

CHAPTER I

INTRODUCTION

1.1 Introduction

Today marketing must be understood not in the sense of making a sale “telling and selling”. But in the new sense of satisfying customer needs, if the marketer does a good job of understanding customer needs, develops products that provide superior value & price, distributes and promotes them effectively. These products will sell very easily. Thus selling and advertising are part of a large marketing mix, a set of marketing tools that work together to satisfy customer needs and build customer relationship. The company must also decide how it will serve targeted customer in market place.

Modern marketing calls for more than just developing a good product pricing it alternatively and making it available to targeted customer. Company must also communicate with current and prospective customer. Good communication is important in building and maintaining any kind of relationship, it is crucial element in a company's efforts to build profitable customer relationship. To do this they must skillfully use the mass promotion tools of advertising, sales promotion and public relation.

Advertising is any paid form of non personal presentation and promotion of idea, goods and services by an identified sponsor. Advertising can be traced back to the very beginning of recorded history. Archeologists working in the countries around the Mediterranean sea have dug up

singers announcing. Various events and offers the Roman painted walls to announce gladiator fights and the Phoenicians painted pictures promoting their waves on large rock along parade routes, Modern advertising however is far advance their early effort.

Advertising often works closely with another promotion tools sales promotion. It consists of short term incentives to encourage purchase or sales a product or service. Advertising offers reasons to buy a product or service sales promotion offers reasons to buy now.

Importance of advertising and sales promotion is increasing in marketing as the market place is being more and more complex and competitive day by day. In the modern competitive market advertising and sales promotion is playing an essential role in winning the market share over the competitors. Today, companies are investing huge amount of money in advertising and sales promotion not just to make sale of their product but also to create position in the mind of customers. This trend has also seen in the television market in Nepal also. From the last few years, the number of television brand has been increasing day by day. The companies are fighting for their market share in the market in different ways. Advertising has become their major tools to communicate and differentiate their product from competitor's product. Companies are also engaging in different types of sales promotion activities to attract the customers to buy the product and motivate the dealers to sale the company's product.

1.2 Company Profiles

Samsung is a South Korean Multinational company. Samsung is the new undisputed champion of the global TV market. The South Korean base manufacturer was the largest in terms of both revenue and unit shipped during the quarter of the year 2010. Samsung success can be attributed to its financial strength, which has allowed it to remain technologically diverse, while other market leaders have narrowed their focus to two or three technology. Samsung remains focused on all major technologies LCDS, PDTS and MD RPTVS.

Strong sales growth in China and the US drove a seven percent increase in the no. of TVS sold worldwide compared to the previous year. While Samsung currently leads the market by a few percent age point , no company could be said to dominate, as five major players each have around 10% of the global market in revenue & units shipment.

1.3 Brief History of Television

Television history was not overnight and not invented by a single inventor, instead many people working together and alone over the years, contributed to the evolution of television. At the dawn of television history there were two distinct paths of technology experimented with by researchers. Early inventors attempted to either build a mechanical television system based on the technology of *Paul Nipkow's* rotating disks, or they attempted to build an electronic television system using a cathode ray tube developed independently in 1907 by English inventor *A. A. Campbell-Swinton* and Russian Scientist *Boris Rosing*. Electronic Television systems worked better and eventual replaced mechanical systems.

German, Paul Nipkow, developed a rotating disk technology to transmit pictures over wire in 1884 called the *Nipkow Disk*, Paul Nipkow was the first person to discover television's scanning principle, in which the light intensities of small portions of an image are successively analyzed and transmitted.

In the 1920's *John Logie Baird* patented the idea of using arrays of transparent rods to transmit images for television. *Baird's* 30 line images were the first demonstration of television by reflected light rather than backlit silhouettes.

Charles Francis Jenkins, In 1923, invented a mechanical television system called radio vision and claimed to have transmitted the earliest moving silhouettes images.

In 1929, *Vladimir Kosma Zworykin*, invented an improved Cathode-ray tube called the kinescope. This was sorely needed for television. He was one of the first inventor to demonstrate a television system with all the features of modern picture tubes.

In 1948, *Louis Parker*, invented the modern changeable television receiver. The patent was issued to Louis Porlorn 1948. *Marvin Middlemark* invented "rabbit ears" the 'v' shaped TV antennae, and his other friend invented Potato Peeler and tennis ball machine.

In 1903, Colour television was by no means a new idea, A German Patent in 1904, contained the earliest proposal while in 1925, *Zworykin*, filled a patent

disclosure for an all electronic colour television system. A successful an all electronic color television system. A successful colour television system began commercial broadcasting first authorized by FCC on December 17, 1953 based on a system invented by RCA.

In the base of this technology, a lot of manufactures are manufacturing different television sets. The top manufactures of television are Samsung, Panasonic, Toshiba, Sony; LG etc are producing a lot of televisions based on his technology. Now a day the use of colour television is growing rapidly of different companies. Now a day the uses of LCD televisions are growing day by day everywhere in the world.

1.4 Types of Televisions:

In world market of television, there are three kinds/types of television. These types of televisions are as follows.

i. Normal Televisions

Normal Televisions are in declining stage of product life cycle. Sales of normal television are decreases as the introduction of flat television. These kinds of televisions are very simple and old style. Different companies have completely drops the normal television from market. They have no good pictures quality and very bulky in looking.

ii. Flat Televisions

Flat Televisions are in maturity stage of product life cycle. These kinds of television are better than any features in normal televisions. They are flat and bulky in looking. So customers don't like this kind of televisions any

more. They have no good picture quality and difficult in putting proper place.

iii. LCD Televisions

LCD televisions are in introduction level in market. They are very attractive in looking and very easy to keep anywhere. Price of LCD televisions are very high with compare flat and normal television. Only the innovator adaptor customers are buying the LCD television.

So, in the market there are a lot of television companies. They produce colour television a lot. A few companies have black and white systems televisions. These kinds are very little in market. Markets of colour television are very good everywhere.

1.5 Samsung Television

Samsung has become a raising brand in television market. It is due to the advance technologies in the production, attractive design of products, quality of the product, latest function in product, reliability in after sales service & its marketing strategies. It has introduces the vision technology in the television. The Company claims that the technology consists of colons engine which analyzes the colons across various parameters & achieves the right saturation of red, blue, green, yellows, pink and white tones. Contrast engine, which uses advanced algorithms to eliminate noise & blurring without the slightest damage to the original signal giving crystal clear action visual. "3D" motion engine, which automatically analyzes up to 70,000 local images within a frames leading to blacker black & white whites. Detail engine which analyzes the portion of the signal to be amplified, defecting

and reprocessing any noise or defect to reproduce natural details. So, the company claims that Samsung televisions are four steps ahead of normal television. The company is also providing the home services and warranty for the comfort of customer.

1.6 Focus of the study

The study will focus on the effectiveness of advertising sales promotion of Samsung television in Nepal. In today's competitive market there are many products and services which are operating in the same market to satisfied same unsatisfied demand. So , it has become very challenging for any organization to differentiate their products and services. With competitor's products and services. Today marketer are seeking the answer of how they could tell their customers in better way about their products. Suggests new uses for a product, informing the market of price change and explaining how the product works.

In other hand, building brand performance changing customers perception of product attributes, maintaining the awareness in the mind of customer are the major concern of today's marketers. Advertising and sales promotion has become an effective marketing tool. To the solution of these problems to some degree and differentiate the products with competitor's products in the mind of customers. So, effective advertising and sales promotion strategy has become a core competitive of the organization that provide competitive advantage to the organization.

Hence, the study id to describe the effectiveness of the advertising and sales promotion specially concentrating on television market. The study with

focus on advertising and sales promotion behaviors of the business houses that are handling television in business in Nepal. And grow they are being active in attention\g and retaining the market share in Nepal.

1.7 Statement of the problem

Meaning toward developing in both national and international prospective has increased the types of the products as well as their alternative brands of these products in the Nepalese market. Today one can use the products produced in any corner of the worlds sitting at own home or town. Nepalese market also has given much more freedom to choose the brand. Now Nepalese customers are not compelled to buy any particulars brand rather they are provided with different brand and they are quite free to choose the brand they think the best. The questions here arise are how they choose the branded product? From what source they get information about product or brand and what factors affect them to choose the brand? These are burning questions of Nepalese market. However no attempt has been made so far to answer this question.

So, the basic problem area of this study is “effectiveness of advertising and sales promotion of Samsung television in Nepal.

1.8 Importance of the study

Marketing management has been becomes a complex and challenging job due to globalization, advance information technology and rapid changes in customers preferences. Introduction of new products modification of existing products , penetration into new market segment withdraw from declining market has become a day to day activities of today’s sophisticated

market. For the sundial and growth in such a complex and competitive market, advertising and sales promotion is playing a vital role in creating push and pull demand in market.

The connector market is depending on advertising Without it , produces and distributors would be unable to sell buyers would not knows about and continue to remember products a services and the modern industrial world would collapse . If factory output is to be maintained profitably, advertising must be powerful and continuous. Mass production required mass consumption, which is turn, requires advertising to the mass market through the mass media.

Advertising and sales promotion are playing informative pressure and reminder role in the market. It is helping to capture high customer equity by attracting potential customer and retaining royal customer of an organization. The objectives of advertising may be different indifferent stage of product life cycle. But it is essential in all stage of product life cycle for its growth and survival in the market.

Hence, advertising and promotion activities have become a most important and effective marketing tools to gain market share and to communicate the promotion strategy has became the critical success factors (CSF) of an organization, which unclear pin the strategic advantages of organization.

1.9 Objectives of study

a) To evaluate the effectiveness of advertising and sales promotion for attaining and retaining the market share of television business in Nepal.

- b) To analysis the importance of sales promotion in building company's reputation.
- c) To review the market status of Samsung television.
- d) To examine the brand awareness of customers.

1.10 Limitation of the study

- a) The general study focuses on the effectiveness of advertising and sales promotion of Samsung television as states the title.
- b) Other television will be studied only to find out the market share.
- c) Sample size is very small in comparison to the population of the study.
- d) This study is entirely base on the views and responses of customers and interviews with concurred authorities of respective branch.

1.11 Organization of the Study

This study has been organized into five chapters:

Chapter I : Introduction : This chapter deals with the background of study, statement of problems, objectives of study, significance of the study, limitation of the study, history of television and types of televison.

Chapter II : Literature Review : This chapter is the brief review of literature related to this study. It includes a discussion on the conceptual framework and review of major studies. It gives an overview of the related literature done in the past related to this study.

Chapter III : Research Methodology : Research Methodology describes the different methodologies employed in this study. Sources of data are mentioned and describes in this chapter.

Chapter IV : Data Presentation and Analysis : This chapter presents and analyses the data obtained during the study. Different tools and techniques of data analysis have been undertaken for the purpose of analysis of data and mention different findings.

Chapter V : Summary, Conclusion and Recommendation : This chapter includes the summarizes the while study makes conclusion on the basis of data analysis and finally provides recommendations for improvements. Besides the aforementioned chapters, bibliography and appendices have been presented at the end of the study.

CHAPTER II

REVIEW OF LITERATURE

2.1 Concept of Marketing

It is obvious that the concept of marketing is being applied in every field of the society along with the business. Marketing is getting increasing importance with the necessity of it in every field. So, we can say that this is the age of the marketing. Today's marketing is sensing the hyper competition since the business is being operation in globalize economy. Marketing is typically seen as the task of creating, promoting and delivering goods and services to consumers and business. Marketing are skilled in stimulating demand of or a company's product. Markets are responsible for the demand management. Marketing managers seek to influence the level, timing and composition of demand to meet the organization's objectives.

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

According to **American Marketing Association (AMA)**: Marketing is the process of planning and executing the conception, pricing, promoti0on and distribution of ideas, goods and services to create exchange that satisfy individual and organizational goals."

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

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

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

Goods: Physical goods constitute the bulk of most countries production and marketing effort, so marketing people are busy in the marketing effort, so marketing people are bus in the marketing of tangible objects or products.
(Kotler, 2003-5)

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

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

Events: Marketers promote time-base events, such as the Olympics, company anniversaries, major trades hours, sport events and artistic performances.

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

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

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

Organization: Organizations actively work to build a strong, favourable image in the mind of their target publics; companies spend money on corporate identity adj.

Ideas: Every market includes a basic idea. Products and services are the plate forms for delivering some ideas and benefits.

Marketing is the art of selling products and at the same time it is delivery of a higher standard of living to the society marketing thinking should start even before there is a product to offer. It is concerned with identifying existing needs & then converting them in to a product a services. Besides,

even after the product has reached the customer a user, the marketing efforts does not come to an end. There is a question out of his purchase. After sales services are essential to keep the customer satisfied and become repetitive customer.

In marketing concept, the most important thing is to forecast where customer are moving to be in front of them the right product they want and need to delight them since it is no longer enough to satisfy them.

2.2 Core Marketing Concept

Here is the definition of several core concept of marketing (Kotler 2009-115)

Target Market and Segmentation: It is not possible to satisfy everyone in a market. So, market as start by dividing the market. They identity and profile distinct group of buyers. Examining demographic, psychologists and behavioral differences among buyers can identity market segments. The marketer then decides which segment presents the greater opportunity, which is its target market. For each target market, marketers developers the offerings.

Market Place: Business people often use the term market to cover various groupings of customers. They talk about need markets, product markets, demographic markets and geographic markets.

Marketers and Prospects: A marketer is someone seeking response (attention, a purchase, a vote, a donation) from another party, called the

prospects. If two parties are seeking to sell something to each other, we call them both marketers.

Needs, Wants and Demand: A marketer must try to understand the needs, wants and demands. Needs are the basic human requirements. These needs become wants when directed to specific products backed by ability to pay. Companies must measure not only how many people want their product but also how many would actually be willing and able to buy it.

Product, Offering and Brand: Offering can be combination of products, services, information and experiences. A Brand is an offering from known source. All companies strive to build brand strength that is, a strong, favorable brand image.

Value and Satisfaction: The offering will be successful if it delivers values and satisfaction to the target buyers, value can be seen as a combination of quality, service and price.

Exchange and Transactions: It is also one of core concept of marketing. It is the process of building (obtaining) a desired product from someone by offering something in return.

Relationships and Networks: Relation marketing has the aim of building mutually satisfying long-term relation with key parties customers, suppliers and distributors- in order to earn and return their business. Marketer accomplishes this by promising and delivering high quality products and

services at fair price to the other party overtime. Relationship marketing builds strong economic, technical and social ties among the parties.

Marketing channels: Marketing channels are the essence of whole marketing process. Marketers use communication channel, distribution channel and services channels.

Competition: Competition includes all the actual and potential rival offering and substitutes that a buyer might consider.

Marketing Environment: It includes the task of environment or immediate actors like company, suppliers, distributors, dealers and the target market. The broad environment includes economic, political-legal, socio-culture, technological, demographic and natural.

Marketing Program: The marketer's task is to build the marketing program a plan to achieve the company's desired objectives. The marketing program consists of numerous decisions on the mire of marketing to use.

2.3 Marketing Mix

Marketing Mix is the set of marketing tools the firm uses to pursue its marketing objectives is the target market. Mc Carthy classified these tools into four broad groups that he called the 4Ps of marketing: Product, Price, Place and Promotion.

2.3.1 Product

Product is anything that can be offered to a market for attention, acquisition, use a consumption that might satisfy a want and need. Product is a key in the market offering. Marketing mix planning begins with formulating an offering that brings value to target customers. This becomes the basic upon which the company builds profitable relationships with customers (Kotler, 2066).

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

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

Consumer Products: Final consumer for personal consumption buys consumer products. Consumer product includes convenience products, shopping product, especially product & unsought products. These products

differ in the ways consumers buy them & therefore in how they are marketed.

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

Shopping products: Consumer goods that the customer, in the process of selection and purchases characteristically compares on such bases as suitability, quality, price and style.

Specialty Product: Consumer products with unique characteristics brand identification for which a significant group of buyers is willing to make a special purchase effort.

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

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

2.3.2 Price

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

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

2.3.3 Place

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

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

2.3.4 Promotion

Advertising, sales promotion, personal selling and public relations, the mutually reinforcing elements of the promotion mix, have as their common objectives the successful sale of a product. Once a product is developed to meet the market needs, intended customers must be informed of the products

value and availability. The promotion mix is the basic ingredient in the marketing mix. Sales promotion offers an incentive to buy. Sales promotion (prices off, advertising and display, allowances and free goods); business and sales force promotion (tradeshows and conventions, contests for sales reps and specialty advertising). Sales promotion enable manufactures to adjust to short-term variations in supply and demand.

2.4 Advertising and Positioning

Research has shown that there is a very real limit to how much a mindset can handle. According to George A. Miller, Harrard Psychologist, the average person can rarely name more than seven brands. The set of brands that the customer has in mind during the purchasing process is called "evoked set". This is where positioning comes in. Advertising has to establish the brand in a commanding position in the mind sets of consumers. The image and appeals must be related to the way consumers possibly think about a brand and thus position it in their minds. In order to develop a clear position, the communicator must somehow put together all aspects of product, consumer, trade, and competition and communication situation in a distinctive way for that brand. Good positions are difficult to maintain, and a company must be prepared to defend its position sometimes at great cost.

"Advertising is a form of communication whose purpose is to inform potential customers about products and services and how to obtain and use them. Many advertisements are also designed to generate increased consumption of those products and services through the creation and reinforcement of brand image and through the creation and reinforcement of

brand image and loyalty. Advertising is often placed by an advertising agency on behalf of a company." (**Murphy, 1997:25**)

"Advertisements can also be seen on the seats of grocery (arts, on the walls of an airport walkway, on the sides of buses, heard in telephone hold messages and in-store public address systems. Advertisements are usually placed anywhere an audience can easily or frequently access visuals, audio and print." (**Panta, 1998:46**)

According to **American Marketing Association (AMA)**: "Advertisement is any paid form of non-personal presentation and promotion of ideas, goods and services by identified sponsors."

According to **Frank Jeffkins**: "Advertising is the means by which we make know what we have to sell or what we have to buy."

Above definitions of advertising emphasized on the selling objectives of the company. It says that the advertising planning and implementation are done to secure more sales with less cost contribution. But unlike the sales man who sells in a face to face or even voice-to-voice situation, advertising is just a broad cast fashion to no. of prospect whose identity may a may not be know and who may be close at hand or distance.

Positioning doesn't require a head-on-collision with the leading competition brand. This is quite risky. It is better to manage around the leader's position. Sacrifice is the essence of positioning for effective positioning, a brand has to stand for one quality and benefit in the mind of consumers, instead of

being all things to all people. This involves sacrifice of opportunity to different market segments. Positioning in the consumer's mind is the end of the process of filtering information about the product and the packaging. The price and the image of the product created by advertising. This may be different from the product's function and physical attributes. This subtle district is increasingly important in a competitive market place where thousands of advertisement fight for the attention of the customers.

2.5 Advantages and Limitations of Mediums of Advertising

The message of advertisement is transmitted through some channel from the source to the receiver. The channel in an advertising communication system consists of one or more kinds of media, such as radio, television, newspaper, magazines and so on. The impact of the communication can be different for different media, some of advantages and limitations of mediums of advertising are as follows:

Medium	Advantages	Limitations
Newspaper	Flexibility, timeliness, good local market coverage, brand acceptability, high believability.	Short life, poor reproduction quality, small-pass-along audience.
Television	Good mass-market coverage, low cost per exposure, combines sight, sound and motion, appealing to the senses.	High absolute costs, high clutter, fleeting exposure, less audience, selectivity.
Direct Mail	High audience selectivity, flexibility, no as competition with the same medium, allows personalization.	Relatively high cost per exposure, "junk mail" image.
Radio	Food local acceptance high geographic and demographic selectivity, cost.	Audio only, fleeting exposure, low attention "the half-heard medium", fragmented audiences.
Magazines	High geographic and demographic selectivity, credibility and prestige, high-quality reproduction, long-life and good-pass along leadership.	Long ad purchase lead-time, high cost, no guarantee of position.
Outdoor	Flexibility, high repeat exposure, low cost, low message completion, good positional selectivity.	Little audience selectivity, creative limitation.
Internet	High selectivity, low cost, immediately, interactive capabilities.	Small, demographically skewed audience, relatively low impact, audience controls exposure.

Sources: Different Books

2.6 Negative Effects of Advertising

"An extensively documented effect is the control and vetoing of free information by the advertisers. Any negative information on a company or its products and operations often results in pressures from the company to withdraw such information lines, threatening to cut their ads. This behavior makes the editors of media self-censor content that might upset their ad payers. The bigger the companies are, the bigger their relation becomes maximizing control over a single piece of information. Advertisers may try to minimize information about or from consumer controlled purchasing initiating or customer-controlled quality information systems.

Another indirect effect of advertising is to modify the nature of the communication media where it is shown. Media that get most of their revenues from publicity try to make their medium a good place for communication ads before anything else. The clearest examples in television, where broadcasters try to make the public stay for a long time in a mental state that encourages spectator not to switch the channels during advertisements. **(Henderson, 1994: 86-89).**

2.7 The Nature of Promotional Tools

Each promotion tools has unique characteristics and costs. Marketers must understand these characteristics in selecting their mix of tools:

2.7.1 Advertising

Advertising can reach masses of geographically dispersed buyers at a low cost per exposure and it enables the seller to repeat a message many times. For example, television advertising can reach huge audiences. Beyond its

reach, large scale advertising says something about the seller's size, popularity and success. Because of advertising's public nature, consumers tend to view varnishing products as more legitimate. Advertising is also very expressive- it allows the company to dramatize its products through the artful use of visual, print, sound and color. On the one hand, advertising can trigger quick sales.

Advertising also has some short comings. Although it reaches many people quickly, advertising is impersonal and cannot be as directly persuasive as can company sales people. For the most part, advertising can carry on only a one-way communication with the audience and the audience does not feel that it has to pay attention and respond. In addition, advertising can be very costly. Although advertising can be done on smaller budgets, other such as network TV advertising, requires very large budgets.

2.7.2 Personal Selling

Personal selling is the most effective tools at certain stages of the buying process, particularly in building up buyers' preferences, convictions and actions. It involves personal interacting between two or more people, so each person can observe the others needs and characteristics and makes quick adjustments. Personal selling also allows all kinds of relationships to spring up, ranging from matter of fact selling relationships to personal friendships. The effective salesperson keeps the customer's interests at heart in order to build a long term relationship. Finally, with personal selling, the buyer usually feels a greater need to listen and respond, if the response is a polite "No thank you".

These unique qualities come at a cost, however. A sales force requires a larger-term commitment than does advertising-advertising can be turned on and off. But sales force size is harder to change. Personal selling is also the company's most expensive promotion tool.

2.7.3 Sales Promotion

Sales promotion includes a wide assortment of tools- coupons, contents and percents-of deals, premiums and others- all of which have many unique qualities. They attract consumer attention, offer strong incentives to purchase and can be used to dramatize product offers and to boost sagging sales. Sales promotions invite and reward quick response. Whereas advertising says, "buy our product," Sales promotion say's "buy it now". Sales promotion effects are often short- live. And often are not as effecting as advertising or personal selling in building long-run brand preference.

2.7.4 Public Relation

Public relation is very believable-new stories, features, sponsorships and events seem more real and believable to reader than ads. do. Public relations can also reach many prospects who avoid sales people and advertisements the message gets to the buyers as "news" rather than as a sales directed communication. And, as with advertising public relationships can dramatize a company or products. Marketers tend to under use public relations or to use it as an afterthought. Yet a well-thought-out public relations campaign used with other promotion mix elements can be very effective and economical.

2.7.5 Direct Marketing

Although there are many forms of direct marketing, telephone marketing, direct mail, online marketing and others- they all share four distinct characteristics. Direct marketing is immediate and customized. Messages can be prepared very quickly and can be tailored to appeal to specific consumers. Finally, direct marketing is interactive, it allows to dialogue between the marketing team and the consumer, and message can be altered depending on the consumers' response. Thus, direct marketing is well suited to highly targeted marketing efforts and to building one to one customer relation. (Kotler, 2009)

2.8 Relation of Product advertising to product life cycle

Informative product advertising builds up an initial demand for the product at the introductory stage. Mostly, all new products are promoted this way. The basic objectives are to create awareness about the existence and availability of the product. Persuasive product advertising aims at building up the demand for a specific product or brand. It is used in the growth stage. It is a competitive type of promotion. It is used to the maturity stage of the products reminder oriented product advertising aims at strengthening the previous promotional activity by keeping the brand name before the eye of public. It is used at the maturity stage as well as the declining phase of the product life cycle (Chunawalla, 1998; 108)

2.9 Ethics in marketing

Ethics is a choice between good and bad, between right and wrong. It is governed by a set of principles of morality at a given time and at a given place. Ethics is related to group behavior in cultivate analysis, setting thus

norms for an individual to follow in consistence with the group norms. Advertising too, has ethical values. Advertising communication is a mix of art and facts subservient to ethical principles. In order to be consumer oriented, an advertisement will have to be truthful and ethical. It should not mislead the consumers. If it so happens the credibility is lost, Ethical advertising requires that when a seller advertises goods at discounted prices they must be able to supply those goods for a reasonable length of time. If the special offer is on for only a limited period if stocks are genuinely low, this must be made clear in the advertisement. The truth about bait and switch advertising is that the store never actually intends to sell the advertised special. The idea is to "kill" your desires of buying what is advertised and then trying to get you to buy a similar but more expensive item.

Though clearly declared illegal in many countries, bait and switch advertising is widely practiced the "fresco offer" in many newspapers. If you helped sell three computers through Singh PC you'd get me PC free. After sometime, the company was closed down due to the low quality computer parts used and the failure to fulfill their promise to give away free PCs.

In various trade fairs, some companies quote fantastically low price for their products but when you go to their shop, they say that the lower priced stock has been sold out and you are offered a higher priced substitute. For example, many companies in CAN Info-Tech demonstrate their computer as working fast (by using fast Intel Processors, the latest (2.6 Hz) and Intel Original Motherboard). The computer is impressed by the computer and when he buys it from the company's store, the computer cannot perform as

well as shown in the CAN Info-Tech, because an Intel Celeron processor are used instead of the original Intel. (Shrestha 2009)

2.10 Evaluating Advertising Effectiveness

Good planning and control of advertising depend on measures of advertising effectiveness. Yet the amount of fundamental research on effectiveness is appallingly small. According to Jay Forrester "Probably no more than 1/5 of 1% of total advertising expenditure is used to achieve enduring understandings of how to spend the other 99.8%. Most measure of the money is spent by agencies on retesting ads and much less is spent cities first and its impact evaluated before rolling it out nationally. One company tested its new campaign first in phoenix. The campaign bombed and the company that it would have spent by going national.

Most advertisers try to measure the communication effect of an ad-that is its potential effect on awareness, knowledge and preference. They would also like to measure the ad's sales effect. Communication effect research seeks to determine whether an ad is communication effectively. Called copy testing, it can be done before ad is put in to media and after it is printed or broadcast. There are three methods of advertising retesting. The consumer feedback method asks consumers for their reactions to a proposed ad they respond to such questions as these:

- a) What is the main message you get from this ads?
- b) What do you think they want you to know, believe a do?
- c) How likely it is that ad will influence you to undertake the implied action?
- d) What works well in the ad and what works poorly?

- e) How does the ad make you feel?
- f) Where is the best place to reach you with the message?
- g) Where would you be most likely to notice it and pay attention to it?
- h) Where are you when you make decision about this actions?

Portfolio tests ask consumers to view a listen to a portfolio of advertisements, taking as much time as they need, consumers are then asked to recall all the ads and their content, aided an unaided by the interviewers. Recall level indicates an ad's ability to stand out and to have its message understood and remembered.

Laboratory tests use equipment to measure physiological reaction-heartbeat, blood pressure, pupildicaiton, galvanic skin response, perspiration- to an ad a consumers may be asked to turn a knob to indicate their moment to moment liking or interest while viewing sequential material. These tests measure attention - getting power but reveal nothing about impact on beliefs, attitudes and intention.

2.11 Role of advertising in Modern Business World

Advertising is primarily a means by which sellers communicates to prospective buyer's the worth of their goods and services. Advertising is not a game, toy or a racket. It is a basic tool of marketing for stimulating demand and for influencing the level and character of the demand. It has economic, social and psychological function. **(Chunawalla 1997: 30)**

Economic Function: All that advertisement has to do is to sell a product and service. This is advertisement accomplishes by communicating properly

and reflecting by communicating to the right people, by communicating the right message, put across through brilliant and persuasive language, making use of appeals to different human motives. Advertisement sometimes does the sales job in a subtle and indirect manner. They incline us favorably to the products, affect our attitudes. So advertising performs the economic function by being a part of persuasion. It also is helped by a science of layout, visualization and print reproduction. Special affection films etc. Advertising has created wide markets.

Social function: Advertising has affected not the core cultural values but the subsidiary cultural values. For example, to get married is a core cultural value. Advertising cannot effectively change it by telling people that you don't marry. Yes, to married late and not an early is subsidiary cultural value. Advertising can definitely affect it. It can't persuade people to marry late. Advertising is a mirror of the society in which it operates. It reflects the cultural values of society. Advertising has improved our standards of living. We realized how comfortable we could be in presence of AC, pressure pans & cookers, compact discs CD and music system, autos & two – wheelers, polyesters & pop corns, ballpoint pen & antibiotics. We used these articles after getting interested in them through advertising. We've accepted some new ideas contributed to our standard of living substantially. Advertising invests a new product with confidence about its functions, quality, prices & availability. Advertising promise a quality and forces manufactures to live up to the end promised quality. So advertising brings about consumer welfare by two – fold method.

- (a) By improving standard of living
- (b) By improving product quality.

Physiological function: Advertising is closely linked to consumer behavior. So it affects personally of the consumers his concept of self, his attitudes, beliefs and opinions, his life – cycle and life – style etc. Advertising appeals to our physiological & psychological motives. Its appeals may be rational or emotional. Advertising is an icon of our times; advertising is not more sellers. They reflect the contemporary society. Whatever is used in the society is reflected in advertising. Women are not only as sensual symbols in advertisements. There are other – beds, bathroom fittings, cars and whatnot. Yes, the use of women’s anatomy in a childish manner is a transitory phase, which we will soon grow out. (**Chunawalla, 1997:30**)

2.12 Advertising in Nepal

In Nepal, advertising has been playing an important role for promotional work. However, it has not reached at the optimum level & other means are still playing more for promotion business. Between those personal selling & sales promotion are important. Complex geographical constitution of land, illiteracy among general people, political instability & slow economic growth etc. are responsible for it. But in the urban area & some extent in rural area, advertising has been taken as an important means of communication.

In Nepal at the present time, with the development of the modern means & technology, various means of advertising are used. The emphasis and preference of Nepal govt. for private sector participation in economic development & economic liberalization has increased the importance of advertising. The historical background of advertising system of Nepal is

corporation has big foundation for some commercial in advertising system. Now a day in Nepal, different media like print, audio, audio – visual display & others are used for advertisement. Before restoration of democracy, Radio Nepal, Gorkha Patra, & Rising Nepal were the common means of advertisement. But with the formation of democratic govt. more media has started. In print media along with Gorkg Patra & Rising Nepal, other media like Kantipur daily, The Kathmandu post, Himalayan Times, many weekly news paper & other commercial magazines are available.

Radio Nepal has been playing as an important means of audio media. It has been using as a common means of providing information advertisement it has been using as a common means because of lack of & better transportation & communication facilities & high road of illiteracy prevail in society. Recently, in Radio Nepal, a separate FM 100 channels has established & sponsored by the private enterprise.

Nepal Television has been playing important role for audio – visual advertisement. The extension of NTV program though out of the kingdom has increased its importance. Recently NTV has also some of its time fa private enterprise. This is helpful for betterment of entertainment program & also commercial purpose i.e. for advertisement. Besides, NTV other multichannel satellite& cinema are also prevail in Urban area. Beside above mentioned media, other media likely display, bill board; electric display, transit advertising, direct advertising etc. are also in limited manner.

Although, advertising has been playing crucial role for promotion in Nepal. But its effect is remaining limited up to the urban area & among limited

number of population, except Radio Nepal. It is essential to do more to cover largest customers (**Poudyal, 2008;159**)

2.13 Evolution of marketing

There was also the need & existence of advertising in the ancient period. The difference is that there weren't the mass media at the time. It is said that the development of marketing (advertising) started with the civilization & started to communicate with each other. "Advertising by word of mouth is probably the earliest form of advertising because verbal skills were developed first. Advertising was given the commercial status the day man entered in to the process of exchange."

Since the knowledge of advertising & art of printing were not developed, in early days of advertising was passive & was in limited use. The earliest forms were signboards & writing on the article to be sold was the only method of attracting public retention. The effect of the old types of advertising was not attractive & dynamic as it is today with the publication of newspaper & development of the modern techniques in printing, advertising work got a boost. It is said that the first printed advertisement in English appear in London in about 1473 by the writer William cocks ton, which was tacked on church doors announcing a prayer book for sale. Similarly the newspaper advertisement appeared on the back of London newspaper in 1650 offering a reward for the return of 12 stolen horses. Then illustrated advertisement appeared for coffee in 1652, chocolate in 1657 & tea in 1658 & again the direction of the advertisement was limited. During the 16th century, newspaper was the longest form of advertising & these newsletters were first published in the form of news letter. "The first

newsletter was started in 1622 in England. The second half of the 16th century witness newspaper in the form of news book. It can be said that by the middle of the 17th century, there were special advertising periodicals. It has been record that excellent news books were published around 1675. By the end of 17th century newspaper were well established in England, under carrying advertisement as a regular basis”. **(Sottakki 2008:29)**

Modern advertising is a product of industrial revolution of the 18th century in 1760. Before transportation & communication were developed, means of public expression were limited. But the desire to broadcast ideas were analyzed there although early attempts to influence the action of his fellows go back to the beginning the off – recorded history.” By the year 1920 advertising in America & England had been developed well & professional somehow. Another significant milestone in the field of advertising was noticed when advertising was introducing in broadcasting media. Though Macorny invented radio in 1906, broadcasting of advertising in radio had to wait another 25 years. So, the first radio advertisement has been broadcasted in 1920. Then in the same year first professional advertisement has been broadcasted from the KDKA radio station established in Petersburg (coolers, 1976, 106). Television was invented in the mid of 19th century as the most powerful communication tools. In 1929, first television commercial was telecasted in England. Television was working as the most powerful medium for advertisement until few years back when the computer technology has not been reached to this stage. But today, in the developed country, internet advertisement has become even more popular & it can after some year probably could take the place of television medium. But again, television

still more effective medium for advertisement than press & radio due to its audio – visual facility.

“The age old principle of “cave tempter” prevailed among the consumers & hence the advertising was thought to be untruthful. People didn’t believe the advertisement message. Buyers were cautious in buying goods. To counteract this feeling manufactures highlighted brands to the consumer. So, 19th century saw the concept of brand advertising. This magazine started to catch the imaginations of the people by popularizing the brands.

This the period that welcomed window & counter display exhibitions & trade fairs.” Up to First World War, the news paper and magazines were considered as the principal media of advertising. During the period of great depression of 1930s, there were less business activities & it is known as the slump period. After Second World War there was a keen competition between manufactures. On one hand, it tries to generate internal economy & on the other hand, it tries to seek newer methods of developing markets. Main new forms involved with advertising came into existence during this period. Advertising was developed on systematic lines. Widespread use was made off modern photography & art printing. The most development was cinema slides & electric signs.” During the Second World War people were informed of the war developments through short films and thus a new form of advertising was developed. Now film advertising has become popular & it has got a huge significance in developing countries like India, Burma, Pakistan and even in Nepal also.”

“Television has a powerful means of advertising form 1950s, it has grown in its importance with its colour presentation & it is going to rule advertising media. The outdoor advertising similarly here has been development in travelling displays, sky-writing in addition to the earlier means like poster, printed displays & sand witched – men “

2.14 Sales promotion

Sales promotion, a key ingredient in marketing campaigns, consists of a diverse collection of incentive tools, mostly short – term, designed to stimulate quicker or greater purchase of particular products & service by consumers & by the trade. Whereas advertising offers a reason to buy, sales promotion include tools for consumer promotion e.g. sample coupons, cash refund offers, price off, premiums, prizes, patronage reward free trails, warranty, tie-in promotion, cross promotion, point- of – purchase, display allowance & free goods. And business & sales force promotion e.g. trade shows & conventions, contests for sales reps, and specialty advertising. These tools are used by most organizations. A decade ago, the advertising- to sales promotion ratio was about 60:40. Today in many consumers package companies, sales promotions a count for 65 to 75 percent of the combined budget. Sales promotion expenditures have been increasing as a percentage of budget expenditures annually for the last two decades. Served factors contribute to this repaid growth, particularly in consumer markets. Promotion is now more accepted by top management as effective sales tools, more product managers are qualified to use sales promotion tools & product managers are under great pressure to increase current sales. In addition, the number of brands has increased, competitors use promotion frequently, many brands are seen as similar; consumers are more price oriented; the

trade has demanded more declined because of rising costs, media clutter & legal restraints.

According to **Marketing Teachers Ltd. (2000-2008)**: Sales promotion is any initiative undertaken by an organization to promote an increase in sales, usage a trial of a product and services. Sales promotion varied often they are original and creative and hence a comprehensive list of all available techniques is virtually impossible".

According to **Dr. William Stanton**: "Sales promotion refers to the demand stimulating devices design to supplement advertising and facilitate personal selling. Sales promotion can be directed and facilitate personal selling. Sales promotion can be directed at the customer, sales staff, a distribution channel members sales promotion targeted at the customer are called consumer sales promotions. Sales promotions targeted at retailers and wholesalers are called trade sales promotion consumer sales promotion includes tools such as samples, coupons, cash refund offer, price off, premiums, prizes, patronage rewards, free trails, warranties etc. Trade promotion includes prices of, advertising and display allowances and free good".

"Sales promotion refers to short term incenting to stimulates demand. It is used to create a stronger and quicker purchase response. It can be directed at consumers, middleman and sales personal. It supplements advertising and facilitates personal setting". –Agrawal, 2001:203)

2.15 Purpose of sales promotion

Sales promotion tools vary in their specific objective. A free stimulates consumer trial, whereas a free management advisory service aims at cementing a long term relationship with a retailer. Seller use incentive type promotions to attract new trials, to reward loyal customers & to increase the repurchase rates of occasional users. Sales promotions often attract brands switchers, who are primarily looking for low price, good value & premiums. Sales promotion is unlikely to turn them into loyal users. Sales promotions used in market of high brand similarly produce a high sales response in the short run but little permanent gain in to adjust to short term variations in supply & demand. They enable manufactures to test how high a list price they can charge, because they can always discount it. They induce consumers to try new products instead of never straying from current ones. They lead to more varied retail formats. Such as every day low price store & the promotional pricing store. They promote greater consumer awareness of price. They permit manufactures to sell more than they would normally sell at the list price. They help the manufacture adapt programs to different consumer segments. Consumers themselves enjoy some satisfaction from being smart shoppers when they take advantage price specials.

2.16 Reasons for growth of sales promotion

Sales promotion has grown enormously in recent years,& sales promotion consultancies have reported record business. The chief reasons for this are outlined below (**Jerkin 1999; 136**):

- (a) The desire of advertisers, often worried by the high costs of media advertising (eg. TV), which has increased faster than the rate of inflation, to find more cost – effective forms of promotion.
- (b) The growth of huge supermarket chains & out of town superstores & the need for aggressive on the shelf competitive promotions, both to sell in & to shell out.
- (c) The opportunities provided by supermarkets, hyper market, & large scale marked retailing to promote on the premises.
- (d) The need to the proper sales, both to satisfy the cash flow of retailers & to maintain output from high volume production plants.
- (e) The availability of the greater expertise increasing sales promotion schemes, as demonstrates by the emergence & growth of successful sales promotion consultancies. They have filled the gap left by traditional advertising agencies, which were reluctant to indulge in other than commission – paying above the line media advertising.
- (f) The goodwill aspect of sales promotion, which tends to bring the manufactures closer to the retailer. Media advertising tends to be remote whereas sales promotion is more personal, linking the manufactures with the customer at the place of sale wherever this may be.
- (g) The introduction of a certain fun & excitement in to promotions which customer can enjoy as participants. This again, is quite different from media advertising with it's strident glamour to buy.
- (h) The extension of sales promotion into new area such as financial institutions promotion. (E.g. banking & charge cards) & to promotion of customers durables from cameras to motor – cars, plus many service such as holidays, travel hotels & restaurants. It is no means

limited to the supermarkets & high street stores. It has also been extended to the multinational & international marketing of products such as beer.

(i) The growth of direct response marketing which often uses sales promotion devices & gimmicks as inserts in mailings as rewards & bonuses to buyer.

2.17 Objectives of sales promotion

Sales promotion objectives vary widely. Sellers may use consumer promotion to increase short- term sales or to help build long – term market share. Objective for trade promotion include getting retailers to carry new item & more inventory, getting them advertise the produce & give it more self shape & getting them to buy a head. For the sales force, objectives include getting more sales force support for current a new product a getting sales people to sign up new accounts. Sales promotions are usually used together with advertising, personal selling & other promotion mix tools. Consumer promotions must usually be advertised & can add excitement & pulling power to ads. Trade & sales force promotions support the firm’s personal selling process. In general, rather than creating only short help to reinforce the product’s position & build long – term customer relationship. Increasingly, marketers are avoiding “quick fix” price – only promotions in favor if promotions designed to build brand equity.

2.18 Major sales promotional tools

Many tools can be used to accomplish sales promotions objective. Description of the main consumer, trade & business promotion tools follow:

2.18.1 Consumer promotion

The main consumer promotion tools include samples, coupons, cash-refunds, price packs, premiums, advertising specialties, patronage rewards, point-of purchase, displays & demonstrations, contests, sweepstakes & games (Kotler 2009;490).

2.18.2 Trade promotion

Manufactures direct more sales promotion dollars toward retailers & wholesalers (78%) than to consumers (22%). Trade promotion can persuade resellers to carry a brands, give itself space is so scare these days that manufactures often have to offer price – offs, allowance, buy – back guarantee & free goods to retailers & wholesalers to get products on the shelf & once there to stay on it. (Kotler 2009;493)

2.18.3 Business promotion

Companies spend billions of dollars each year on promotion to industrial customers. These business promotion tools are used to generate business leads, stimulate purchases, reward customers & motivates sales peoples. Business promotion includes many of the same used for used for customer & trade shows to promote their products. Firms selling to the industry show their products at the trade show. Vendors receive many benefits, such as opportunities to find new sales leads, contact customers, introduce new products, meet new customers, sell more to present customers & educate customers with publications & audio – visual materials.

2.18.4 Sales promotion tools:

According to **Dr. Govindra Ram Agrawal** sales promotional tools may vary according to the target market. Following are the tools being used for sales promotion:

1) Consumer Promotion

-) Free Samples
-) Coupons
-) Rebates
-) Premium/Gifts
-) Price-Off
-) Contests/Prices
-) Display/Demonstration

2) Trade Promotion

-) Free Goods
-) Price-Off
-) Gift Items
-) Trade Shows
-) Allowances
-) Sales Contest
-) Credit Facilities

3) Sales-Force Promotion

-) Sales Contest
-) Trade Shows/Conventions
-) Gift Items
-) Promotional Kits
-) Bonus and Commission

2.19 Review of some previous related studies

The advertising research has very short history in Nepal. There are some similar studies which had been conducted previously about advertising and sales promotion. 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 as follows:

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

The major finding of the study states that the advertising is a method of promotion practiced in the country. Advertising in the company is handled by persons at the senior level. When there is a separate advertising department in the company, regarding to the services rendered by the advertising agencies, no one can offer full services properly. A few advertisements and other specialist's services such as block makers, printers, artists etc. Publication, media, radio and cinema are the most used media for commercial advertising. But there are few alternatives; the advertising

programs are not well co ordinate with the other elements of marketing and promotional strategy. The effects of advertising are not generally evaluated.

Upadhaya (2005), On “Radio advertising and its impact on purchasing acts in consumers goods “conducted a study. As radio was only 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 were to study the availability and comparative cost in different forms of advertising in Nepal to find out the impact of radio advertising on consumer buying behavior 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.

Sharma (2002), In the title “Role of promotion activities\Advertising in building image of production and reputation of a company (in the content of Gorkha Brewery pvt. Ltd.) has been conducted to find out the promotion activities and advertising in building brand image of beer. The objectives of the study was to examine the beer market and important of brand image in consuming beer by customers. The study has tried to benchmark the information regarding product promotion.

Parajuli (2011), “Study of loyalty on branding. His study has been contributed to the evaluation of brand consciousness of the Nepalese consumer. The objects of the study was to find out the no of brand loyal consumer or percentage of brand loyal or important for developing

marketing strategic, His finding from the study was that the Nepalese consumer gave high importance to branch in the consumer durable goods and the consumer non durable goods.

Rai (2008), On the “Advertising and sales promotion of car in Nepal with references to Hundai, Santro etc. The study was concentrated in effectiveness of advertising and promotion in covering market share I car market. The result of finding was that the promotion scheme should be brought according to the changing needs of desire of customer.

Malla (2007), In the study, "A study of Pharmaceutical product in Nepal." has the main objectives to study the market position of Nepalese pharmaceutical production and determining the problem of Nepal Pharma Market. This study has tried to observe the information regarding product promotion of Pharma products.

Gurung (2008), In the study, "Impact of television advertising of cosmetic products on consumer's behavior, with reference to Sunsilk Shampoo." has the main objectives to measure the impact of television advertising on consumer behaviour. The study has tried to benchmark the customer's advertising attitudes toward consumer products."

www.google.com, From this website, I found different articles about television history. In this website, there are a lot of useful things about television of different companies. From this website, I gathered different point of television.

www.samsungtv.com, By the help of this website of Samsung television, I gathered different things about television. I took 4ps of Samsung TV from here. I found this website is very important for my study.

Different Newspaper, I read a lot of newspaper and magazines to collect related articles and things about samsung television. I read Kantipur, Annupurna Post, Himalayan Times, Boss Magazine etc. for doing this research. I found many useful material from different newspaper.

Pyakurel, Bishwombhar, "Television's Business in Nepal" – This article from "Aartha Aviyan", I read carefully to write anything related television business. From this article, I found that to grow up sales of any TV of our market, they may spent a lot of money in advertising and sales promotion activities.

Shrestha, Shyam, "Television's marketing strategies in Nepal". – From Kantipur Daily, I found many related supportive material for my study. In this study I found different marketing strategies and spend amount in advertising and sales promotion of television company.

Pant, Prem, "Tips for Thesis Writing, in brief" – From this article I knew about how to write a research report. In his article, he has given a lot of useful tips for any research report of any discipline. This article was very useful for any research worker.

Bhattarai, Rabindra, "Shares analysis of television in Nepal" – From this article I found different television company's status in share market.

From this article, I knew Samsung is also a important shareholder in television business in Nepal. It is also very useful for my study report.

The above are the research studies and other things found in the fields of marketing specially related to advertising and sales promotion through the Tribhuwan University central department of management and faculty of management, Shankar Dev campus in marketing studies. Even there are many previous research reports found on marketing studies of television in Nepalese market. Researcher has attempted to prepare and present this report with his tallest effort. All the possible primary and secondary sources of data will be collected, analyzed and presented in suitable manner.

CHAPTER III

RESEARCH METHODOLOGY

Research methodology is concerned with various methods of techniques, which are used in the process of research studies. It concludes wide range of methods including quantitative technique for data analysis and presentation. The present study has its objective to analyze and sales promotion strategies and techniques. The research methodology will be followed to attain the basic objectives and goals of this research work.

3.1 Research Design

The objectives of the study is to evaluate effectiveness of advertising and sales promotion for attaining and retaining the market and to review the market status of Samsung television and research design is developed to fit the study.

3.2 Population and Sampling

Population consists of the customer of Samsung television in Kathmandu for this study. Sample is selecting certain numbers of respondents out of population. Sample is taken out of whole population. The respondents in sample are believed to be the true representative of the population.

3.3 Data Gathering Process

Both primary and secondary data secondary data and other sources are used for the research study. Primary data are collected from field survey, questionnaire and personal interview. Secondary data are gathered from

unpublished materials, books, booklets, journals, magazines, daily newspaper, websites etc.

3.4 Data Analysis Tools

Graphs, tables, Charts, Pie Charts and Percentages are used to analyze and present the collected data and information to make it more easily understand.

Noble descriptive analysis and presentation will be made.

CHAPTER IV

PRESENTATION AND ANALYSIS OF DATA

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

4.1 Product Classification of Television

Television can be considered as the shopping consumer products and its marketing consideration is as follows:

a) **Customer buying behavior:**

Televisions are less frequently purchased consumer product. Customers compare carefully on suitability, quality, price and design. When buying television, customers spend most time and effort in gathering information and make comparison between brands.

b) **Price:**

Price of television is higher than convenience consumer products,

c) **Distribution:**

Television is distributed through fewer selected outlets.

d) **Promotion:**

Advertising, sales promotion and personal selling are carryout both producer and reseller.

4.2 Product life cycle and customer's adaptation of Television

a) Normal Television:

Normal Televisions are in declining stage of product life cycle. Sales of Normal Televisions are decreases as the introduction of flat television. Samsung has completely drops the normal television from market.

b) Flat Television:

Samsung Flat Televisions are in maturity stage of product life cycle. Many completes have interested the market and sales growth rate is slow. The late majority adaptor customers are buying the flat television.

c) LCD Television:

Samsung LCD televisions are in the introduction stage of product life cycle. Price of LCD televisions are very high with the comparison to flat television. Only the innovator adopter customers are buying the LCD TVs.

4.3 Marketing mix of Samsung Televisions

4.3.1 Product

Samsung introduce the DNIE technology in Samsung television, which makes the Samsung television four steps ahead of Normal Flat Television. DNIE technology includes: Color Engine which analyzes the color across various parameters and achieves the right saturation of red, blue, green, yellow, pink and white tones contrast engine, which uses advanced algorithms to eliminate raise blurring without the slightest damage to the original signal, giving crystal clear action visuals.

3D motion engine which automatically analyses up to 70,000 local images within a frame leading to blacker black and white whites. Detail engine, which analyzes the portion of the signal to be amplified, defecting and reprocessing any noise a defect to reproduce natural details. It has wide range of television:

Model	Size	Features
15K30MJ	15"	-250 WPMPO, 200 channels, Memory-200m Mode -5 mode pictures -Turbo search, digital noise, 2 band equalizer, Turbo sound, Auto volume leveler, stereo games, child lock -DVD component in.
15K30ML	15"	-50w PMPO, 200 channels, 200 m mode, 4 picture mode, 4H digital com filter, Turbo search, Digital Noise reduction, Turbo sound, Pseudo stereo, 5 Band equalizer, Auto-Volume leveler, Melody, A2 stereo, Games child lock, clock, on-off-timer, DVD.
21K44ML	21"	-250w PMPO, 200 channel memory, 200m mode, 5mode pictures, Turbo-search, sleek and stylish design like FPTV.
21K16	21"	-350w PMPO, 200 channel memory, 4 mode pictures, PAL, SECAM, NTSC 4.43 & 3.58 colour system, 200 m mode, digital comb filter, Turbo search, Auto-volume and leveler, melody, A2 stereo, game, child lock, DVD component in.

21K40MC	21”	-250w, PMPO, 200 channels, 200 m mode 5 mode pictures, Digital noise reduction, 2 band equalizer, Turbo sound, Game, Child lock, DVD component.
21T40MA	21”	-500w PMPO, 200 channels, 200m mode, 4 mode pictures, Turbo-search, 5 band equalizer, Auto volume leveler, melody, games, DVD components in.
21Z30 MA	21”	-250w PMPO, DNLe, plug & play, colour tone, turbo sound, 5 band equalizer, dual tone, DVD components in.
29Z30MA	29”	-250w PMPO, DNLe, plug and play, colour tone, turbo sound, 5 band equalizer, dual tone, DVD component in.
29K40ML	29”	-250w PMPO, 200 channels, zoom mode, 5 mode pictures, Turbo sound, Auto-volume leveler, game, child lock, DVD components.
29T40MA	29”	-500w PMPO, 200 channel memory, zoom mode, 4 mode pictures, 4H digital comb filter, turbo search, DVD component in.

Source: Websites of Samsung TV

4.3.2 Price

Samsung has priced the products according to the size and model. Samsung has tried to give the different range of price to same size of television through differentiating the model of television. Samsung tries to set price according to its brand competitor’s price. It provides best quality service and least price than competitors. The prices of different model are following:

Model	Size	Price (Rs.)
15K30MJ	15”	12,290
15K30ML	15”	12,290
21K44ML	21”	17,990
21K40ML	21”	19,990
21M16	21”	18,290
21T40MA	21”	23,990
21230MA	21”	22,980
29T40MA	29”	45,990
29230MA	29”	41,990

Source: Website of Samsung TV

4.3.3 Promotion

Samsung has become successful to gain large market share in television market. One of the reasons behind the success of Samsung is its effectiveness of advertising and promotion activities. Samsung has investing large budget for the advertising and promotion activities. As a result Samsung has becomes successful to create brand image in the mind of customers. On the fiscal year 2061-2062, Samsung introduced the program “Samsung Nepali Tara”. It creates a mass intention of customers in this year. Gold coins and different festival of Nepal. It helps to upgrade the market of Samsung. It provide heavy discount in upcoming Dashain and Tiwhar festivals of Hindus. Samsung provide discount in buying television on the occasion of world cup of football and cricket. In that kinds of occasion customers need television to watch sports and they are compelled to buy

television. Samsung lunches different offer in New Year of Nepali and English like “Chance Pe Dance” in 2064 B.S.

Samsung introduces different advertising and sales promotion activities to promote its market Samsung spent a lot of money in advertising in different media houses and news papers, Samsung spent a lot of amount in advertising in different television change Island different newspaper like Kantipur Daily, Annapurna Post, Himalayan times etc and different types of magazines, weekly and monthly.

Samsung is also aggressive in dealer promotion activities. Samsung provides attractive gift to its dealer of the end of every fiscal year. Samsung also provide different countries tours for its dealers on the base of the points gain during the sales of whole year. It motivates the dealers to sale the products aggressively. Samsung introduces less promotion activities than above year in now days. Sales of televisions are affected by the mass use of computer. Consumers use computer to see television by using monitors and television guards.

4.4 After sales services

After sales services has become a major sales promotional activity to attract the customers. Warranty has become threat hold competences to survive in market. Samsung provides five years warranty on its product with picture tube.

Samsung Service Plaza

S. No.	Address	Phone No.
1.	Kathmandu, Kamaladi	01-426066
2.	Birtamode, Aduwa, Bridge, Main Road	023-542928
3.	Itahari, Aitabare Chowk, W.No.1	025-580493
4.	Biratnagar, Main road, Matrika Park	021-527963
5.	Janakpur, Shiva Chowk-2	041-525586
6.	Birgunj, Adarshanagar-13	051-528243
7.	Narayanghat, Shahid-Path	056-520283
8.	Butwal, Nepalgunj Road	071-547872
9.	Pokhara. Newroad	061-524307
10.	Nepalgunj, Gharbari Tole-2	081-526113
11.	Dhangadhi, Main road, Chauraha	091-520807

4.5 Description of Customer Survey

The first hand information are collected by researcher from the customers are tabulated, presented and analyzed in a suitable manner. It can be believed that the needs, wants and demand of the brand customers are similar to the needs, wants and demands of their brands.

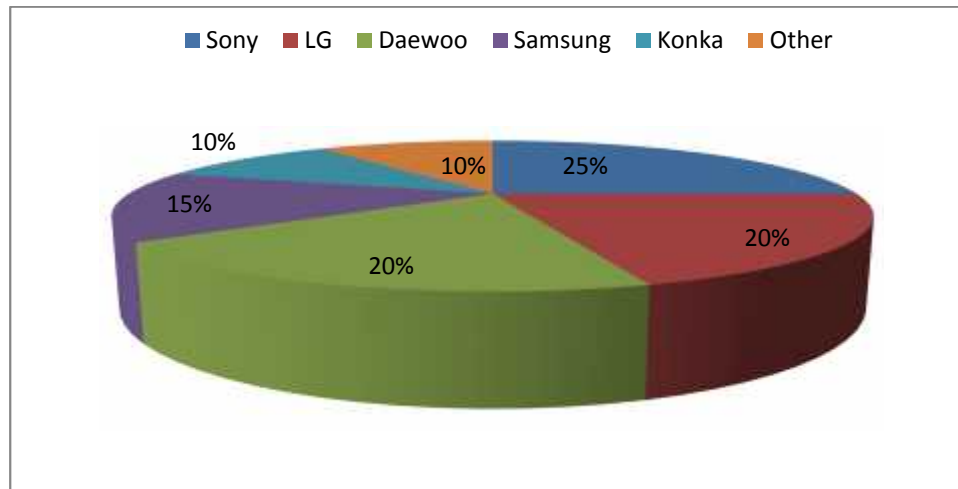
4.5.1 Market Shares of Television Brands

Table 4.5.1

Brand	No. of Department	Percentage
Sony	10	25
LG	8	20
Daewoo	8	20
Samsung	6	15
Konka	4	10
Other	4	10
Total	40	100

Source : Primary Data

Figure : 4.1



The above table shows the market shares of televisions brands. According to which Sony television covers 25% of market share, Daewoo covers 20% of market share, L/G covers 20% of market share, Samsung covers 15% of market share, Konka covers 10% of market share and others cover 10% of

market share. This table shows that Sony televisions is a leading brand of yesterday and still have good market capture in television market. L/G and Daewoo are the market challengers of market that are fighting hard to increase market shares. Samsung is in third position in the market with compare to the television share own by Sony, L/G and Daewoo. Samsung, need to have very good marketing strategy and aggressive promotional activities to create position in the market.

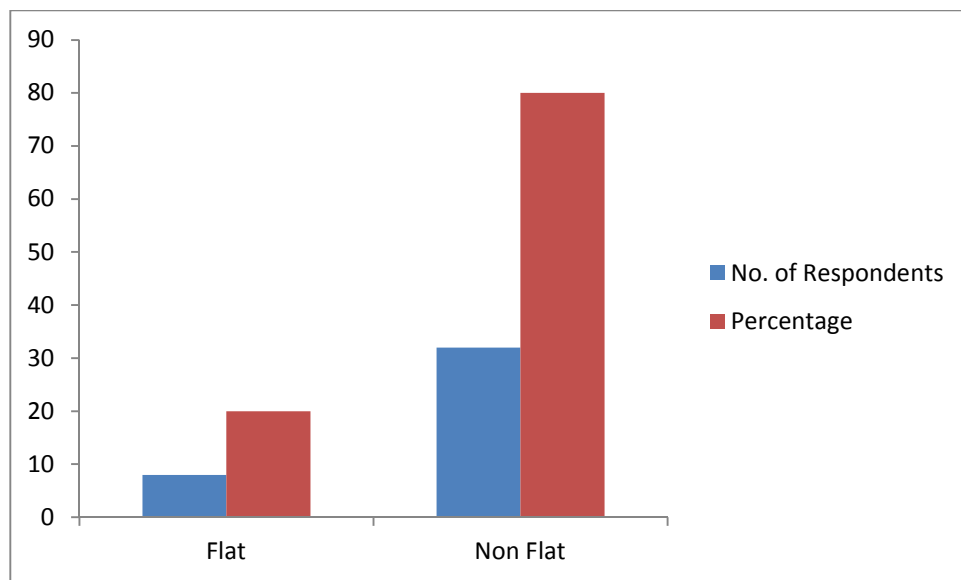
4.2 Market share of types of television

Table No. 4.5.2

Brand	No. of Department	Percentage
Flat	8	20
Non Flat	32	80
Total	40	100

Source : Primary Data

Figure : 4.5.2



The above table shows that 80% of customers are still watching Non-flat television. Only 20% of people have flat television in their house. Almost customers who have bought non-flat televisions are five to ten years old. As the introduction of flat television in the market, a customer begins to buy flat television. Most of the customers, who had flat television in their houses are bought within last 5 years.

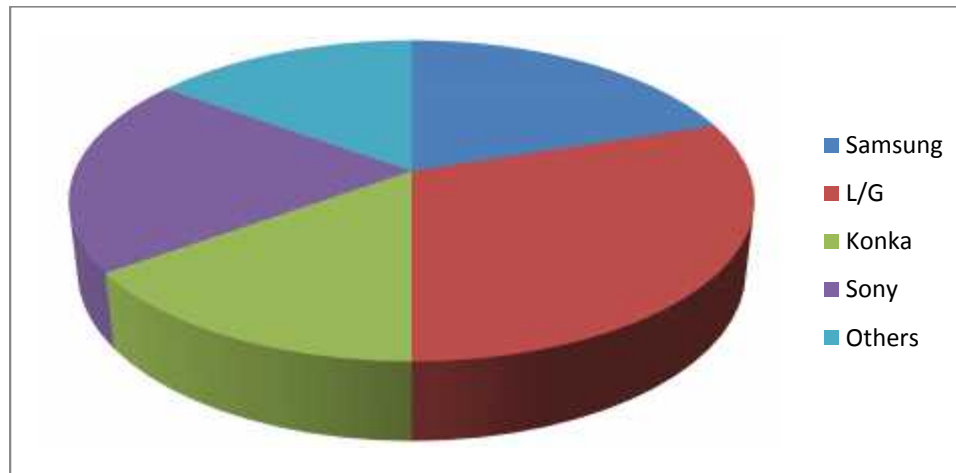
It means that most of people are still watching the old television, which are 5-10 years old. And it also reflects demand for new flat televisions in the market. Because only 20% of people are using flat television and almost all major television brand has started to reduce the price of flat television.

4.5.3 Market demand of Television in Nepal

Brand	Market Demand
Samsung	20
L/G	30
Konka	15
Sony	20
Others	15

Source : Primary Data

Figure : 4.5.3



The above table shows that the two companies L/G and Samsung covers 50% of market demand. L/G has covers 30% of market share and demand, Samsung covers 20% Konka covers 15%, Sony covers 20% and other brands cover rest of 15% market demand. The coverage of market demand is affected by the advertising and sales promotion of respective brand. L/G has become success to cover 30% of the market because of its effective advertising and sales promotion. L/G is the most advertising brand of television and brings sales promotion activities very frequently. Samsung is the rising brand of television in Nepal. It covers 20% of total market demand. Advertising and sales promotion has great contribution in covering market demand of Samsung television. The next rising brand in television is Konka. It penetrates with low price-high promotion strategy into market. It success to cover 15% of total market segment in very short period challenging the market demand of L/G and Samsung.

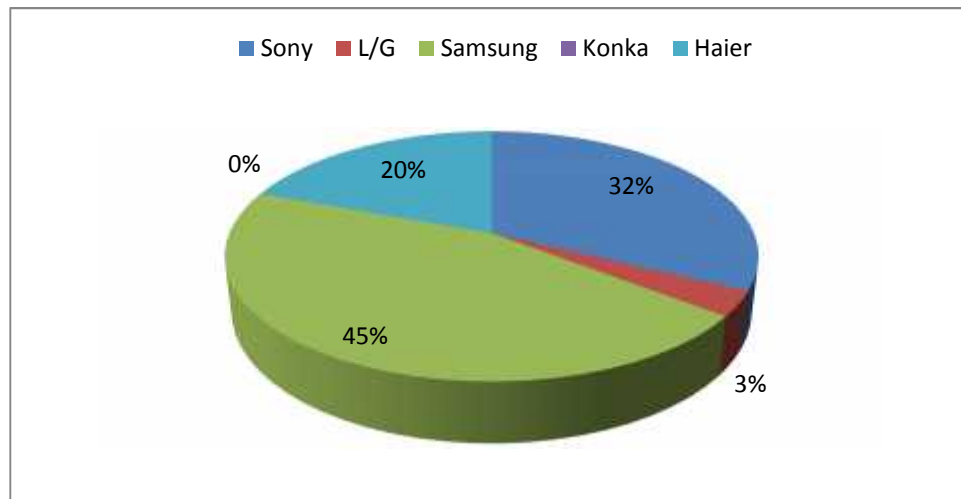
Sorry, a leading brand of yesterday is losing the market share are day by day. Today, it covers 20% of the market in Nepal. Because of lack of

effective marketing it has become unable to deliver perceptual value to the customer. Above market demand of brand reflects the importance of advertising and sales promotion in winning the mind of customers. Besides the quality the quality, price and distribution system, advertising and sales promotion activities plays vital role in attracting and retaining customers. Eg. the new brand KONKA has success to gain 15 % of total market demand whereas Sony is losing its market demand even being pioneer brand of TV in Nepal.

4.5.4 Market Potential of Television Brand

Brand	No. of Respondents	Percentage
Sony	10	25
L/G	1	25
Samsung	14	35
Konka	0	0
Haier	6	15
Total	40	100

Figure : 4.5.4



The above table shows that Samsung has 35% of market potential. L/G has 25% of market potential and Sony has also 25% market potential, Haier has 15% of market potential and the Konka has no more market potential. Samsung, L/G and Sony are the main player in the television market. Comparing the above table with table 4.5, Sony is success to maintaining its market share of yesterday but couldn't increased its capture in market where as the main competitors, Samsung successes to increase its market potential to 35% from 15% and L/G is success to increase its market potential to 25% from 20%. And Konka loses the market potential completely. Even the Samsung has 35% of market potential; there are a lot of challenges for Samsung because L/G and Sony are still holding 50% of total market. Any strategic change in these three major players can change position of these brands.

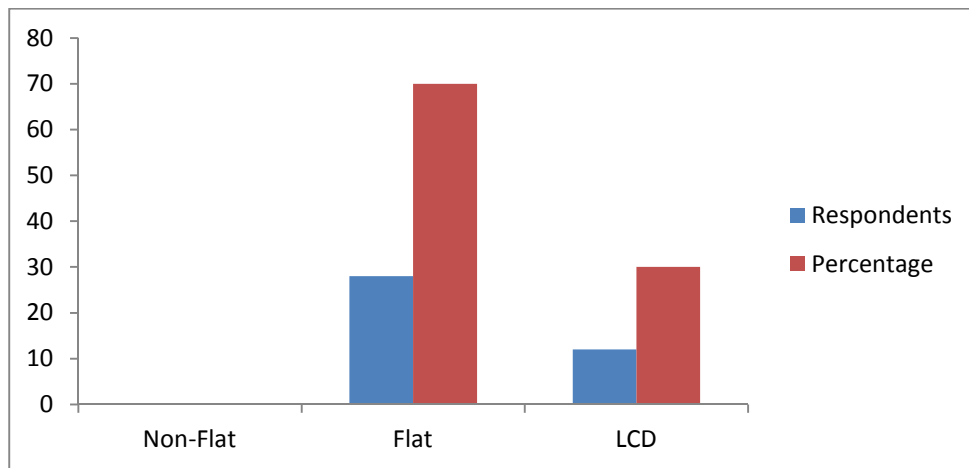
4.5.5 Market Potential of Types of Television

Table 4.5.5

Types	Respondents	Percentage
Non-Flat	0	0
Flat	28	70
LCD	12	30
Total	40	100

Source : Primary Data

Figure : 4.5.5



The above table shows the market potential of types of television in market. According to the table 70% of market potential is goes to flat television and 30% of market potential to LCD television. It gives the signs of breaking yesterday's market of Non-Flat television.

As the introduction of flat television, the demand for Non-Flat started to deceasing, when the price the flat television has decreased in market. The demand for flat television has risen to maturity stage. Today, No-Flat television has also introduced in the market. And begin to cover some market of challenger and early adopter customers.

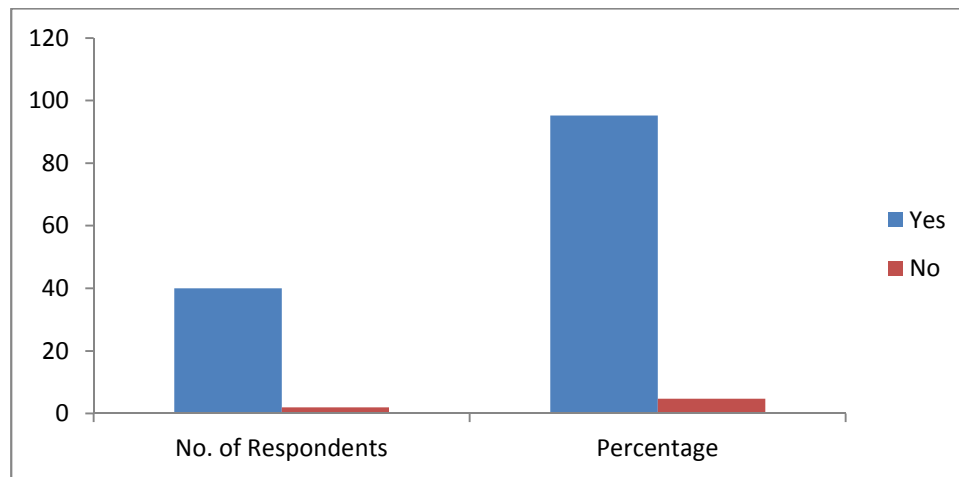
4.5.6 Awareness of Samsung Television

Table No. 4.5.6

	No. of Respondents	Percentage
Yes	40	95.24
No	2	4.76
Total	42	100

Source : Primary Data

Figure : 4.5.6



In the above table, out of 42 respondents 40 respondents are aware of Samsung brand. It means 95.24% of respondents are aware of Samsung television in market. It is very good sign of market potential of Samsung television. The main challenge for the company is to convert this awareness of brand into demand of the brand through creating more interests in the SAMSUNG television. Persuasive advertising can play a vital role in creating interest on productive sector so that the maximum market share could be capture out of 95.24% of awareness. Informative advertising should be done targeting 4.76% of not aware group to make awareness of available of Samsung television in market.

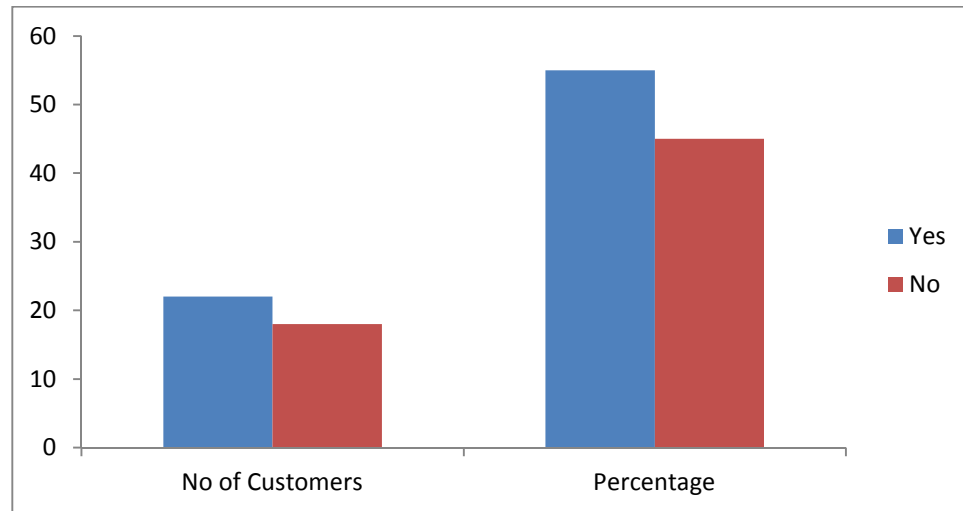
4.5.7 Brand Loyalty on SAMSUNG

Table No. 4.5.7

	No of Customers	Percentage
Yes	22	55
No	18	45
Total	40	100

Source : Primary Data

Figure : 4.5.7



The above table shows the brand loyalty of Samsung. The above table shows that 55% of customer shows brand loyalty on Samsung. They are satisfied customer of Samsung products. Samsung is enjoying the customer equity from satisfied customers, while, 45% of Samsung customers are not loyal to the brand. They are using the product of Samsung but are not satisfied that they buy the next products without comparing with other brands. They may shift to other brand. The brand loyal of 55% of customers is not so bad in the country like Nepal, where the brand consciousness of customer is low. But 45% of customers of Samsung are not so satisfied with the Samsung product they are using. The main challenge for the Samsung is to retain the loyal of customer of the brand. And another big challenge is to find out the cause of unsatisfactory of customer and increasing the level of brand image so the company can retain the customer of the brand.

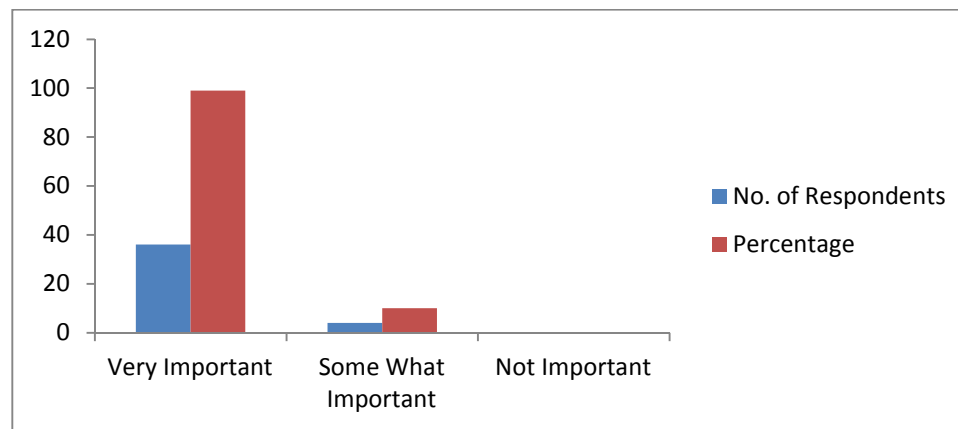
4.5.8 Level of quality consciousness

Table No. 4.5.8

	No. of Respondents	Percentage
Very Important	36	99
Some What Important	4	10
Not Important	0	0
Total	40	100

Source : Primary Data

Figure : 4.5.8



The above table reflects the quality consciousness of customer in buying television. The table shows that 90% of television customers are very must conscious about the quality of the television they are buying. Only 10% customers of television are somewhat quality conscious. From the above table we can say that quality of the television is the threshold factors that need to be met by all brands to stay in market.

The above data shows that Nepalese television customers are being more quality conscious these days. Advertising has great contribution on creating

awareness of quality on customers. Today all print and electronic media are full of advertisement of TV. The advertisement are mostly persuade and focus on quality. This helps a lot to increasing the awareness of quality of television customer of Nepal.

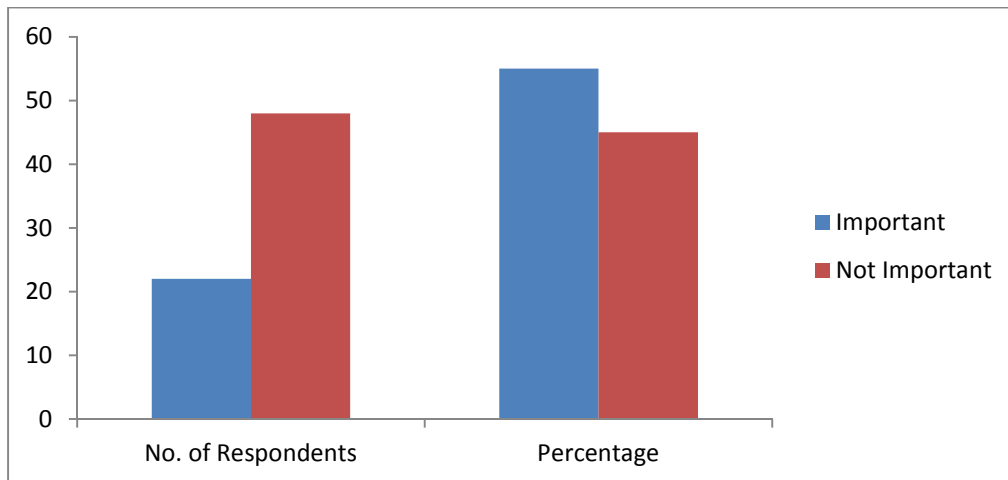
4.5.9 Effect of Scheme on Customer buying Decision

Table No. 4.5.9

	No. of Respondents	Percentage
Important	22	55
Not Important	48	45
Total	40	100

Source : Primary Data

Figure :4.5.9



The above table shows the effect of customer promotion on the customer buying decision. 55% of customers consider schemes while buying television. They are happy to buy the television with some schemes. They bought they got something on complimentary. While 45% of customers

think schemes are not important while buying a television. They don't give any important to any kind of scheme. As the competition increase in the television market in Nepal's the television marketer has increased the exercise of different kinds of promotional tools. The television brands are not only attracting customer through their product attributes but also using different kinds of scheme brands are success to attract customer through this kinds of exercises.

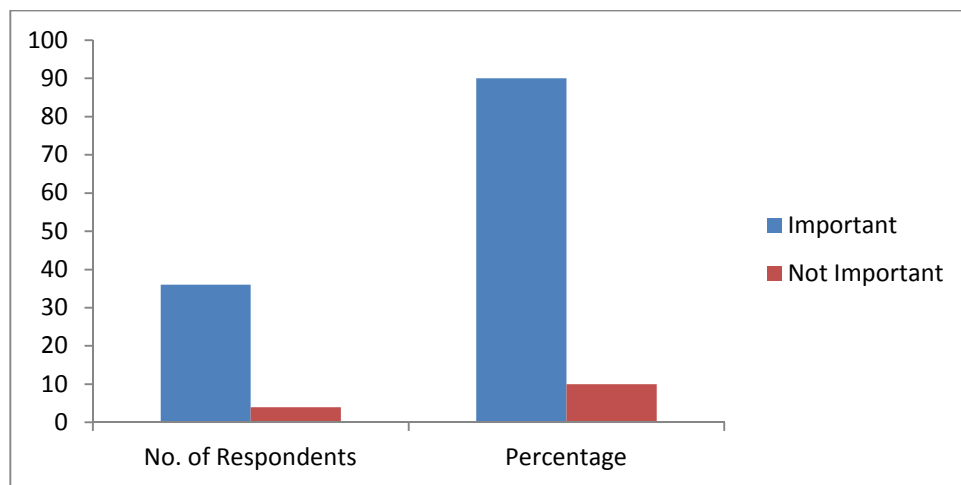
4.5.10 Effect of Advertising on Sales of television

Table No. 4.5.10

	No. of Respondents	Percentage
Important	36	90
Not Important	4	10
Total	40	100

Source : Primary Data

Figure : 4.5.10



The above table shows the effect of advertising on the sales of televisions. Advertising motivates 90% of customer's buying decision. They consider advertising as a very important means of information of availability of television brands in the market. And 10% of customers are not giving important for advertisement. The above data reflects the important of advertisement in the television business. Advertising plays vital role in the buyer decision process. Once the customer decided to buy a television, the customer pay attention to advertisement of television together information. So, this is the stage of customer's buying process where the brands have to work hard to attract the attention of customers towards their brands. It needs a well blend of advertising mix to win the target customer which results in sales for the company.

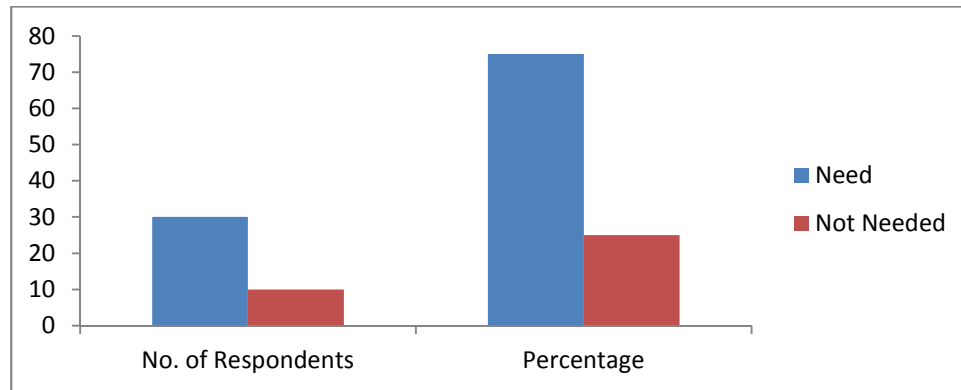
4.5.11 Feasibility of Installment system in TV Market

Table No. 4.5.11

	No. of Respondents	Percentage
Need	30	75
Not Needed	10	25
Total	40	100

Source : Primary Data

Figure : 4.5.11



The above table shows that feasibility of installment system is high in television market. 75% of customer used to make enquiry of installment and they have positive opinion for the installment system to buy television. And 25% on customers have negative opinion on installment.

The above data gives the sign of increasing trend of purchasing television on installment system in Nepal. Financial institutions have great contribution in the development of installment system. Most of the television brands are doing alliance with finance to provide their product on installment. For the SAMSUNG, its good opportunities to attract the costumer of low income segment who have to prefer the low quality television because they don't afford the prize for quality television.

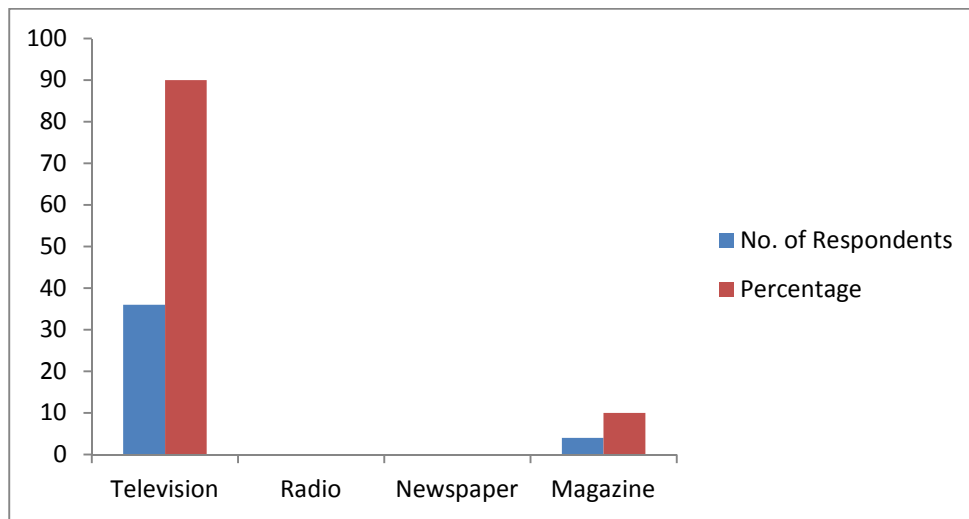
4.5.12 Popular Means of Advertisement:

Table No. 4.5.12

	No. of Respondents	Percentage
Television	36	90
Radio	0	0
Newspaper	0	0
Magazine	4	10
Total	40	100

Source : Primary Data

Figure 4.5.12



The above table shows the popularity of television advertisement in the advertising field. Out of 40 respondents, 36 said that the television is the most effective to them to attain attention & 10 respondents said magazine is the effective means of advertising to them. It means 90% of customers refer to the advertisement in television than in other means of advertisement. The data reflects the success of television advertisement to attract the attention of

customers. The one reason behind the success of television to establish as the most popular means of advertising is the technology developed in the presentation of material in television. And another is that the television advertisements reach to the rooms of customers. Today, all the successful companies want to give their advertisement in the television on than in press and radio. In other hand customers also like to watch advertisement in television than in press and radio.

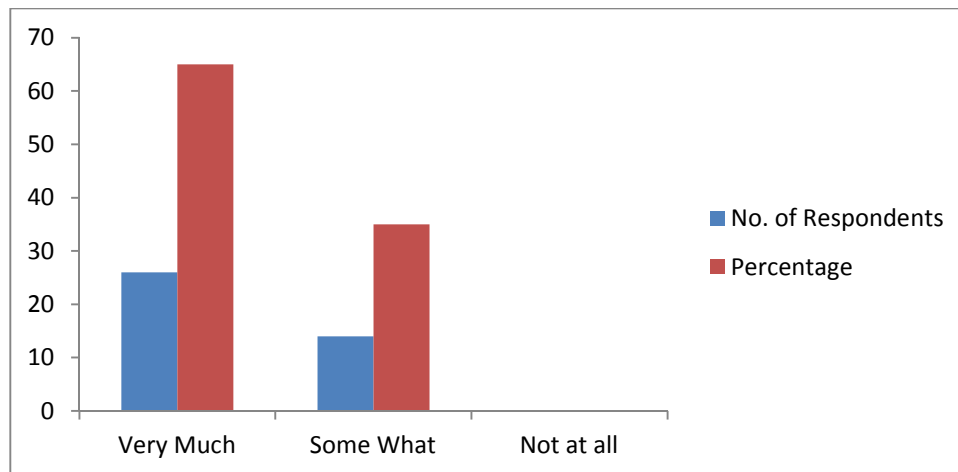
4.5.13 Impact of Warranty on Customers

Table No. 4.5.13

	No. of Respondents	Percentage
Very Much	26	65
Some What	14	35
Not at all	0	0
Total	40	100

Source : Primary Data

Figure : 4.5.13



On the base of above table 65% of customer are very must conscious about warranty on television. And 35% of customers are somewhat conscious about the warranty. The table shows that all the customers feel warranty is important on the television, which they are buying. It is a sign of customer awareness and market development. The television market of Nepal was become very competitive. The expectation of customers from the company and the responsibility of company toward customers both have increased. Today every customer looks the warranty period before buying television. The success of any brand is much depends on the service provided to customers. The television brand cannot survive in the market without providing warranty on television.

Warranty has become a measuring standard of reliability of quality to customer and in other hand it has become a promoting tool to marketer. The major television brands are competing on extending the warranty period of their television. It has both positive and negative impact on customer and market. Positive impact of this is, the customer is getting more quality service from company and the market is moving towards service oriented. But it also has negative impact like some companies are misleading the customer by providing more warranty on less quality product.

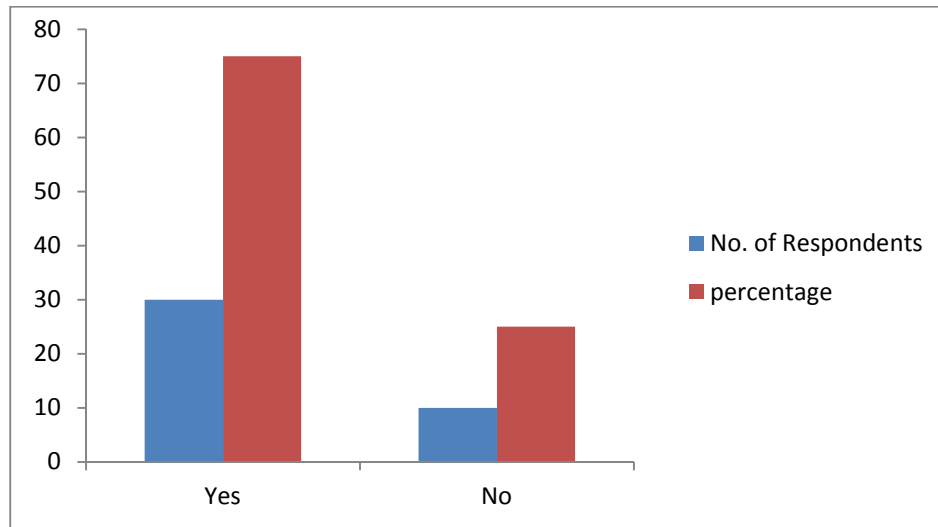
4.5.14 Awareness of Customers about Sale Promotion Tools

Table No. 4.5.14

		Percentage
Yes	30	75
No	10	25
Total	40	100

Source : Primary Data

Figure : 4.5.14



In above table out of 40 respondents, 30 respondents are aware of Samsung television's promotional tools. It means 75% of respondents are aware of different promotional tools applied by Samsung television. Remaining 10 respondent means 25% respondents are not aware about promotional tools of Samsung TV. It is very good sign of promotional activities of Samsung among customers. The main challenge for the company is to convert this awareness of promotional tools to other remaining respondents.

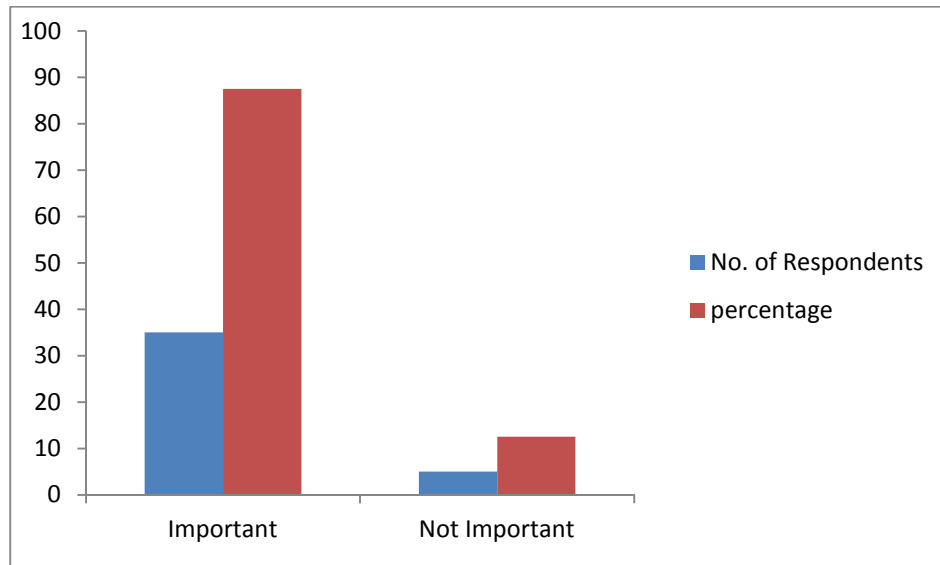
4.5.15 Important of Sales Promotional Tools to Increase Sales

Table No. 4.5.15

	No. of Respondents	Percentage
Important	35	87.5
Not Important	5	12.5
Total	40	100

Source : Primary Data

Figure : 4.5.15



The above table shows the effect or importance of sales promotional tools to increase Samsung televisions sales. 87.5% of customers, means out of 40 respondents 35 of them are think it is important to do any promotional activities to uplift company's sales. Rest 5 respondent's means 12.5% are not conscious about the importance of sales promotional tools of Samsung television. 87.5% customers give importance to sales promotional tools. They are very conscious about the effect of sales promotional tools of Samsung.

Above data reflects the importance of sales promotional tools and activities in television business. So, the company is conscious about sales promotional tools.

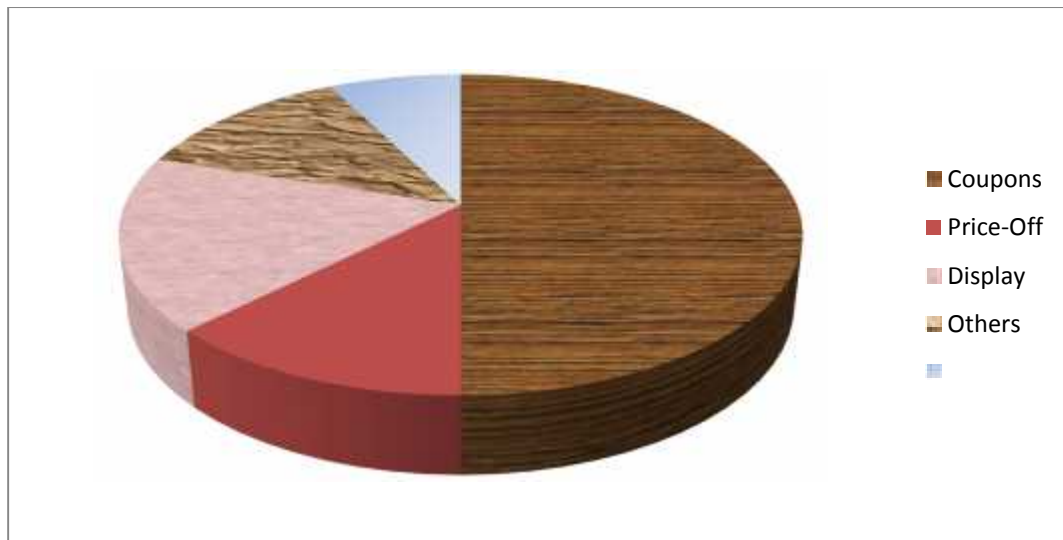
4.5.16 Attitude towards Consumer Sales Promotional Tools

Table No. 4.5.16

	No. of Respondents	Percentage
Free Sample	20	50
Coupons	5	12.5
Price Off	7	17.5
Display	5	12.5
Other	3	7.5
Total	40	100

Source : Primary Data

Figure 4.5.16



The above table shows that attitude toward consumer sales promotional tools of respondents. Out of 40, 20 respondents prefer free sample tool. It means 50% of respondents are positive towards free sample tool. And out of 40, 5 respondents prefer coupons. It means 12.5% respondents are positive toward coupon. And out of 40, 7 respondent, it means 17.5% customs are positive towards price off tools out 40, 5 respondent are positive toward display tools, it means 12.5% of respondents. And remaining 3 respondents are positive toward other different promotional tools.

It means 50% of respondents are positive towards free sample tool and remaining others are in remaining promotional tools.

4.6 Findings of the Study

- (1) Nepalese television customer is more quality conscious.
- (2) Television market in Nepal is being more & more competitive day by day.
- (3) Advertising has great impact on sales of television.
- (4) Television is the most attractive means of advertising to Nepalese customers.
- (5) Nepalese customer's response to the advertising is increasing day by day.
- (6) Trade promotion is more effective to increase the sales of company.
- (7) Business promotion tools like convention, tradeshows, sales contest are vary less used by companies in Nepal.
- (8) Samsung has wide range of television interns of model & size.
- (9) Samsung introduces DN/e technology in television for first time in Nepal.
- (10) Samsung has its own service center Network all over the country.

- (11) Sales promotion activities of Samsung are increase with compare to the last year.
- (12) Samsung is introducing aggregative trade promotion activities to motive retailer to sales company's product.
- (13) Awareness of availability of Samsung television is satisfactory.
- (14) Samsung is raising brand in Nepalese television markets.
- (15) Samsung has a highest market potential in television market in Nepal.
- (16) Samsung is success to convert its 50% customer into its brand loyal.

CHAPTER V

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary and Conclusion

Simply, Marketing is managing profitable customer relationship. The aim of marketing is to create value for customer & capture value in return. Marketing management has taken an important place in business management. Today all successful companies have one thing in common, they are strongly customer focused & heavily committed to marketing. These companies share a passion for satisfying customer needs in well – defined target market. In today’s global business environment, smart marketing look beyond the attribution of the produces & service they sell. They all engage in creating conception value to differentiate & brand image on market. Advertising & sales promotion has a great contribution to fulfill this interest of companies.

Today every objects around us are filled with advertising message, concern of the main cities are filled with shining advertising poster & hoarding boards, every products are attach with attractive gifts & other offers & every business gets more than core profit on the sale of products. Television business in Nepal is also very much effect from this trent of business. Almost all newspaper, magazine, television network are fill with advertisement of television. Each & every television brands in Nepal look for a reason to bring attractive offer on their product to attract the attention of customer. Besides advertising & sales promotion, different types of facilities are also being provided to customer. The television business is

moving toward service – oriented business. Before sales service has been provided by almost all television brands in the market & they are competing for the better & longer offer sales service to their customers.

The television brands are also providing financial facility to their customer & there is a competition among the major player of television market to provide financial facility on 0% interest. Nepalese market of television has become so competitive that some major players of television market are providing exchange offer to their customers.

Samsung has become a major play of the television market in Nepal. It has success to established good level of brand awareness in the market & increasing royal customers by its quality products. To retain the customer & increase the brand loyalty, the company is regularly engaged in research & developing activities to improve quality of produce & introducing new design & function in the product.

Today, the market has provided both opportunities and threats to Samsung. The opportunities are that, it has good level of brand awareness in the market, which is a good sign of market potential. And market share is also increasing year by year. But there are still a lot of challenges. Leading brand of yesterday like Sony & the most demanding brand like LG are still aggressive in the market & they are success to capture good market share. On the other side, many chinless television brands have entered the market. So the market has become more competition. The main challenges for Samsung are to compete on price with Chinese brands & to compete with brand like Sony & LG.

5.2 Recommendation: Here are some recommendation points which are found to be considered for the future better sales & marketing performance so that the product can attain & retain the share in the market:

- (1) The target market should be well define & concentrate on the target market.
- (2) The advertisement should come out regularly, in forming about the features, benefits & price of the product.
- (3) Well blend of sales promotion mix is necessary to get optimal benefit from investment on sales promotion.
- (4) Advertising media should be select carefully, which can reach to the target customer.
- (5) Company also must decide on the media impact when choosing media alternative.
- (6) Ethic of advertising should be maintained as a responsible part of society.
- (7) Before sales service & after sales service should be well – maintained since service means a lot for the television.
- (8) The sales promotion activities should be brought according to the changing wants of customers & competitors moves.
- (9) Trade promotion activities should be increase to in hance push sales because dealers want to sales the product, which gives those more profits.
- (10) Business promotion activities should be used to promoting brand awareness & enhancing brand image.
- (11) Financial facility should be well managed though abbociated with financial institutions for customer convenient.

(12) Piece of products should be changed according to the change in the industry.

(13) Marketing executives & service technician must be well trained about their authority & responsibility.

(14) Marketing executives must be well informed about the competitor's moves product's features & specification.

(15) Company's policies should be communicated with dealers & suggestion of dealers must be reflect on the company's policies.

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APPENDIX – I

Questionnaire for customers:

(1) Do you know “Samsung” is a brand of television?

Yes No

(2) Which brand of television does your family own?

LG Sony Samsung Konika Haier Other

(3) Which types of television do you have?

Non- flat Flat LCD

(4) If you were to purchase television, which types would be your choice?

LG Samsung Sony Konka Haier

Other

(5) If you were purchase television, which brands would be your first choice?

LG Samsung Sony Konka Haier

Other

(6) Check your agreement with the following statements.

“Samsung is considered as one of the best brand of TV”

Agree company Agree somewhat don't know

Disagree somewhat Disagree competently

(7) How important was each of the flowing in your purchase – decision,

White buying television?

Very Important Somewhat Important

Not very Important Not at all Important

(A) Quality

(e) Scheme

(b) Features

(f) Advertising

(c) Warranty

(d) Installment

(8) Which means of advertising is more attractive to you?

Television Radio Newspaper Magazine

(9) Mark on the following scale how much you by sponsor/ companies thorough various means of advertisement.

100% 75% 50% 25% 0%

(10) Do you think that schemes are important to attract customer towards products?

Very much important Quite important indifferent
Not so important Not important at all

(11) Do you know the sales promotional tools of Samsung Television?

Yes No

(12) Do you think sales promotional tools are important to increase company's scales?

Important Not Important

(13) Say about your attitude toward different consumer sales promotional tools.

Free Sample	<input type="text"/>	Coupons	<input type="text"/>
Price-Off	<input type="text"/>	Display	<input type="text"/>
Others	<input type="text"/>		

APPENDIX – II

Questionnaire for Marketing Executive:

(1) Who are the target customers for your brand?

Low class Media class high class

(2) Who is the nearest competitor of your brand?

LG Samsung Sony Konika Haier

Other

(3) Where do you found your brand in term of market share among following brands? Please mark according to order 1 being 1st position & 5 being 5th position.

LG Samsung Sony Konka Haier

Other

(4) What types of advertisement you found more effective that resulted high sales?

Informative Reminding persuading

(5) Which of the following scheme, you think will give more incentive to customer to by television? Please mark in preferential order 1 being top priority & 3 being last priority?

Exchange facility Installment Facility Cash

discount

(6) To increase the sales volume, which of the following factors would you follow? Please mark against each factor in preferential order, 1 being top priority & 5 being least priority.

Reasonable price Quality product Effective advertising

Aggressive sales promotion good before & offer sales service

(7) Check your agreement with the following statement.

“Advertising & sales promotion has become a major tool to gain market share in television market”

Agree completely Agree somewhat Don't know
Disagree somewhat Disagree completely.

(8) What types of sales promotion do you think is more effective that resulted high sales?

Business promotion Trade promotion consumer promotion

(9) Which factor do you suggest is more important to motive dealer that increase the sales of television?

Good offer sales service good profit margin
Effective Advertising Attractive sales promotion

(10) How many dealers do you have in Kathmandu & out?

In Kathmandu.....
Out of Kathmandu.....

(11) How much does your brand spent annually in ads?

.....

(12) How much is your annual sales of television in unit?

.....

(13) Do you think your customers are aware of different sales promotional tools?

Yes Little Bit No

(14) Do you think customers give importance to any sales promotional tools?

Yes No

(15) Say your view toward different consumer sales promotional tools.

Free Sample Coupons

Price-Off display

Others

APPENDIX – C

Questionnaire for retailers:

(1) Which brands of television have more enquiries in your shop? Please mark according to order 1 being 1st position & 6 being 6th position.

LG Samsung Sony Konika Haier
Other

(2) If you were to sell television, which brand would be you first, second & third preference? Why?

	Brand	Reason
First		
Second		
Third		

(3) How important was each of the following in customer’s purchased decision?

Very important	Somewhat Important
Not very Important	Not at all Important

- (a) Quality
- (b) Features
- (c) Warranty
- (d) Installment
- (e) Scheme
- (f) Advertising

(4) Check your agreement with the following statement.

“Advertising & sales promotion has become a major tool to gain market share in television market.”

Agree Completely Agree somewhat Don’t know
Disagree completely

(5) What types of sales promotion do you think is more effective that resulted high sales?

Business promotion Trade promotion consumer promotion

(6) Which factor do you suggest is more important to motive dealer that increase sales of television?

Good after sales service Good profit margin
Effective advertising Attractive sales promotion

(7) How many dealers do you have in Kathmandu & out of Kathmandu?
In Kathmandu Out of Kathmandu

(8) How many does your brand spend annually on advertisement?
.....

(9) How much is your annual sales of television in units?
.....

(10) Do you think your retail customers are affected by sales promotional tools?

Yes No

(11) Do your retail customer give importance to sales promotional tools?

Yes No

(12) Say about your retail customer's consumer sales promotional tools.

Free Sample	<input type="checkbox"/>	Coupons	<input type="checkbox"/>
Price-Off	<input type="checkbox"/>	Display	<input type="checkbox"/>
Others	<input type="checkbox"/>		