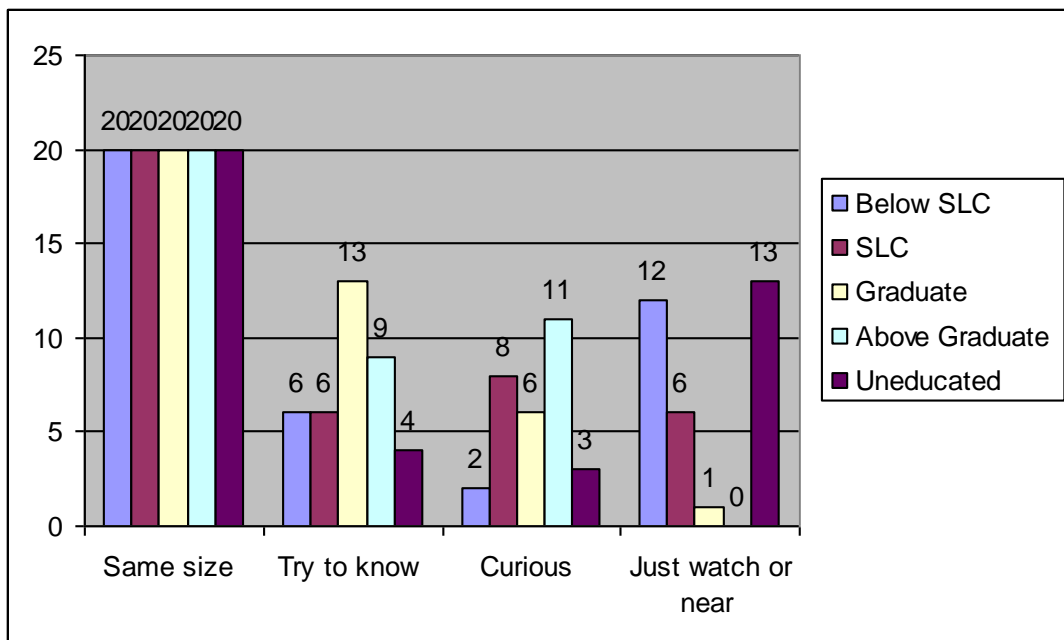


Figure 14: Education wise reaction to the advertisement

4.1.12 Gender wise reaction to the advertisement:

The situation of gender wise reaction to the advertisement is presented in the following table:

Gender wise reaction to the advertisement

Table: - 15

Description	Same size	Try to know	Curious	Just watching
Male	50	12	14	24
Female	50	23	20	7
Total	100	35	34	31

Source: Field Survey

The above figure show the gender wise reaction of advertisement out of total 50 male 12 respondent view that they are particular only to the meaning. 14 are curious to advertisement and 24 found to be more audience. To see the female population 23 people are found to be concerned of the meaning of advertisement out of 50, 20 female are curious about advertisement and only 7 are found to be one audience. The above calculation can be presented with the multiple bar diagram.

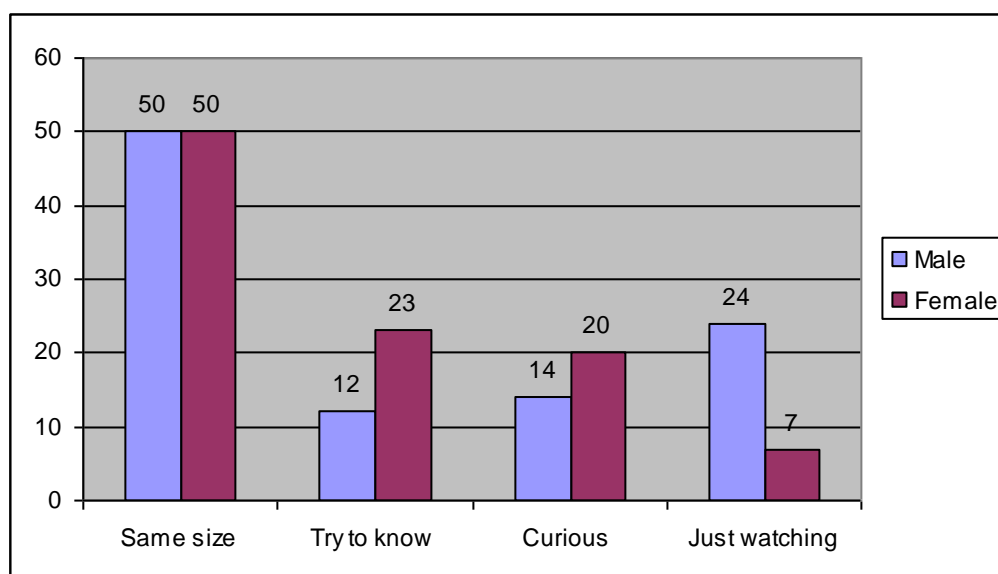


Figure 15: Gender wise reaction advertisement.

4.1.13 Factor that influxes consumer to buy the product: Many factors influence the consumer to buy the product like quality price advertisement etc. The results of the factor that affect the consumer to purchase the noodle are presented in the following table.

Factor that influence consumer to buy the product

Table: - 16

Description	No. of respondent	Percentage
Quality	20	20%
Price	27	27%
Advertisement	32	32%
Price of substitution good	21	21%
Total	100	100%

Source: Field Survey

The above table show the factors which influence customer to buy the product from the table it is clear that majority of people 32% respondent that are influenced by the advertisement 21% respondent by the substitution product price 27% respondent by the price and only 20% people responded by the quality that due to ignorance of the quality.

4.1.14 Comparison cost of media

Because of the cost which charged by the media of advertisement it is more important to know which media is suitable for small production house. It is most important to know that which cost is less among the two media of advertisement from the table below it shows the cost of all media.

Comparison cost of media

Table: - 17

Description	Cost of media	Cost of Radio
Annually	1,00,000	4000
Semi-Annually	60,000	3500
Monthly	20,000	2000

Source: Field Survey

The above table show that the cost of television is much higher than cost of Radio for the small production house, it is less expensive to advertising throw Radio. This cost not include the cost which charged by agency of marketing.

4.1.15 Sales and advertising expenses of company:

From the table below, it clearly shows the sales and advertising cost of company.

Sales and advertising expenses of company

Table: - 18

Year	Sales	Advertising Expenses
2059/60	240	30
2060/61	360	35
2061/62	480	40
2062/63	960	45
2063/64	960	50

Source: Field Survey

The above table shows that company sales and advertising expenses, the year 2059/60. The company pays 30000 for Advertising expenses and the company make sales or 240 thousand similarly, in year 2060/61 the sales is 360 and Advertising expend 35. 2061/62, sales 480 and advertising expenses is 40, 62/63 sales was 960 and advertising expenses 45, in year 2063/64 sales in 960 and advertising expenses was 50. From the table above, it is found that it advertising expenses is increased the sales is also increased. So, it is clear example of effect of advertisement.

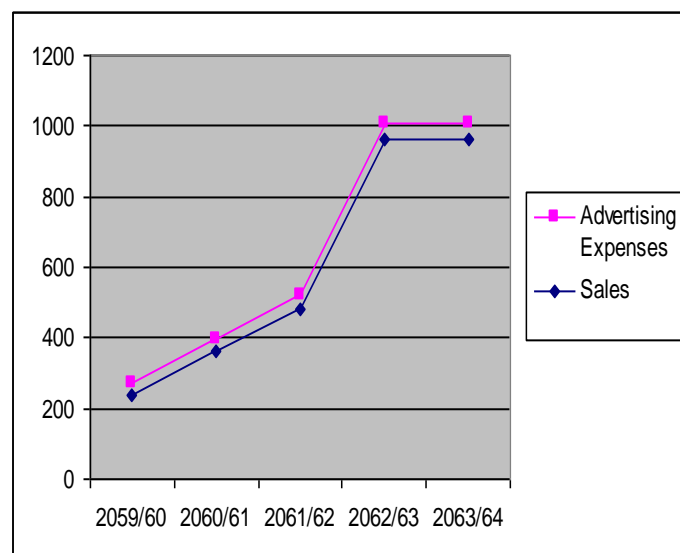


Figure 18: Sales and advertising expenses of company

4.2 Major findings of the study

The major finding of this research work has been presented below:

- i) This first test was made to test the efficiency of the media. There are four different kinds of media. Among them television media was more

effective. Out of total 100 respondent 58% were in favor of television. Like wise at other popular media is newspaper out of 100 responded. It responded to newspaper next media is radio out of 100 people 15 responded respond toward it last is hoarding board 10 people are in favor of that.

- ii) This test was made for testing whether consumer have habit or watching or not from that test it was clear that consumer (male and female) educate interested to watching/hearing advertisement. The sample size of 100 divided into two group male and female and it found that 40 male (40%) and 42 female (42%) has habit of watching/hearing advertisement. It clearly indicate that the consumer have habit of watching/hearing advertisement.
- iii) This test was made to know the impact of advertisement. It id found that out of 100 respondent 63 people 63% people get positive impact and 22 people 22% people says that they have no impact and 15% people says that they have no impact.
- iv) This test was made to testing the impact of frequency at product advertised. Means, the role of frequency of advertisement and it found that 81 out of 100 responded are in favor of frequently advertised product and 19 responded that they refer those product which not advertised. It means that majority of people think that the frequently advertisement made their decision easy to purchase.
- v) This test was made to testing the consumer need from advertisement some consumer watch / heard advertisement for some thing. They try to collect the information from the advertisement from this test it found that 78 people out of 100 are seeking for additional information from advertisement and 22 (22%) are satisfied whatever they achieved from advertisement.
- vi) This test was made to test what happen when consumer has two options at same price and same quality and it is found that 83% people give their preference to advertised product in spite of the substitute product with same price and quality. This shows that in that condition advertisement play good supporting role for product.

- vii) This text was made to know the effect of age factor of consumer on advertisement and the conclusion is below. The majority if below 20 preferred for musical advertisement and 20% preferred for good wording and both 10% preferred for simple and all type it means that if the advertisement is for below 20 age grope it is better to made good wording musical advertisement for the age group 20 to 30, 55% of respondent preferred for musical advertisement. Each 20% respondent preferred for good wording and simple and only 5% responded for all type. Incase of 30 to 40, 25% responded referred for musical, 40% referred for good wording 100% for simple and 20% referred for all types of advertisement. Incase of 40-50, only 15% people prefer musical advertisement, 35% people preferred good wording like wise, 30% people prefer simple advertisement and 20% people preferred simple advertisement and 20% people all types. In case of above 50 only 5% people preferred musical advertisement 55% people preferred good wording and 35% like simple advertisement.
- viii) To test the effect of literacy: This rest has been made from the survey, it found that lower she 65% like musical advertisement 10% prefer good wording 5 % people prefer simple and 20% prefer all type. Incase of SLC pass 45% like musical, 20% like good wording. 20% simple advertisement 15% like all type advertisement. In case of graduate 15% prefer musical advertisement 45% prefer good wording advertisement 15% prefer simple. 15% prefer all types. For the case of upper graduate 10% prefer musical. 35% prefer good wording. 30% prefer simple advertisement and 25% like all time advertisement. Incase of uneducated group 55% prefer musical advertisement 20% prefer good wording 10% like simple and 30% prefer all type advertisement.
- ix) This test was made to know the preference of advertisement according to gender, from the survey it is found that out of 50 male 20 prefer musical advertisement and 24 like good wording advertisement and 5 male like simple and person all type advertisement for the case of female out of 50, 22 person prefer musical, 17 people good wording 3 women like simple and 6 all type.
- x) From this test, it was found that the below 20 group the majority no of people just hearing the advertisement (45%) age group 20 to 30. Try to

know something from the advertisement no. 11 percentage 55%. In the age group of 30 to 40, 25% people try to know 50% people curious about Advertisement and 25% people again audience in the age group of 40 to 50, 45% try to know only 5% people curious and 50% people just heard the advertisement. In the group of above 50, 15% people Try to know 50% people curious about product and 55% people just heard the advertisement.

- xi) In the context to education wise reaction on advertisement. It's found that most of lower uneducated people just heard advertisement 65%. Among the SLC and above SLC test watch and curious 60% and 40% respectively. Among the graduate and upper graduate people heard the advertisement to know or curious 65% and 55% of nears. They are serious about the advertisement and they Try to know from the advertisement.
- xii) This test was made to know the reaction of advertisement gender wise and the situation of gender wise reaction to advertisement shows that out of 50 male 24% Try to know 28% curious and 48% just watch it means majority of male 1st heard the advertisement they have no mean to know anything but in the context of women they have no mean to know any thing but in the context of women 46% women try to know, 40% curious and only 4% watch it means that women are bit sincere about the advertisement.
- xiii) This is the test for to know, what factor influxes to buy the product and this test clearly indicate that advertisement and substitution product price influxes consumer more the price and quality of the product.
- xiv) The cost which taken by the media of Advertising from this test it is found the television media is much higher the radio media. For annual telecasting Average of media taking 1,00,000 p.a but for that same time Radio media charging only 4000. For semi annual Television media are charging 60000 and Radio/F.M. Media of Biratnagar taking only 3500 and for monthly, Television charging 20000 and FM (Radio) media taking only 2000.
- xv) This test is made to know the effect of advertisement on sales and it is found that in every year when Advertisement expenses increase sales is also increase.

CHAPTER – V

Summary, Conclusion and Recommendations

5.1 Summary

Advertising presents the most persuasive possible selling message to the right prospects for the product or service at the lowest possible cost. This is a professional definition, which emphasizes that advertising should be planned and created to achieve the most result for the lowest costs. The main objective of advertising is to sell. But unlike the salesman who sells in a face to face, or even voice to voice situation, advertising sells in a broadcast fashion to numbers of prospects whose identity may or may not be known, and who may be close at hand or at a distance. The message is reached to the large number of prospective buyers at a time. Advertising has remarkable flexibility and range of operation. This versatile and flexibility of the advertisement does have to be used intelligently. This is lacking in Nepal. In this regard the present study will be helpful. Before there is any expenditure on advertising, there must first be an assessment of the likely return, and one method or medium should be judged against another on a cost benefit analysis. This study surveys the impact of radio advertising on consumer behavior. Thus, this study will be very important for the advertiser. It will help them to improve their advertising policy.

In Nepal, advertising is growing day by day. Advertising is widely used by business, government and social organization. Banks extensively use it to issue notices for repayment of overdue loans. The use of advertisements by private airlines is increasing every year. However, the impact of advertisement to the various consumers is unknown. Thus, the study to analyze the impact of radio advertisement on consumer behavior is essential in Nepalese context.

The main objectives of the study is to analyze the impact of radio advertisement on consumer behavior with reference to noodles but the specific objectives are (a) to examine the consumers' preferences on radio advertisement. (b) to identify the consumers' reaction to the radio advertisement. (c) to examine the popularity of the radio advertisement. (d) to analyze the effectiveness of the advertisement of noodles products. (e) to examine the factors that influence to buy the noodles product.

Advertisement is one of the most important components to influence consumers for making them familiar about the product. The study regarding the impact of radio advertisement in consumer behavior is perhaps first in Nepal. To achieve the objectives of the study required data are collected from primary sources through questionnaire. In total, 80 questionnaires covering the differing age groups, different gender and educational background are collected and various statistical tools are used to analyze the data to achieve the objectives of the study.

Conclusions

According to the findings of the analysis section it can be concluded that majority of the people have habits of listening radio and out of them, women are more curious in listening radio than men which indicates that radio advertisement is more popular means of advertisement than all other types of advertisement but most of them just listen radio rather than to know any new information. In addition to this majority of the people of differing age groups as well as different educational class and gender prefers to the musical programs as compared to other types of radio programs which indicates that musical programs are more popular among the people than other programs. Similarly, majority of the people prefer the product which is frequently advertised rather than non-advertised products though the products are of similar nature. But most of them purchase the product due to their necessity and not due to the influence of advertisement. Likewise, the advertisement of noodles product like wai-wai is very much effective to make the customer familiar about the product but majority of them are influenced by the quality of product and not by the advertisement though they know about that product from advertisement. Thus, in conclusion it can be concluded that radio advertisement seems to be the most popular means or media which plays crucial role to enhance the market of the goods manufactured.

5.3 Recommendation

On the basis of the findings of the study, following suggestions or recommendations are recommended:

- ❖ The study shows that majority of respondents of different age groups and various educational backgrounds prefer musical programs rather than other programs. So, the producer as well as advertisers either makes their

advertisement in musical form of they should broadcast the advertisement in musical program.

- ❖ The study shows that majority of the respondents have habit of listening radio and it is more popular with women consumers. So, the advertisers and producers should give preference to the radio advertisement by focusing more to the women advertisement.
- ❖ The analysis shows that the information included in advertisement are not sufficient and majority of the respondents are willing to get the additional information from the advertisement regarding various aspects of the product. Thus, advertisers, manufacturers and producers should include sufficient information so that consumer can be satisfied regarding the matter.
- ❖ The study indicates that the advertisement of any product leaves the good impact to consumer behavior regarding the product but to some extent their purchasing decision depends upon the need of the consumers. So the manufacturers and advertisers should also try to create the necessity of the product through advertisement using effective presentation of product and product related information in their advertisement.
- ❖ The advertisement of noodles product is very much effective to leave a positive impact upon consumer regarding the product rather than other variables. So, all the manufacturers of noodles product should produce a product having good quality and advertise their product effectively such that their market share increases rapidly.
- ❖ The study indicates that the wai-wai instant noodles are more popular product than other noodles product. So, the firm should try to maintain this strength in future too.
- ❖ In the study, majority of the respondents stated that the price of wai-wai is comparatively higher than other noodles product. So, the producer of wai-wai instant noodles should address this weakness and the price of the product should be comparatively reasonable as other competitive product.

BIBLIOGRAPHY

BOOKS

- Aaker, David A. ,Myers J. G.&Batra Rajeev (1996), *Advertising Management*, Prentice Hall of India (P) Ltd New Delhi.
- Agrawal, Govind Ram (1982), *Management and Marketing for small Business*, M.K.Publisher, Kathmandu, Nepal.
- Agrawal, Govinda Ram (1999), *Marketing in Nepal*, M. K. publisher, Kathamandu, Nepal.
- Agrawal, Govinda, Ram (2002), *Dynamics of Business Environment In Nepal*, M. K. Publisher, Kathamandu, Nepal.
- Cravans, David W. (1982), *Strategic Marketing*, Richard D. Irvin , Homewood, Illinois.
- Chaudhary, R.P. (1990), *Advance Marketing*, Trimurthy Prakashan, Varanasi.
- Churchil, G.A. and J. Paul Peter (1995), *Marketing: Creating Value For Customers*, Irvin, USA.
- Chunawala, S.A., Sethia, K.C. (1997), *Foundations of Advertising Theory and Practice*, Himalayan Publishing House, Mumbai.
- Cateora, R. Philip & Graham, L. John (2001), *International Marketing*, Tata McGraw Hill, New Delhi.
- Goel, B.S (1996), *Marketing Research for Management Students of Various Universities and Institution*, Pragati Prakashan, Meerut.
- Koirala, K.D. (2000), *Fundamentals of Marketing Decisions*, M.K. Publishers, Kathmandu, Nepal.
- Kotler, Philip (1986), *Marketing Management Analysis, Planning and Control*, Prentice Hall of India Pvt. Ltd., New Delhi.
- Kotler, Philip and Armstrong, Gary (1991), *Principles of Marketing*, Prentice Hall of India Pvt. Ltd., New Delhi.
- McDonald, M.H.B. (1984), *Marketing Management*, Educational Publisher, Kathmandu.
- Shrestha, Amuda (1996), *Marketing Management*, Educational Publisher.
- Shrestha, K.N. (1993), *Marketing Management: Concepts and Strategies*, Nabin Prakashan, Kathmandu.

Shrestha, Shyam Kumar (2002), *Fundamentals of Marketing*, Book Palace, Kathmandu, Nepal.

Stanton, William J. Etzel, Michael, J. Walker, Bruce J. (2002), *Fundamentals of Marketing*, McGraw Hill.

DISSERTATION

Baral Surya, *Advertising and Brand Preferences of Instant Noodles*, (An unpublished Master Degree Dissertation, Tribhuvan University: Shankar Dev Campus - Kathmandu, 2002).

Bhatta Nabin, *Sales Promotion and its Effect on Sales: A case study of Beer Market of Nepal*, (An unpublished Master Degree Dissertation, Tribhuvan University: Central Department of Management - Kirtipur, 2002).

Pandey, P.R., *Advertising in Nepal*, (An unpublished Master Degree Dissertation, Tribhuvan University: Central Department of Management - Kirtipur, 1999).

Pant Rekha, *The study on Brand loyalty*, (An unpublished Master Degree Dissertation, Tribhuvan University: Central Department of Management - Kirtiur, 2001).

Shrestha Sulav, *The Role of Advertising in Brand Choice and Product Position*, (An unpublished Master Degree Dissertation, Tribhuvan University: Central Department of Management, Kirtipur, 2003).

Upadhyay Ramesh, *Radio Advertising and its impact on Purchasing acts in consumer goods*, (An unpublished Master Degree Dissertation, Tribhuvan University: Shankar Dev Campus - Kathmandu, 2002).

Appendix

Questionnaire

A survey on “Effect of Radio/F.M.advertising on buyer behavior”

Dear respondent,

I am collecting the data concerned with “Effect of Radio/F.M.advertising on buyer behavior” With reference to Mayos noodles for the research work in partial fulfillment of the requirement for the degree of master of business studies (M.B.S.) and it would great value if you help me in filling up following questionnaires

Name:-

Address:-

1. What kind of advertisement do you prefer?

a) Musical b) Good wording c) Simple d) All Types

2, Do you generally watch and here advertisement?

a) Yes b) No

3.What is your reaction when you see or hear advertisement?

a) Try to know what it means

b) curious about it

c) just watch it

d) Switch of the Radio

4) Does repetitive advertisement attract your attention?

a) Yes b) No

5 What product do you prefer?

a) Frequently advertised b) Not Advertised

6 Does advertising help you take right decision

a) Yes b) No c) Cannot say

7. Have you seen food advertisement?

a) Yes b) No

8. If yes have you seen the advertisement of Mayos noodles?

a) Yes b) No

9. Do you like the advertisement of Mayos noodles?

a) Yes b) No

10. What factor influences you to buy that product?

a) Quality b) Price c) Scheme d) Advertisement

11. Do you think most advertisement has what it want to say?

a) Yes b) No

12. If an advertisement interests you what do you do?

a) I look for more information

b) What I receive is enough

13. If there are similar kind of product in the market in term of price and quality which product would you choose?

a) Advertised b) Not advertised

14. Have you brought any product after getting information from advertisement?

a) Yes b) No c) Can not say

15. Which kind of media would you prefer?

a) Newspaper

b) Radio

c) Television

d) Hoarding board

16. What suggestion would you like to give to improve the product's feature and schemes being provided from the company? Please mention them.

17. Please tick on right box

a) Age

Below 20 20-30 30-40 40-50 Above 50

b) Marital Status

Single Married

18. Would you tell me your educational status?

a) Below S.L.C.

b) S.L.C.

c) Graduate

d) Above graduate

e) Uneducated

19. What kind of advertisement you found more effective? Please tick any point.

a) Informative

b) Reminding

c) Persuading

20. How far do you think advertisement can help you in purchasing a product?

a) Helps a lot b) Doesn't help

21. To increase the purchasing decision, which of the following factor would you follow?

a) Reasonable price

b) Qualities product

c) Effective advertising

d) Aggressive sales promotion

22. What does you prefer most?

a) Pre testing

b) Post testing

c) Current testing

23. Are you loyal towards and aware of the brand which you buy?

A) Yes b) No

24. Have you heard the name of noodles Mayos?

a) Yes b) No

25. Do you think Mayos is one of the best noodles in Nepal

- A) Yes b) No

26. What do you think is the close competitor of your product?

- a) Wai Wai b) Rara c) Yum Yum d) Rum Pum

27. What is your opinion about the advertisement of Mayos noodle?

- a) Excellent
b) Good
c) Bad

28. Mark on the following scale how much you believe in the advertising message delivered to you by sponsors through various means of advertising ?

- a) 100%
b) 75%
c) 50%
d) 25%
e) 0%

29. Do you think that schemes are important to attract customer towards product?

- a) Very much
b) Quite important
c) Not so important
d) Not important at all

30. Are you satisfied by the information provided by the advertisement?

- a) Yes
b) No

31. What do you expect from advertisement?

32. Can you give your idea about advertisement?

33. Can you list the name of your favorite advertisement?

34. What do you think of advertisement?

a) It wastes a time

b) It is a good way to attract consumer

35. When did you recently buy Mayos noodles?

a) Yesterday

b) Today

c) Week a go

36. Have you bought the product after getting information from advertisement?

a) Yes

b) No

37. Have you found any difference between other noodle and Mayos noodle?

a) Yes

b) No

38. If yes in what term it is different from other noodle?

a) Quality

b) Price

c) Schemes

d) Advertisement

47. How many member in your family love to eat noodle?

48. How many of them like to have Mayos noodle?

49. Can you please give the reason why do they like to have it?

50. What types of advertisement you found more effective that result in high sale?

a) Informative b) Reminding c) Persuading

51. Which factor do you suggest in more important to increase sale of product?

a) Good profit margin

b) Effective advertising

c) Attractive sale promotion