

CHAPTER-I

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Nepal is known as an agricultural country and economy of Nepal is predominately agriculture one. Industrial sector only accounts for about one third of total national production. The role, which manufacturing and processing company play in national economy, is only marginal. Industrial sector Play vital role for the development of the country by improving the economic condition. Industrialization is a major tool of progress, modernization, socialization and social change in nepal .It is one of the major tools with the aid which the various circle of backwardness and poverty can be broken.

Nepal is a developing country sand-Witched between two big countries china and India. After the establishment of democracy in 1951, new industries emerged and production quality also increased. It is positive indication for the nation because it helps in the economic development of the nation. Different types of industries are producing different products to fullfill the diverse needs of the consumers. Production of goods and srevices only, does not gurantee sucess in business world. When the goods have been produced people must be communicated about the products and persuade them for their acceptance. People do not accept product unless they realize about the benefits from the usage of the products. This offering of the products or services to the consumers is only possible through promotion and publicity. Sales do not occur automatically but has to be pushed towards the consumers through the use of different tools of the promotion blend.

Today market is growing so rapidly. Many products are being introduced in the market day by day. Few decades back situation was not like this; market was limited to few products. Market was growing means that a plentiful of supply of new customers and company could attract those new costumers without worrying of losing old ones. But now competition is tough and market is sophisticated and companies are facing some marketing realities.

In such situation, whether if it is to retain their current customers or to attract new one, there is need to apply promotion tools. Sales promotion is a one of the promotional tools which is a very popular marketing technique is becoming a very popular among the manufactures. The concept of consumer promotion sales promotion is not new. This techniques being used by the manufactures since as early as 19th center any. This technique for the first time used by the John H. Palton of United States, a founder of the National Cash Register Company. He thinks that sales of the product can be increased if monetary advantages are given to the consumers. Since then the technique, consumer promotion is beings used by many companies. Several researches have been conducted by experts on consumer's promotion .The conclusion derived by them showed that the consumers get attracted and act to buy product if extra advantages are given to them with the product. These activities of consumers forced manufactures to make frequent use if different new and attractive promotional tactics. In fact in any business cost of inventory holding has become expensive as a result of high cost of storage's ware houses, interest rates and sky rocketing cost of raw materials. So, the manufactures want the fast sales of their products. For this, they always seek new techniques and ways to sell their products. Sales promotion has come as a panacea for all before-said marketing problems.

A review of sales promotion as conceived here suggested that it is an important sector of marketing activities the amount allocated to sales promotion often is

hidden in advertising budget, field sales budget and various kinds of service funds. Nevertheless, studies indicate that manufacturers spend as 50% of their marketing-money on sales promotion. As an example of the amount spent for sales promotion, the following are indicative: A leading food manufacturer spent \$42 million in media advertising plus an additional \$54 million in sales promotion activity. A leading radio and television manufacturer budgets 80% of its promotional budget for sales promotion activities. So the importance of sales promotion is increasing day by day.

Many businessmen opine that there are not any fundamental differences between advertisement and consumer promotion. Very few business organizations, which are supposed to be leading organizations in Nepal, who are applying this (sales promotion) marketing tool for promotion of product. For example: instant noodles, tea, beer, cold drink etc. Sales promotion is very important to attract consumers towards the product in a highly competitive market.

1.1.1 Meaning

The term sales promotion is widely used in business but with a great confusion to some business men it is synonymous with the entire marketing function while to others only a minor activity related to either personal selling or advertising. Different scholars have defined sales promotion differently. Sales promotion may be defined as any device or arrangements that are not formally classifiable as advertising, personal selling or publicity, used by a firm at some cost intended to draw the attention of potential buyers to its products and services. Consumer promotion basically concentrates on the consumer to buy products. The promotion activities are mostly short-term, designed to stimulate quicker and/or greater purchases of products/services by consumers.

Sales promotion is fairly broad term embracing a variety of marketing techniques. The prime purpose of sales promotion is to stimulate sales; but the activities also include methods of introducing new products or consolidating the market, for example, by providing good after sales services.

For our purpose, sales promotion is defined as those activities that supplement personal selling, advertising and publicity, coordinates them, and helps to make them more effective. It concludes relationship between a manufacturer and his consumers intended to assist them in purchasing more intelligently and to maintain customer satisfaction with his products thereby stimulating further sales.

Some marketing men describe the differences between sales promotion and advertising “brings the consumer to the product” whereas sales promotion “brings the products to the consumer” in other words, advertising aims at creating a demand even before the consumer enters shop while sales promotion will generally seek to make the product more interesting and attractive once the consumer sees it. Most sales promotion activities take place at the point of sale. So advertising is essentially a method of influencing customers indirectly through public media, while sales promotion is regarded as a direct method in the sense that it usually presents the products directly to the consumer.

Advertisement: A message composed by the advertiser to persuade whoever it to accept an idea, buy a product or take some other action desired.

Sales Promotion: A promotion of limited duration or not that encourages sales by alteration of the price or received value of product. As a whole, the clear distinction can be made on the basis of duration. In fact, the sales promotion's effect is very short term in nature whereas advertising is made to make a long effect on consumers. So the sales promotion is different from advertisement.

1.1.2 Ways of Promotion/Mode/Terminologies

As a sales promotion is being frequently done to boost the market sales for consumer product the manufactures select various ways of promotion, It the not true that one way mode of consumer is used on only type of product, in contrary, manufactures use the mode of promotion according to the consumers demand and other factors. Generally the following mode/ways of consumer's promotion are on use:-

- Displays
- Premiums
- Samplings
- Price of rebates
- Fashions show of parades
- Exhibition cum sales
- Advertising specialties
- Rebates
- Coupons

The discussions in brief of above modes are hereunder:

Displays: Any displays at shop which offer the product in reduction Price is known as displays'.

Coupons: A coupons is assurance provided by the manufacturer to the consumer which contains a promise from manufacturer that 5th prize is awarded if demand, in any retail outlets showing that coupon.

Premiums: Premium is an offer of a specifics product without cost or even reduced price if consumer makes a certain level of purchase of that product.

Samplings: Sampling is word refers to the free distribution of the product to have taste of that product on trial basis.

Price off: This is an offer given by the manufactures of the product to its consumer if consumers make purchase of same product. They get the size, height, of the product in cheap price.

Fashion shows &Parade: This is an demonstration of the product by the manufacturer where consumer has multiple choice of the product and consumer get the product in discounted price.

#Exhibition-cum sales: This is a demonstration of the product by the manufacturer where consumer has multiple choice of the product and consumer get the product in discounted price.

#Advertising Specialties: Specialty advertising offers articles of merchandise and some typical gifts as pen, T-shirts etc. to the users. Manufactures use these techniques with many objectives for example on the occasion of opening branch or new product launching or in the anniversary of the company or the product.

These techniques are not proper for mass propaganda but can be on a supplement for other tool. This way the manufacturer use suitable tools of promotion. The tools modes of promotion are not constraint but promotion can develop new according to the needs and necessity of the manufactures or the products.

1.1.3 Introduction of Nepal Bottlers Ltd. (NBL Coca-Cola)

Bottlers Nepal Ltd. is a leading private sector company working in Nepal. It was established in 1979. It was initially established as private Company & later converted to public limited in Nepal stock exchange on 1986A.D.(2043/07/19

B,S,).It located in Balaju industrial estate ,Kathmandu in area of 10648 s.q. of land and the building of the company covers 5823 s.q. The BNL is the manufacturing the soft drinks under the brand name of the coca-cola company. The company also makes the sales of the soft drinks under the registered trademark of the coca-cola company Ltd.

It first distributed its shares to public trough NIDC capital market. The numbers of issued shares are 3700000. BNL is product different types of products. It started production on 1984.Its initial production capacity was 80 bottles per minute which was later increased and from 1986 240 bottles per minute. The Principal activity of BNL is to manufacture and sale soft drink under the registered trademark of Coca-Cola Company. Soft drink like Coca-Cola, Fanta and sprite are manufactured and brought in market for sell. The Company was established under the technical and financial aid coca-cola company, USA and still it is getting same help from that company. The company continued to invest heavily in expanding the domestic business. The company has products of truly international standard.

It is an US based multinational company, which holds market almost all over the world. The establishment of this plant has benefited national economy by curtailing the expenses of foreign currency in importing Various drinks.

In Nepal there are two companies under Coca-cola company. My study in about BNL (Terai) at Chitawan district of Nepal. The company does not have policy of direct distribution, which uses two types of distribution, channel i.e. through the dealer and retailer to customers. To maintain the leadership in the market, the company always concentrate for its best products. For best drinks, the company head office. The raw materials like crown crocks, sugar, flavors etc, are imported from national and international market and carbon dioxide gas produced in company. The whole process (inputs to outputs)is prepared by company secretly and sold without disclosure.

1.2 Statement of the Problem

Nowadays, Nepalese cold drink market is very competitive colds drinks are available in the market .They all want to achieve the high market and go ahead than competitors. From this purpose they spend large amount of money for advertisement and sales promotions. Only advertising is not working these days, various brands of cold drinks available in Nepalese market.

Consumers have many options to choose their favorable brand. The producers find very tough to sell their products, So they started to use sales promotion techniques to capture large market share.

Nepalese management is still in underdevelopment stage. Manufacturers cannot say definitely that their promotion is effective or not. What are the impact being seen in the sales of cold drinks due the use promotion? It Is also very important to know that what sort of tools is effective to enlarge the market share. The Present study is trying to answer all above questions.

1.3 Objective of the study

Sales Promotion concept is new in Nepal. There is lot of things to search and find out the practice of sales promotion. The following are the main objective of the present study.

1. To find out which promotion tools are widely practiced by Nepalese business organizations.
2. To evaluate and analyze the relationship between sales promotion package and consumers behaviors towards Coca-cola in Kathmandu.
3. To evaluate the impact of sales promotion activities in sales of Coca-cola in Kathmandu.

4. To provide necessary suggestion and recommend future course of actions for related organization.

1.4 Signification of the study

Today's market has become very competitive because of globalization, whether marketers are facing the problem of not getting target market share, over stocking and competition, Different typed of product with a large number of alternative brands are available in Nepalese cold drink market. In this situation sales promotion is one of the short-term incentive tools which helps to increase sales and achieve target in the Nepalese market, There are different brand of cold drinks such as coca-cola(coke, fanta and sprite)every brand have own promotion strategy for increasing the sales. But there is not fixed define sales promotion tools will be suitable. So there is need to find out the impact of different sales promotional tools to increase sales of cold drinks.

The finding of this study may provide guideline for making strategies of successful marketing activities and sales related activities. This study also provides valuable references to the students and researchers who are in tested in conducting further researchers on sales promotion.

1.5 Limitations of Study

This research would be conduct for only study purpose. The research to be done by a student has very limited time and resources. This study will be confined within Kathmandu. So it may be giving the all Nepalese cold drink market. The sample size will be taken for this study is small in comparison to the population of the study.

1.6 Organization of the Study

According to the generally prescribed format this study has been organized into five different chapters.

Chapter I : Introduction

Chapter II : The review of literature

Chapter III: The research methodology

Chapter IV: Analysis and Interpretation

Chapter V : Summary, Conclusion and recommendations

The first chapter: deals with the introduction that includes background, meaning, ways of promotion, statement of the problem, objective of the study; organization of the study.

The second Chapter: is for literature review, this chapter, discussing about the theoretical concepts of sales promotion.

The Third Chapter: is for research methodology chapter, methodology employed in the present study is described. This chapter includes introduction, research design, nature and source of data, population and sampling data collection producers: Data processing, tabulation and data analysis technique.

The fourth chapter: is the pivotal of this study. This chapter deals about the presentation, tabulation interpretation and analysis of data. This chapter also presents major finding of the study.

The fifth chapter: is for summary, conclusions and recommendation of the study. This chapter deals with major summer of the study its conclusion and abstracted recommendation.

CHAPTER-II REVIEW OF LITERATURE

Meaning of literature Review

A comprehensive survey of publications in a specific field of study or related to a particular line of research, usually in the form of a list of references or an in-depth review of key works. A specific type of serial known as an annual review is devoted solely to the publication of literature reviews. The first section of most research articles usually devote to a review of the previously published literature on the topic addressed in the article. An extensive search of the information available on a topic which results in a list of references to books, periodicals and other materials on the topic.

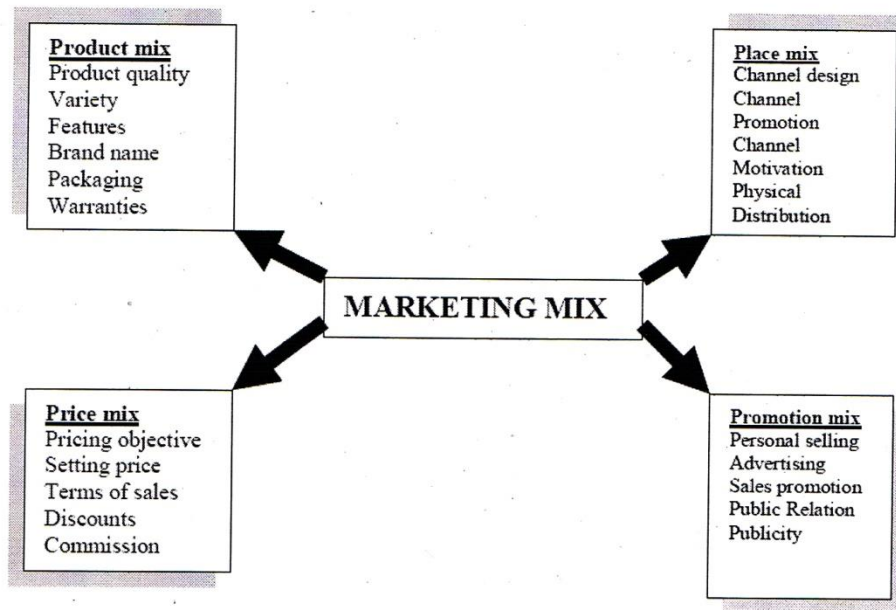
2.1 Concept of Sales Promotion

Promotion is an element in an organization marketing mix that serves to inform, persuade and remind the market of the organization or its products. Basically promotion is an attempt to influence whether a particular promotion activity is designed to inform, persuade or remind. The ultimate objective is to influence the recipient's feelings, belief or behavior. In our socio-economic system this is not only acceptable but has become essential as the whole modern marketing world is passing through cut-throat competition. Demand will grow. But these days it is believed that if a company can retain its current customers and build lasting relationships, its demand will automatically grow.

Whether it is to attract new customers or the old one, promotion played a vital role. As the marketing grew, large and the number of customers increased along with the innumerable number of products in the market. The importance of attracting them grew. In such a situation different methods of promotion like sales promotion can help a lot. Similarly in case when a company needs to retain its current customers in this competitive market, they need to be reminded with the products' presence.

through advertisements and other means of promotion timer and again. So, Promotion is a supporting component in a marketing mix.

Fig.No. 1

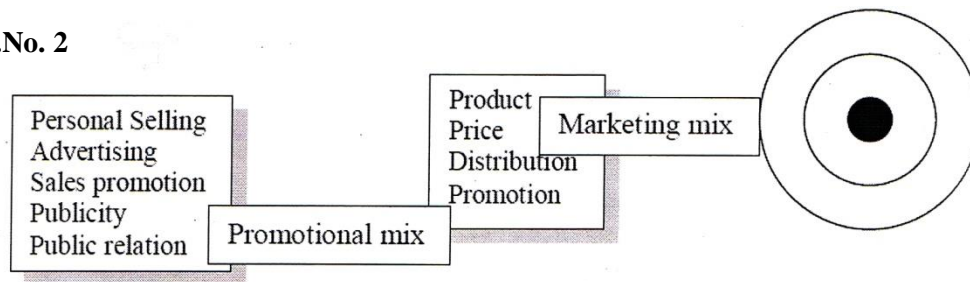


Source:-www.wikipedia.com, Accessed on March 2013

Promotion has its own objectives and functions. Basically promotion has three objectives which play a vital role in the marketing of any products. This direct contact in personal selling is a method which is different from other forms of promotion.

- a) Informing
- b) Persuading
- c) Reminding

Fig.No. 2



Sources: www.internationalmarketing.com , Accessed on March 2013

Informing: One of the most important objectives of promotion is to inform customers about the usage, benefits and features of the product. The information may include the name and address of the advertiser or the seller also. If a new product is to be launched, pre-information may be communicated to the consumers in the market.

Persuading: Only informing the consumers about the products may not influence the consumers towards the products. In order to influence them, the advertiser must be able to assure consumer satisfaction. In a Competitive market, communication to the consumer is very important. This type of communication is known as persuasive communication.

Reminding: The advertiser can not rest after communicating the information about the product consumer may forget about the availability of the product in the market. So the advertiser should repeat the communication process to remind consumer that the product are still available and can still fulfill their desires. The major reason of reminding consumers is to retain their preference for the products.

For the purpose of effective marketing, it is imperative that there are promotion efforts from the side of the advertiser. The advertiser aspire to check their

performance by promotion their products in the competitive market. A product can be presented and promoted in a variety of ways and advertising is one of them. Advertising as compared to other aspects of promotion, reaches a large group of consumers through the vehicles of mass communication. The advertisement message is directed towards a large group of services who are scattered in different markets. It is a decisional factor for the marketing manager to blend all promotion tools like advertising, personal selling, publicity and sales promotion to arrive at a right promotion mix. Each element of the promotional tools has its unique characteristics and each is complementary and supplementary to each other.

Advertising: Advertising is non-personal presentation of marketing message through various medias such as newspaper, magazines, cinema, outdoor posters and signs, direct mail, radio, television catalogues etc. Advertising is both a means of communication as well as an important tool of promotion. Communication is an integral part of daily life of the human being. In the business world, effective transmission of communication is a vital need. A manufacturer needs to communicate with the present and potential consumers. He has to have information about the market relating to what terms. With this information, he could inform the consumers about the availability of the products. In absence of this information, producer can not produce as per the demands of the consumers who will only buy the products they already know.

Price indicates the value of the products and promotion communicates these aspects to the potential buyers. Promotion is any form communication used by a firm to inform, persuade or remind people about its product, services, image, ideas, community involvement or impact on society. Similarly, promotion is the element in an organization's marketing mix that serves to inform, persuade, and remind the market regarding the organization's product and services.

Personal Selling: Personal selling uses salesman to communicate verbally with the prospective customers. In addition, salesmen many use various means like the telephone, mail, internet E-commerce or other Medias to send receive messages. The basis of personal selling is the face to face presentation between the salesman and the customer.

Sales Promotion: It covers other sales activities that supplement the function of personal selling and advertising. It includes display, show and exhibition demonstration, sales contests samples and other activities which are usually non-recurrent in nature but it is geared to generate new sales and create market demand.

Publicity: Publicity is that form which cultivates good-will towards products or creates company image. To gain good-will, advertiser should supply the media with interesting news items about a company or its products which has commercial signification involving non-payment for space or time given by such media. Evaluation the various tools of the promotional bend this study tries to answer, what role does advertising play in the promotion of two products VIZ coca-cola product by bottlers Nepal and Pepsi cola produced by Pepsi-cola co. Ltd. Sales promotion is one of the most useful and result oriented technique in business. Different executives are applying various sorts of sales promotion tools. First, they research about target consumers need, demand, interest and habits. For this we make clear concept about consumer buying behavior. The structure of market includes different kinds of consumers and different kinds of demand. For this many companies who produce consumer items establish advertising, sales promotion and consumer buying behaviour research as separate department. For clear about sales promotion and consumer buying behaviour we can analyze various definitions about it.

“Sales promotion refers to activities of a non recurrent nature which is used to reinforce personal selling and advertising for stimulating consumer purchasing and dealer effectiveness.”¹.Sales promotion is usually directed to the two different points,one at consume point and other at dealer’s/ retailer points.Sales promotion that is directed towards consumer is called consumer promotion whereas the promotion that is done the traders is called trade promotion .He again says,”It is (consumer Promotion) often to retaliate againts a competitor’s sales promotion or to reduce a seasonal decline in sales.Consumer promotion is either aimed at reaching the consumer at his home or place of business or in the store”

“Promotion as a direct inducement or incentive to the sales force,the disrtibutors,or the consumers,with the primary objective of creating an immediate sales”².In fact sales promotion have short-term tool,it provide incentive.It can get response features.

After study these definition sales promotion has the following feature.

- a) It is short-term:- The duration of sales promotion should be neither too short nor too long from launching to close.Generally ,sales promotion lasts from seven days to three month.It could be seasonal as well.Advertising is generally long term.
- b) It provdes incentives:- Sales promotion tools provide”deals” or incentives to the buyers.The size if incentive should be attractive.Benefit in terms of economy or money saving are directly reaped by the buyers.Advertising provides only the reasons for buying.

¹ Koirala Dr.Kundan Data,*Marketing decisions*,MK Publishers and Distributors.Kathmandu 1991,P.165

² Don E.Schultz,and William A Robinson,*Sales Promotion Management* ,Chicago,1987,P.341.

- c) It aims at quicker response:- Sales promotion aim to produce thicker result in terms of faster sales higher sales volume.Existing customers buy the product.However,sales promotion and stabilize gradually at increase level.
- d) It is directed at target audience:- The target of sales promotion can be a consumer,trade channel,and a personal sales promotion tool differs according to the target category. ³

Besides sales promotion,there are other various tools in promotion mix i.e. advertising,publicity,personal selling.To clear about sales promotion we most know about other promotional mix tools because sales promotion is one of them.So there are some definitions,which make clear about relations and difference to them.Advertising informs,persuades and reminds the target market,whereas sales promotion goes to encourages purchase by the brand loyal consumers and attract new and competitors brand users.For effective sales promotion are required creative talent,time and money.It becomes expensive with frequent operation,while excess sales promotion with respect to a branded product may hurt that product's brand image.Advertising creates awareness in the market place and may be repeated several times to acquaint and remind the target market.Thus,advertising is designed to create an image or to carry a sales message about a product or the consumer,while sales promotion is an activity used to generate and immediate sales of the product or service."⁴

“Sales promotion and advertisement are two distinct area of marketing every thought the both tools sometimes,used for the same purpose.To get maximum return out of both,the use of sales promotion and advertising may or should lead

³ Agrawal.Dr.Govinda Ram ,*Marketing in Nepal*,.Educational Enterprises(P).Ltd,Kathmandu,1999,P.211.

⁴Koirala parasar.*Sales promotion in Nepal*,Policies and Practices.Nirala Publication.New Delhi.1991,P.21.

different situation. In other words both sales promotion and advertisement should be used according to the situation because sometimes advertisement may be more effective than the promotion likewise; these might be a lot of situations when the promotion can not yield fruitful results,”⁵ We can say that sales promotion and advertisement leads to maximum returns by increase sales but differ in terms of objectives as well as frequency, duration and purpose of uses.

The objectives of sales promotion and personal selling are different sales promotion is a supporting activity to influence consumer buying and to attract them, whereas personal selling aims at selling and makes effort to match selling with buying sales promotion uses the sales force for a highly selection from of communication that is to educate the trade channels about the product and to help in display and exhibition. Personal selling is used to build up buyers preference, conviction and action,⁶ “Sales promotion is occasional in nature which attracts the consumers to the point of purchases and encourages them to purchase more through incentive offers. Whereas sales personal visit the target market and educate them about the benefit and use of products and services as a promotion concentrate on a specific brand for specific period of time. Sales people have never been involved with the retailer’s promotion needs or with building a solid business relationship between the company and retailer and they prepared, apparently to do so,” Your Advertising Great..... How is Business?⁷ In conclusion, we can say that personal selling is more effective in the case of highly selective brands which can penetrate the market through opinion leaders. At the point of purchase a trained sales personal can impress more customers than an amateur individual.

⁵ Ingene Charles A. and Levy Michael. Cash Discounts to Retail Consumers and alternative to credit and sales, *Journal of Marketing*, spring, 1982, P.62.

⁶ Edward M. Mazze, *personal selling*; choice against chance St. Paul, west Publishing Company, 1990, P.321.

⁷ Homewood Illinois, *Dow Jones Irwin* 1986, P.171

“Difference between sales promotion and publicity in his book sales promotion in nepal that publicity and sales promotion so not go together. A non-controlled media is coincident with an event. It is an addotional voluntary effort for sales promotion, which can improve the image of a product or service to the people. So, please them, public relations officers tries to make the bridge of media publicity. If it becomes paid promotion, the image of publicity is killed and will be an element of advertising. So publicity can be an element of promotion mix but not an element of paid or controlled promotion mix.”⁸ In fact, we can say that publicity is non-paid promotional tool. It expected to promote brands, products, persons, places, ideas, activities and organization.

There are many tools/mode of sales promotion available in market. However, it is not necessary that the same tool is equally effective to all the products or the consumer. Many author have been described the term . “The consumer promotion tools include samples, free trials, products warranties, tie-ins and point of purchase display and demonstration”⁹ Phillip kotler describing individual tools as:

1. Sample:-

Sample are offer of a free amount or trial of a product to consume. The sample might be delivered door to door, sent in the mail, picked up in a store, found attached to most expensive way to introduce a new product.

2. Coupons:-

Coupons are certificates entitling the bearer to a stated saving on the purchases of a specific a product. Coupons can be mailed, enclosed i or on other products or inserted in magazines and newspaper ads.

⁸ Koirala, Parashar, *Sales promotion in Nepal*, Policies and Practies. Nirala Publications. Jaipur. New Delhi, 1991, P.22.

⁹ Ibid, No.1.

3.Cash Refund Offers(Rebates):-

Cash refund offer(rebates) is as coupons expect that the price reduction occur after the purchase rather than the retail shop.The consumer sends a specified proof of purchase to manufactures,which in turn “refunds”part of the purchase price by mail.Cash refunds have been used for major products such as automobiles as well as for package goods.

4.Prizes:-

Prizes are offers of the chance to win cash,trips,or merchandise as a result of purchase something,Pepsi-cola offered the chance to win cash by matching numbers under the bottle cap with numbers announced on television.

5. Patronage Rewards:-

Patronage rewards are values in cash or in other forms that are proportional to one’s patronage of a certain vender or group of vendors most airlines offer “frequent flyer plans providing points for miles traveled that can be turned in for free airlines trips.

6. Free Trials:-

Free trials consist of inviting prospective purchasers to try product without cost in hope that they will buy the product.Thus,auto dealers encourage free vests drives to stimulate purchase interest,product warranties.Product warranties are an important promotional tool especially as consumers become more quality sensitive.When Chrysler offered a five year car warrantly than GM’s and Fords,customers took notice they inferred that Chrysler’s quality must be good or else the company would in deep trouble.

7. Tie in promotion

Tie in promotion are becoming increasingly popular. In a tie-in-promotion, two or more brands or companies team up on coupons, refunds, and contests to increase their pulling power. Companies pull funds with the hope of broader exposure, while several sales forces push these promotions to retailers, giving them a better shot at extra display and ad space.

“Sales promotion consists of a various tools with different objectives and implications and function differently in the mix. To match them with the stage of product life cycle or the type of product and to the nature of product requires full knowledge of each tool. Sales promotion is technical and creative in nature”¹⁰. Further describes important tools of Sales promotion.

8. Point of purchase Displays:-

A wide variety of point of purchase materials, such as posters, banners, streamers, price cards, rack. singh, displays and cartoons are placed at one in retail stores. These materials are distributed to retailers through whole sellers the sales force or by mail.

9. Premiums:-

Premium is merchandises items provide free of cost, or at reduced price, as an incentive to the buyer of a specific product. Different kinds of premiums, free mail in premiums, continuity coupon premiums, and free give ways are in practice.

¹⁰ Koirala, Parashar. *Sales Promotion in Nepal*, Policies and Practise, Nirala Publications Jaipur. New Delh, 1991, P.22.

10.Sales Broshures:-

These are visual presentation of different products and services in the form of diagram or literature like photograph,product availability time,modes,colors etc distributed to the channels and consumers.

“Sampling,one of the oldest tools said to be order than even the marketing concept.it is trial to the consumer before a financial commitement of its purchase.

11.Advertising Specialties:-

Especially advertising offers article of merchandise and some typical gift such a pen, calendra, ashtray, T-shirt, key ring etc. to the customers.The promoter offers these tools with a variety of objectives in view e.g.branch opening promotion, new product introdution, building an image new sales personnel introduction, trade show, traffic development and activating passive clients.

“Advertising specialities are not considered to be appropriate tools for most propaganda but can be used separately and as a supplement to other promotional tools and are popular selective market infiltration.”¹¹

In this way the tools are discussed in a variety of ways.The objectives of sales promotion has also been described by the different author in different ways but the most acceptable objectives have dealt by Consumer behaviour is defined as the behavior that consumers display in searching for ,purchasing using,evaluating and disposing of products,services and idea that expect will satisfy their needs.The study of consumer behaviour is concerened not only with consumer buy but also why they buy it,when,where and how they buy it and how often buy it.

¹¹ Quelch Johan A.*Its Time make Trade promotion more produtive*.Harvard Business Review .Jan.- Feb.,USA,P.211.

2.1.1 Sales promotion and Advertising

Advertising and sales promotion are obviously not amenable to any clear line of demarcation. There is no convenient criterion to draw a dividing line between the two. Allocation of funds for advertising and promotion expenditure is often made on trial and error basis. The most popular distinction between them is the dimension for a product. Products on sales have two dimensions—the intangible and tangible.¹² Advertising is used to create awareness, image and attitude, and sales promotion is aimed at specific action (buying and selling). Advertising is used to build long-term brand preference, and sales promotion for the decision to buy. During the period of introduction as a product its brand name is unknown to the consumers. To make the product known the approach needs to be replaced slowly by tangible action. The relationship may be depicted diagrammatically as follows:

Advertising may degenerate into intellectual hypocrisy if it overemphasize only the attractiveness of a product. Advertising efforts are more intensive during the introductory and growth stages of the product life cycle. But there is no hard and fast rule to decide when advertising should handover and sales promotion should take over. All activities result from experience and depend on the creativity of approach. However, the relationship of both with the product life cycle makes it easy to decide on their application at different stages. Marketing research is as much required to evaluate the effectiveness of communication as the promotion mix with regard to sales. Research helps the marketers to decide what is appropriate at different stages in this life cycle of the product.

“Advertising as a popular communication tool is said to have maintained its primacy until recently as a means of making goods or services known for purchase

¹² William M. Kincaid, jr., *promotion: products, services and Ideas*, P.349.

or lose”.¹³.This assertion does not convey the strength which advertising carries for the time being and to a certain extent.However,its main objective making known to people-is clearly depicted.Sales promotion and advertising differ in terms of objectives as well as the frequency,duration,and purpose of uses.Advertising informs, persuades, and reminds the target market, whereas sales promotion goes to encourage purchases by the brand loyal consumers and attracts new and competitors’ brand users. For effective sales promotion are required creative talent,time and money.It becomes expensive with frequent operation,while excess sales promotion with respect to a branded product may hurt that product’s brand image.

Advertising creates awareness in the market place and may be repeated several times to acquaint and remind the target market.Thus ,advertising is designed to create an image of,or to carry a sales message about a product or service to the consumer; while sales promotion is an activity used to generate an immediate sales of the product or service.

2.1.2 Sales promotion and Personal selling

Personal selling,in a broad sense,refers to communication aimed at generating customers for products,services,or ideas.Personal selling invariably means face to face communication.It is defined as oral presentation in a conversation with one or more prospective buyers for the purpose of making a sale.¹⁴ Both the respondent and communicator meet and communicate the views about the product. The process of their meeting and talking makes for more effective communication.Business managers and educators agree that selling is more than providing a good or service. ¹⁵If the purpose of personal selling is only to sell

¹³ Dan Aillonic.*charas,promotion:A guide to effective promotion planning .Strategies, and Execution*,P.50

¹⁴ William M.kincaid,*jr. Promotion: Products, Services and ideas*, P.350.

¹⁵ Don E.schultz and William A.Robinson, P.251.

more rather than providing other services, it is not something desirable. Selling word itself is unpopular among consumers. However, the specific functions of personal selling include:

1. To get an order for the product;
2. To include retailers to promote and to display the product at the point of purchases;
3. To persuade wholesalers to promote the manufacture's products actively;
4. To educate those who may influence purchasers to favor the company and its products;
5. To satisfy customers.¹⁶

The objectives of sales promotion and personal selling are different. Sales promotion is a supporting activity to influence consumer buying, and to attract them, whereas personal selling aims at selling and makes efforts to match selling with buying. Sales promotion uses the sales force for a

The equation of bonus packs is with the quantity of purchases and the incentives are offered accordingly. They are used to convert tries into users, and to meet price competition. Bonus packs hold the new customer. Basically, it is an offensive tool that is offered when the need arises and is taken out after the solution of the problem. Bonus packs can be offered as an alternative to a price-pack. And it is an off-shelf promotion in the store. Bonus packs are found effective in packaged goods. It is used commonly in such products as vitamins, Coffee, bar soaps, and foods for pets.

¹⁶ Norman Govoni, Robert Eng, Morton Galpers, *Promotional Management*, P.423.

Refunds and rebates are similar to price-off promotion in principle. They differ only as regards the rewarding system. Objectives are more or less the same. However, refunds and rebates are offered with some specific objectives, such as,

To attract the Consumers,

To stimulate in-store display,

To offset the impact of competition

Price-off promotion is a low cost promotion device linked with the quantity of purchase. Generally packages are made of different quantities and the consumers are offered greater incentives for purchase of larger packages.

Combination offers include cash and opportunity benefits allowed to stimulate new consumers and to strengthen the media of promotion. Opportunities may consist of a coupon, or an entry ticket for contest, or other types of privileges. For examples, with every three empty cartons along with off-coupons, the buyer may be offered cash refund of Rs.2

2.1.3 Advertising Specialties

Specially advertising offers articles of merchandies and some typical gifts such as pen, calendar, ashtray, T-shirt, key chain etc, to the customers. The promoter offers these tools with a variety of objectives in view e.g. brand opening promotion, new product introduction, building an image, new sales personnel introduction, trade show traffic development, and activating passive clients.

Advertising specialties are not considered to be appropriate tools for mass propaganda, but can be used separately and as a supplement to other promotional tools, and are popular in selective market infiltration.

2.1.4 Sales promotion Vis-a-Vis Dealers and sales personnel

Sales promotion besides motivating consumers, can also motivate the Company's Sales force, and provide general support to retailers, dealers, wholesalers, distributors, jobbers, and other intermediaries in the channel.¹⁷ Manufacturer's sales promotion targets are their sales forces, the intermediaries in the channel, and the consumers. Consumer response cannot be easily obtained. They have their own objectives. The gap between the objectives can be narrowed down through mutual understanding. Intermediaries in the channel of distribution can only be motivated through the benefits accruing to them. They have powerful influence on many products, Leonard and Lodish, The advertising and promotion Challenge, Vaguely Right or Precisely Wrong?¹⁸ Non-cooperation of the channel affects the manufacturer's extensive distribution policy more than exclusive distribution policy. Sales promotion tools are the only effective tools to get their cooperation.

The Manufacturer's policy of encouraging increase inventory to be held by dealers needs adequate support to the dealers. Failure to offer proper incentives may lead to the piling up of stocks in the manufacturer's warehouse. Under the inventory policy, dealers may have to keep a minimum stock with respect to the product line as to size, color and style, so that availability of the products of different brands whenever needed.

To accommodate and to some extent encourage, increased and accelerate consumer takeout of the product, the manufacturer, working through trade channels seeks to achieve the following.

¹⁷ William m Kincaid, JR., *promotion: Products, Services and Ideas*, Columbus, Ohio, A Bell and Howell Company, ed. 2nd, 1985, P.328.

¹⁸ New York, *Oxford university press*, 1986, P42.

- a) To exercise good stock management at the retailers' level, increasing the distribution of line and individual items and preventing out-of stock conditions for both;
- b) To obtain trade support through special featuring events-providing mention of, and consumer price incentives in best possible ads display activities and generally increased pipelining to the retail floor during such events;
- c) To inform and sensitize all retail personnel, down to the aisle clerks about the need to recognize and support proper and sufficient stocking of the product;
- d) To offset competitive drives for new and old products;
- e) To support renewed listing and broad distribution of seasonal merchandise. Dan Ailloni Charas, Promotion, A Guide to Effective promotional Planning, Strategies, and executions,¹⁹

Sales promotion directed towards channels include many tools, the most important among them being trade deals and promotional allowances, co-operative advertising, contents, sales meetings, sales brochures, and trade shows and exhibits.

2.1.5 Advertising & Merchandising Allowances

To move the product to the channels at more than the normal rate, manufacturers offer an incentive in cash equivalent to a percentage (e.g. 1.5 percent) of the amount of gross product purchased over a specified time period (e.g. per quarter) with the objective of successfully implementing their advertising program. Parties involved in the programmed are paid under different heads of expenses e.g. display and demonstration allowances are paid to the expert for his services for demonstrating the product, its features, or its advantages, while retailers are paid for space utilization. It is an axiom to the display that the more visible, the

¹⁹ New York John Wiley & Sons, 1984, pp. 231-232.

larger the quantities, and the better the product location in terms of store traffic, the faster will the consumer take out the product enjoy. Display is used mainly by cigarette and cosmetic companies an amount as a monthly fee per brand to the retailers. The material needed for display is supplied at the point of display. Display is a sub-ordinate offer used along with other promotional activities and it is popular in all types of consumer goods promotion.

2.1.5.1 Co-operative Advertising

Co-operative advertising may be horizontal and vertical. Manufactures' participation in the channel's advertising expenses fall under vertical advertising, because vertical co-operative advertising is particularly related to the stimulation of retailer supports of the manufacture's promotion effort. Generally, the manufacture and the retailer share on a 50-50 basis the expensive incurred by the retailer up a certain limit, which may increase or decrease as required by the parties. The advertising is expected to meet certain specification as to size, type and medium before the manufacture's financial involvement.²⁰ The target of co-operative advertising is ultimate consumer and its goal is up sales of a profitable product or line and to create a consumer demand that will pull the goods out of the store.

Co-operative advertising is used more often when there is a particular place for the product's availability in the market, and the retailers are not interested in the manufacture's brand. It is used commonly in the clothing, furniture, major appliances and automobile categories.

²⁰ Norman Govoni, Robert Eng & Morton Galper, *Promotional Management*, P.434.

2.1.5.2 Conests

Contests among the retailer sellers are conducted with their prior consent to develop a better understanding with them. A winner is offered a cash prize, or merchandise, or a special award, or recognition. Although all sales contests, in one way or another, have the broad purpose of increasing the level of sales and profitability, most have specific goals too. Such as promoting slow moving or seasonal items, securing new accounts. Obtaining increased sales on high-margin products, pushing new products, gaining additional display space and increasing order size.

2.1.5.3 Sales Force meeting

Store buyers in most situations; see the product position through promotion, temporary price reeducation, incentives, all in monetary terms. To bring them to the right track is the duty assigned to the sales force. So, the sales force is armed with appropriate tools and programmes to motivate the distributors or dealers to stock, finance, promote and sell the products through the sales force. The distributors' sales force is assigned the force. The distributors' sales force is assigned the task of motivating the retailers through promotion tools and programmes provided by the distributor to stock, promote, feature and actively sell the product to the consumers. Promotion directed at the sales force may help to motivate and generate desirable long-term behaviour.

To make know their duty, sales force meetings are arranged. They are explained the working procedures, promotion campaign date, the basis of receiving promotion incentive, and contests and exhibitions which may be held. Thus, sales personnel for promotion activities.

2.1.5.4 Sales Brochures

Sales brochures are short term promotional tools and the brochures are made available to the trade channels especially to motivate the demand for new products. They are prepared so as to be attractive explaining the product's usages and value to the consumers. These are found effective when used along with advertising, or sales promotion materials in the introductory stage of product life.

2.1.5.5 Trade-Shows and Exhibits

Trade-shows and exhibits promote different product lines at a time. Trade-shows are said to be one of the most effective, interesting, exciting and expensive sales promotion devices. They create excellent selling environment and make it easy to sample merchandise to the prospective customers, materials to interested people. At the same time, slides, filmstrips and motion picture can be shown to passers-by of the exhibitors's booths.

Exhibitions constitute a personal form of communication. They serve multiple purposes; advertising, sales, public relation and educational purposes. Exhibitions focus on the subject matter in the customer's favour through different media like press, radio, TV, etc. Exhibitions have been popular in the industrial market. However, in the case of consumers' goods, exhibitions may be helpful in securing orders for clothing, furniture and toys, or as a sampling distribution occasion for new drinks, or food products.

Trade-shows and exhibits are used for many purposes, the most important being to introduce new products, make sales, generate sales leads, attract new distributors, promote the corporate image, conduct marketing research, observe the competitors' reaction, train sales personnel and to get immediate customer feedback.

2.2 Promotional Environment in Nepal

The environment includes part of people as well as part of what they do. It influences how we operate and how our clients are serviced. This is because people perceive the information communicated to them for the environment. Promotion involves communication in an environment about goods and services. The flow of information from promoter to consumer and consumer to promoter can be effective if they know each other's environment. In this context, environment may be regarded as an opportunity to act smoothly. It is constantly changing, providing new opportunity to some business, delimiting the prospect of others.

The complexity and diversity of environment make it difficult to define it in the precise term. Fredrick E. Webster and Yoran Wind have described the nature and pattern of influences of environment as follows:

Environmental influences are subtle and pervasive as well as difficult to identify and to measure. They influence the buying process by providing information as well as constraints and opportunities. Environmental influences include physical, legal and cultural factors. These influences are exerted through a variety of institutions including business firms (suppliers, competitors and customers), governments, trade unions, political parties, educational and medical institutions, trade associations and professional groups.

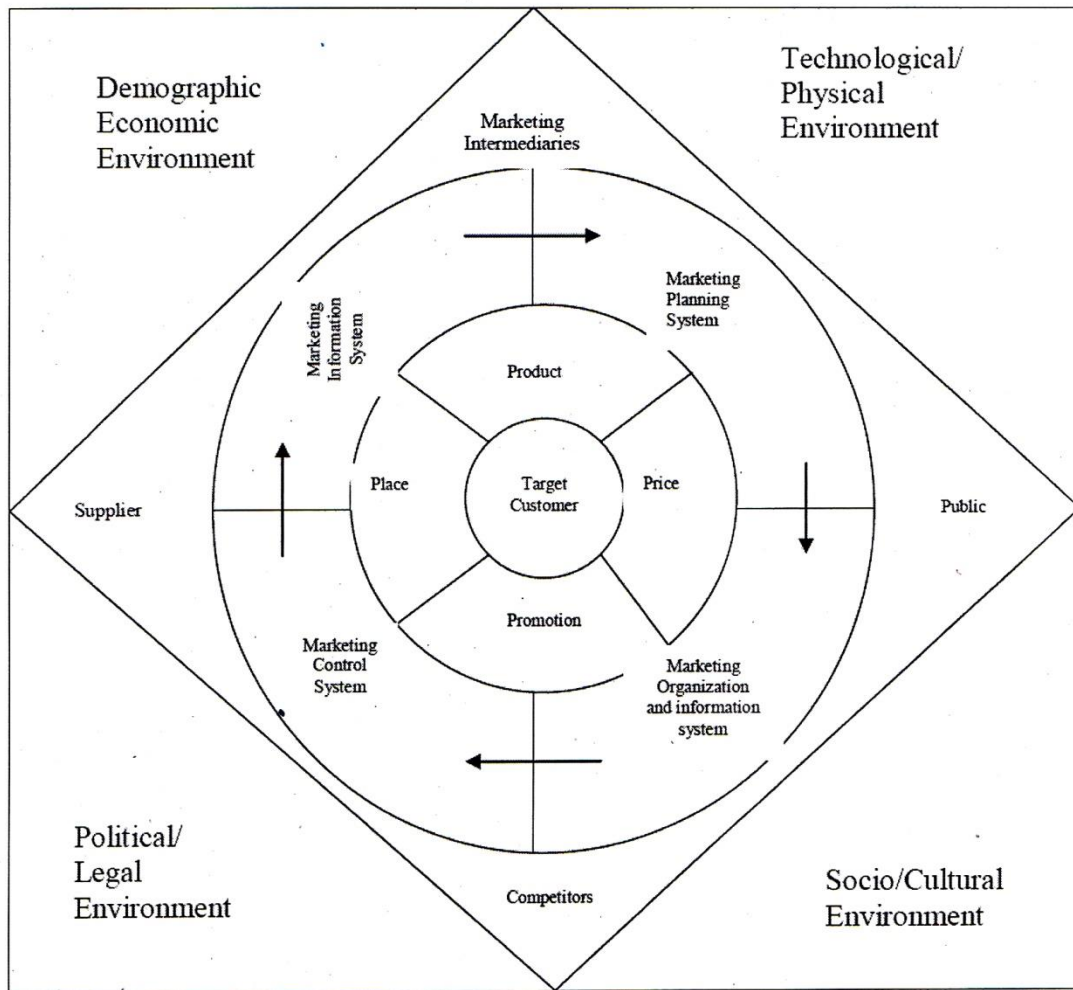
The environment surrounding the consumers, censors the information communicated to them. If the promoter fails to adapt his strategy to the environmental opportunity while making any promotional offer, he will be a failure by profession. Promotional functions are designed to shape and sometimes distort consumer demand, it cannot create demand. While economic demand is based on utility, the objective of promotion goes one step further, that is, it involves supply which is based on money or purchasing power. So, promotional

environment is evaluated in terms of force closely connected with buying behaviour. Norman Govoni, Robert Eng and Morton Galper analyzed the environmental context as external and internal environment. Economic, social-cultural, political-legal and technological factors are categorized under external environment while internal environment is said to be semi-controllable, operating on environment.

Changes in promotional strategy reflect some major environmental influences. Brand promotion like advertising specialties, sweepstakes, direction on the package for utilization, can not be effective unless the environment is literate. Again, mass information objective may be rendered difficult to achieve due to non-availability of media services. Promotion of goods and services may not be possible if that is prohibited by law e.g. promotion of cigarettes through media services.

Promotion is a means of social communications which has been effectively used by the business community since 1835 when tax on advertising was abolished followed by an increase in newspaper circulation. The importance and effectiveness of advertising in influencing consumer decisions became a source of concern to society. In 1924, at Wembley, England, the Associated Advertising Clubs of the world adopted the "Wembley Code" of ethics. But social criticism of advertising communication did not stop. Critics pointed out that advertising was responsible for making people buy products they did not need. This at once revealed the strength of communication through advertising and reaction of environment to its function. Reinforcement to buy more is one of the objectives of a changing social Value (environment) of a modern society. For example, in the early 1980s, American management was greatly influenced by Japanese management style. American music was influenced by Caribbean music and fashion was influenced by Europe.

Fig no.3



Structure of Environemnt Influcne

Promotional incentives could be very useful means of communication in the effective stage of consumer behaviour in Nepal. But that was not offered in appropriate manner through retailers. Retailers were neither knowledgeable nor promotional incentives but they were not offered the same. The manufactures were found using advertising at the cognitive and the effective levels. So the effect of the consumer deals on market share was negatively significant at 25 percent level. The effective of advertising on market share was insignificant. In

Principle, advertising should be aimed at evoking consumer response. And it was continuously used at every stage of the product life cycle. It was offered some time in place of sales promotion tools. However, advertising was necessary as a vehicle of information on sales promotion. It should not have been used continuously. Consumer deals, in principle, were not expected to be offered at the maturity stage.

In practice, it was used to hold current users, to build brand loyalty. And to reward or load present users. Consumer deals are normally offered to consumers through trade channels in the later stages of introduction and growth stage. For effectiveness, it requires the right kind of relation of manufactures with retailers, retailer's knowledge about the product, their behaviour towards consumers, and the controlling mechanism of manufactures. The negative effect of consumer deals on market share shows that the flow of deals to ultimate consumers was not properly maintained. However, buying allowances are offered to trade channels to promote the distribution of products, and to increase retail merchandising support and special display activity.

Free goods offered to ultimate consumer through retailers was not generally effective at any stage of the product life cycle. But in practice it was used as an effective promotion tool to serve different objectives. Thus it didn't have any significant effect on the market share.

Sample was offered to consumer mostly at the introduction stage. This proved to be effective tools. But the effect of sampling on the market share was significant negatively at 5% level. Consumer who were interviewed and who responded to the questionnaire were not aware of any sample offered to them. It is likely that sample were offered to wrong persons who could be consumers by sample, not buy purchase.

Coupons were not regarded as effective tools. However, it was offered by few companies at the introduction, growth and the maturity stages. In principle, it should have been at the growth and the maturity stage. The effectiveness of coupon depends on its redemption rate which in turn depends on different factors. Whatever be the reasons, coupons were not found to have any significant effect on sales. Along with other factors, the insignificant effect of coupons on the market share was perhaps due to its application without due consideration of its appropriateness at various stages of the product life cycle.

Advertising specialties are normally expected to be used at the introduction stage. Most of the companies used advertising specialties at the introduction stage to serve specific objectives. Its impact on market share was significant at 50% level.

Contests and sweepstakes are considered to be suitable at the introduction and maturity stages. These were offered by companies at the growth stage. Its effect on market share was negatively significant at 50% level. Contests and sweepstakes were expected to be based on skill, knowledge and the chance which required careful planning prior to announcement, these were lacking in most companies. Nor did the tools match with the objectives. There may be many reasons for the negative effect of contests and sweepstakes on market share, but lack of planning and absence of matching were two major reasons for the negative effect.

2.3 IMC-The New Promotional Concept

During the 1980s, many companies came to the need for more of a strategic integration of their promotional tools. These firms began moving towards the process of integrated marketing communications (IMC), which involves coordinating the various promotional elements and other marketing activities that

communicate with a firm's customers. As markets embraced the concept of integrated marketing communications, they began asking their ad agencies to coordinate the use of variety of promotional tools rather relying primarily on media advertising. A number of companies also began to look beyond traditional advertising agencies and use other types of promotional specialists to develop implement various components of their promotional plans.²¹

Many agencies responded to the calls for synergy among the various promotional tools by acquiring PR, sales promotion and direct marketing companies and touting themselves as IMC agencies that offer one-stop shopping for all of their client's promotional needs. Some agencies became involved in these non advertising areas to gain control over their clients' promotional programs and budgets and struggle to offer any real value beyond creating advertising. However the advertising industry soon recognized that IMC was more than just a fad. Terms such as new advertising, orchestration and seamless communication were used to describe the concept of integration. A task force from the American Association of advertising Agencies (the '4As) developed one of the first definitions of integrated marketing communication.

A concept of marketing communications planning that recognize that added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines for examples, general advertising, direct response, sales promotion and public relation and combines these discipline to provide consistency, clarity and maximum communication impact.

That integrated marketing communications call for a "big-picture" approach to planning marketing and promotion programs and coordinating the various

²¹ George E. Belch & Michael A. Belch, *Advertising and Promotion*, Op. Cit., P-18

communication functions. It requires that firms develop the total marketing communication strategy that recognizes how all of a firm's marketing activities, not just promotion, communication with its customers.

Consumers' perception of a company and or its various brands are a synthesis of the bundle of message they receive contracts they have, such as media advertisement, price, package design, direct marketing efforts, publicity, sales promotion, websites, point of purchase displays and even the type of store where the product or service is sold. Integrated marketing communications seeks to have the company's entire marketing and promotional activities project a consistent, unified image to the market place. It calls for a centralized messaging function so that everything a company says and does communicates a common theme and positioning.

Many companies have adopted this broad perspective of IMC. They see it as a way to coordinate and manage their marketing communications programs to ensure that they give customer a consistent message about the company and its brand. For these companies, the IMC approach represents an improvement over the traditional method of treating the various marketing and communication elements as virtually separate activities. However, as marketers become more sophisticated in their understanding of IMC, they recognize that it offers more than just ideas for coordinating all elements of the marketing and communication programs. The IMC approach helps companies identify the most appropriate and effective methods for communicating and building relationship with their customer as well as other stakeholders such as employees, suppliers, investors, interest group and the general public.

Tom Duncan and Sandra Moriarty note that IMC is one of the "New generation" marketing approaches being used by companies to better focus their

effort in acquiring retaining, and developing relationship with customer and other stockholders. They have developed a communication-based marketing model that emphasizes.

2.4 Review of Related Studies

Mr. Hari Lamichane²²(1998) entitled with “Marketing of Cold Drink in Kathmandu” has following objectives.

- *To examine the potential consumers in purchasing cold drinks.
- *To identify the purchases behaviour of consumers who purchase cold drinks.
- *To identify the demand of cold drink in Kathmandu.
- *To identify the best choice of consumers on cold drink on the basis of selecting brands advertising habitual testing, asking question & personal inspection.

The study has concluded that advertising is considered as the primary source of information. The advertisement of Coke, Pepsi and other branded cold drinks are found in Kathmandu. Coca-Cola brand is more popular than other brand. A consumer gives more preference to the brand but less preference to quality and test. Television is the mostly favorite media for advertisement. The major reasons of brand switching are the taste of the product.

This study has recommended that advertising should be more believable and effective, so manufacturers are suggested to advertise their product through television and other media. Most of consumers are found brand loyal. If manufacturer give proper attention on their distribution system then the sales of company is maximum.

²² Mr. Hari Lamichane. “Marketing of Cold Drink in Kathmandu”, 1998.

Mr.Shreechandra Bhatt²³(1998) entitled with”Sales promotion and its Effect on Sales” has following objectives:

- * To find out whether the sales promotion does impact on sales of beer.
- * To find out what mode of sales promotion is more acceptable by the Nepalese consumers.
- * To find out what mode is more wisely used by the manufactures as a sales pomotion tools.
- * To evaluate effectiveness of sales promotion activities in the sales of beer in Nepal.

On the basis of analysis of the consumers view point and sales data seperately.The following findings are drawn.The people with high-income group highly educated and from business people tend to drink beers more.The people drink beer at restaurants for relaxation rather than other cause.The people prefer San Miguel brand other beers.In the case of Sales promotion the cash prizes out of all tools insite people.In advertising,electronic media is very popular among the people.If the expenses on Sales promotion increase the sales increase in a high speed.From the regression it is clearly seen that if the expenses on the sales promotion increase the sales of the product will be drinkers.Most people.who are not so educated,are not loyal towards any particular brand.Due to this,the sales promotions easily quench the attention of those beer drinkers and as a result the sales of the beer will increase.

The people who drink beers accept electronic media most.So far sales promotion purpose,the electronic media is very suitable.The sales promotion is very powerful tools which can easily boots the sales.The study has recommended that low-income group as well as low education group should be launched beer.In

²³ Mr.Shreechandra Bhatt. Sales promotion and its Effect on Sales,1998.

advertising, the electronic media is very popular. So the heavy media coverage should be acquired. People like cash prizes so company should cut down the prize like motorcycles, fridge, TV, etc. Findings proved that the sales promotion have positive impacts on the sales of the beers. But the companies launched the sales promotion programmes should be launched at least for 6 months. At last, sales promotion is very important if the use would be in a proper way.

Mr. Purushottam Shrestha²⁴ (2005) entitled with “The Role of Advertising in Sales” has following objectives

- * To measure the advertising expenditure of manufacturing company and its impact on sales.
- * To analyze the impact of advertising on the performance of manufacturing companies.
- * To measure the advertising expenditures as percentage of company sales.
- * To provide necessary suggestion and recommendation.

The study has concluded that the only purpose of advertising is to sell something—a product, a service or an idea. It is a very powerful tool for the creation and relation of consumer demand and it is a pivot of modern industry and commerce. Finally, the sales has positive relationship with advertising expenditures and advertising plays a significant role on the total performance of company as well as concerned companies devoted a very small percentage of sales to advertising.

The study has recommended that the quality of advertisement should be improved, television advertising is more popular and among the consumers of Kathmandu valley etc.

²⁴ Mr. Purushottam Shrestha. “The Role of Advertising in Sales” 2005.

MS.Asmita Adhikari²⁵ (2005) entitled with “A study on promotiona Effectiveness through Television” has following obkectives

- * To assess the television viewing habits of Nepalese consumer and present a complete viewing profile of Nepalese Consumer.
- * To identify top Nepalese programs broadcasted along with its comparison with foreign chaneels broadcast through cable network.
- * To identify prduct promotion effectivness through television.
- * To identify top Nepalese program being broadcasted dot that organization and advertising agencies planning their media campaign through television can rightly identify the best time slots for promotion their product and services.

She has concluded that the survey coducted was basically to identify the television viewing habits of the Nepalese consumers and identifies portrayal traits in terms of their viewing habits such that organization and advertisement agencies could effectively and efficiently plan their media approach for the promotion of their products and services in the television.As the effectiveness of TV advertisment heavily depends upon the viewer ship hence organizations and agencies need to be careful while showing advertisement.For example if an advertisement for beer is only broadcasted early in the morning when people are in a mood for holy things than it is sure that people might not perfer the beer to much.This may be due to the advertisement being broadcasted against the culture (drinking alchol in many homes in almost a sin in our country,that too advertise it in early morning is sure to call for its end) or may be because of the low level of target viewers in the morning hours.Hence identifying perferred time slots for the target audience is of utmost importance to the organization and advertising agencies.Now to understand and identify the preferred time slot of promoting the products and services of consumers as outlined in this research report.Hence television viewing habits of

²⁵ MS.Asmita Adhikari. “A study on promotiona Effectiveness through Television”2005.

consumers bears a direct relationship with when and how to promote products and services through television channels. With this view the research conducted revealed that;

- * That most of the people i.e. 98% have their own TV set at their home and access to cable network.
- * Among the total sample about 81.33% have access to cable television justifying the popularity of the cable network in the country.
- * There are 53.7% of people who live in nuclear family and 42.3% in joint family.
- * The educational background of the sample seems impressive with 36.3% of respondents being at least bachelor level pass considering the overall education level in the country.

CHAPTER-III

RESEARCHER METHODOLOGY

Research methodology refers to the various sequential steps to be adopted by researcher in study a problem with certain objective/objectives in view. Therefore this chapter deals with following aspects of methodology;

Research Design

Nature and Sources of Data

Population and Sampling

Data Collection Procedures

Data Analysis Tools

3.1 Research Design

The present study is based on the descriptive and analytical research design. The research was concentrated to find out whether the sales promotion affects the sales of cold drinks negatively or positively and what mode of sales promotions more effective for the sales of cold drink. In spite of above, this study is also trying to find out what media is effective to give the messages about the sales promotion, which tool is more acceptable for consumer to accomplish these work, we were use exploratory research method. Because of we are checking something in two different way i.e. sales data of consumer and direct observation of the cold drinkers. The exploratory research is more effective.

3.2 Nature and Sources of Data

The two types of data are used in this study, one is from consumers and other is sales data from the manufactures. Mainly, the nature of this study is based on the primary data. The primary data collect from the different places of Kathmandu

valley and secondary data are collect from the dealer of Coca-Cola kathmandu office.And from the annual report of Nepa Bottlers Nepal.

3.3 Population and Sampling

The population of this study is the whole drinkers of cold of cold drink in the kathmandu valley and some respondent are sample. There were 150 samples from the whole population of the study. Sample were taken from different places of Kathmandu valley Kankli, Chabhil, Koteswar and Lagankhel. Respondent are male as well as female between age group of 25 to 50. A random sampling method is used and various brand of coa-cola such as coke, sprite, fanta will be used for the study purpose.

Table No.1
Classification of Respondent

Location	Male	Female	Total
Chabhil	18	13	31
Kalanki	17	16	33
Lagankhel	25	19	44
Koteswar	21	21	42
Total	81	69	150

Source: Survey 2069

3.4 Data Collection Procedures

The data were collection from the primary source consist of extensive field survey containing application of questionnaire, personal contact, observation, interview and discussion with different persons. Some information was collected from published and unpublished documents. The techniques is used for collection is questionnaire and verbal communication with differnt person who drink cold and related persons.

3.5 Data Analysis Tolls

Data are analyzed by using different statistical as well as graphical tolls they are as follows.

3.5.1 Statistical Tools

1. Mean analysis

In statistics, the mean is the mathematical average of a set of numbers. The average is calculated by adding up two or more scores and dividing the total by the number of scores. Consider the following number set: 2, 4, 6, 9, 12. The average is calculated in the following manner: $2+4+6+9+12=33/5=6.6$. So the average of the number set is 6.6.

2. Percentage

In mathematics, a percentage is a way of expressing a number as a fraction of 100 (percent meaning “per hundred”). It is often denoted using the percentage sign, “%”. For example, 45% (read as “forty-five percentage”) is equal to $45/100$, or 0.45.

Percentage are used to express how large one quantity is relative to another quantity. The first quantity usually represented a part of, or a change in, the second quantity. For example, an increase of \$e 0.50 on a price of \$ 2.50 is an increase by a fraction of $0.15/2.5=0.06$. Expressed as a percentage, this is therefore a 6% increase.

Although percentage are usually used to express numbers between zero one, any dimensionless proportionality can be expressed as a percentage. For instance, 111% is 1.11 and -0.35% is -0.0035.

3. Regression Analysis

In statistics, regression analysis examines the relation of a dependent variable (response variable) to specified independent variables (explanatory variable). The mathematical model of their relationship is the regression equation. The dependent variable is modeled as a random variable because of uncertainty as to its value, given values of the independent variables. A regression equation contains estimates of one or more unknown regression parameters (“Constants”), which quantitatively link the dependent and independent variables. The parameters are estimated from given realisations of the dependent and independent variables.

Uses of regression include prediction (including forecasting of time-series data,) modeling of causal relationship, and testing scientific hypotheses about relationships between variables.

4. Chi-Square test.

A chi-square test is any statistical hypothesis test in which the test statistic has a chi-square distribution when the null hypothesis is true, or any in which the probability distribution of the test statistic (assuming the null hypothesis is true) can be made to approximate a chi-square distribution as closely as desired by making the sample size large enough.

Specifically, a chi-square test for independence evaluates statistically significant differences between proportions for two or more groups in a data set.

3.5.2 Graphical tools.

1. Line Chart

In the physical science, tables of data collected from experiment on physical processes are often visualised through the use of a particular graph, sometimes called a line chart.

For example, if one were to collect data on the speed of a body at certain points in time, a table such as the following might be produced.

2. Bar Diagram

The data collection from the consumers through questionnaire is analyzed through the percentage and chi-square test and the sales data of Coca-Cola have been analyzed using regression method.

Chi-square Test

Chi square test of goodness of fit is used for this study. Chi-Square test is analyzing more than two populations. It is helpful test whether a preference for a certain product differ from state to state and region to region. It also enables to determine whether a group data described by the normal distribution does conform to the patterns.

Use of Chi-Square Test

Chi-Square test is used to test whether more than two populations can be considered equal. Actually, Chi-Square test allows us to do a lot more than just test for the equality of several proportions. If population are classified in to several categories with respect to two attributes (for example advertisement and brand preference): One can use a Chi-Square test to determine if the two attributes are independent of each other. Steps of the computation of Chi-Square (χ^2) test:

- * Compute the expected frequencies E_1, E_2, \dots, E_n
Corresponding to the observed frequencies O_1, O_2, \dots, O_n under some theory of hypotheses.
- * Compute the deviations $(O-E)$ for each frequency and then square them to obtain $(O-E)^2$
- * Divide the square of the deviation $(O-E)^2$ by the corresponding expected frequency to obtain $\frac{(O-E)^2}{E}$
- * Under the null hypothesis that the theory fits the data well, the above statistic follows χ^2 distribution $v=n-1$ df.

* Look up the tabulated (critical) value of χ^2 for (n-1) df. At certain level of significance, usually 5 % from the table of “significance value of χ^2 “given the table.

If calculated value of χ^2 obtained in is less than corresponding tabulated value obtained in step (IV) than it is said to be non-significant at the required level of the significance. i.e fluctuation of sampling. In other words data do not provide us any evidence against the null hypothesis [given in the step (V)] which may therefore, be accepted at the required level of the significance and we may conclude that there is in good correspondence (fit) between theory and experiment.

On the other hand, if the calculated value of χ^2 is greater than the tabulated value. It is said to be significant. In other words, the discrepancy between the observed and expected frequencies can not be attributed to chance and are in the situation can reject the null hypothesis, this, we can conclude that the experiment does not support the theory. Gupta, S.C. “A Fundamental of Statistics” New Delhi Fourth Edition, 1990. p-18.5ss

Regression Analysis

Regression is another popular tool in the statistics. This analysis is mathematical measure of the average relationship between two or more variables in term of original units of data. It also clearly indicates the cause and effect relationship between the variables. The variables corresponding to cause is taken as independent variable and the variable corresponding to effect is taken as dependent variables.

In our calculation, we denote x as expenses on sales promotion and y as sales as per actual basis.

Required equation
$$Y - \bar{Y} = b_{yx}(X - \bar{X})$$

CHAPTER-IV
PRESENTATION AND ANALYSIS OF DATA

4.1 Presentation

This research is mainly of exploratory type so the researcher tried to give more accurate picture of the impact of the sales promotion on actual sales. So two way of collection and interpretation of data is considered and given in this study. First type is a survey conducted in Kathmandu to explore what the consumer think about the promotional activities which have been by the Coca-Cola manufacturing company (NBL) and second type is of sales data of the coa-cola, promotional cam paigns and it's promotional activities impact on the sales of the coca-cola in Kathmandu. We first analyze, and interpret the survey data and response taken from the market place from the real consumer.

4.1.1 Respondents' Profile

Only 150 questionnaires distributed for collection data. The researcher has taken response from the market place from the consumer. All 150 questionnaires distributive in kathmandu and cent percent questionnaire collected, the following table given the details.

Table No.2
Demographic Analysis

Gender	No.	Present
Female	90	60
Male	60	40
Total	150	100

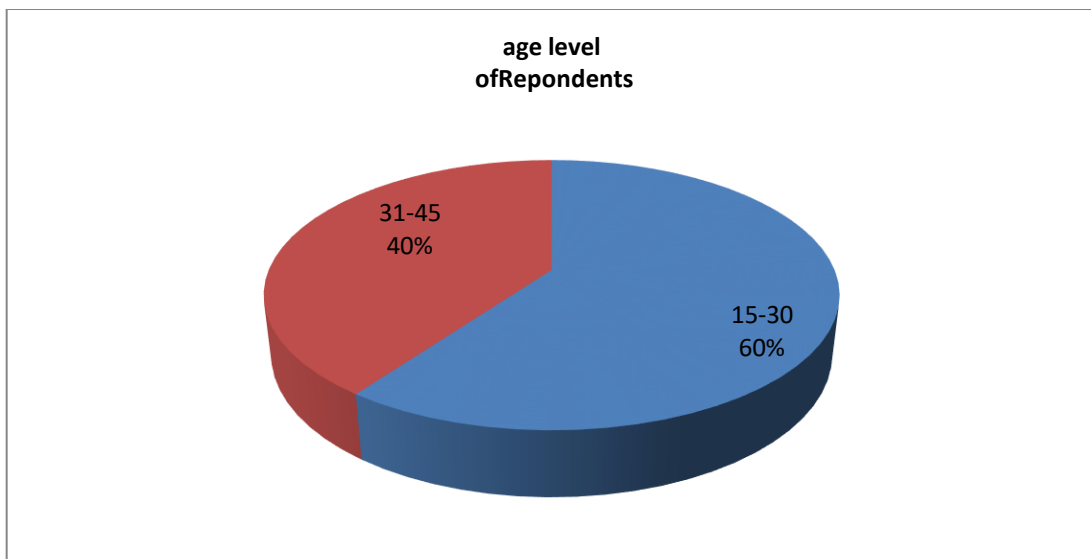
Source: Survey 2069

The above table shows that out of total respondents male respondents are 60 percentage and female respondents are 40 percentage

Table No.3
Age level of Respondent

Age	No.	Percent
15-30	90	60
31-45	60	40
Total	150	100

Source: Survey 2069

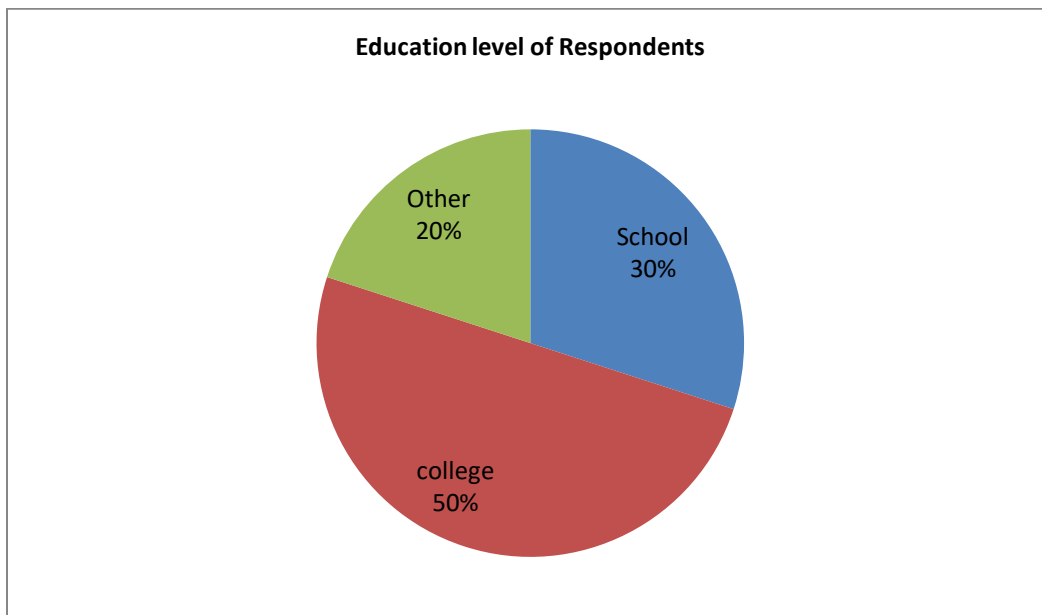


The above table shows the age level of the respondents. As shown out of total 60 percent fall in to the age of 15-30 and remaining 40 % in to age group of 31-45.

Table No.4
Education Level of Respondents

Level	No.	Percent
School	45	30
College	75	50
Others	30	20
Total	150	100

Source: Survey 2069



Out of total respondents 30 percent are school level students. College level students are 50 percent and remaining are jobholders and other workers.

4.1.2 Consumers Cold Drink Drinking Habit and Behaviour

To Know about consumer habit the researcher start from very preliminary questions like “Do you drink cold drinks?” To the very specific question like”Do

you stick on any special brand of cold drink?"The following series of table presents the response behaviour.

Table No.5
Drink Habits

Particular	No.	Percent
Yes	144	96
No	6	4
Total	150	100

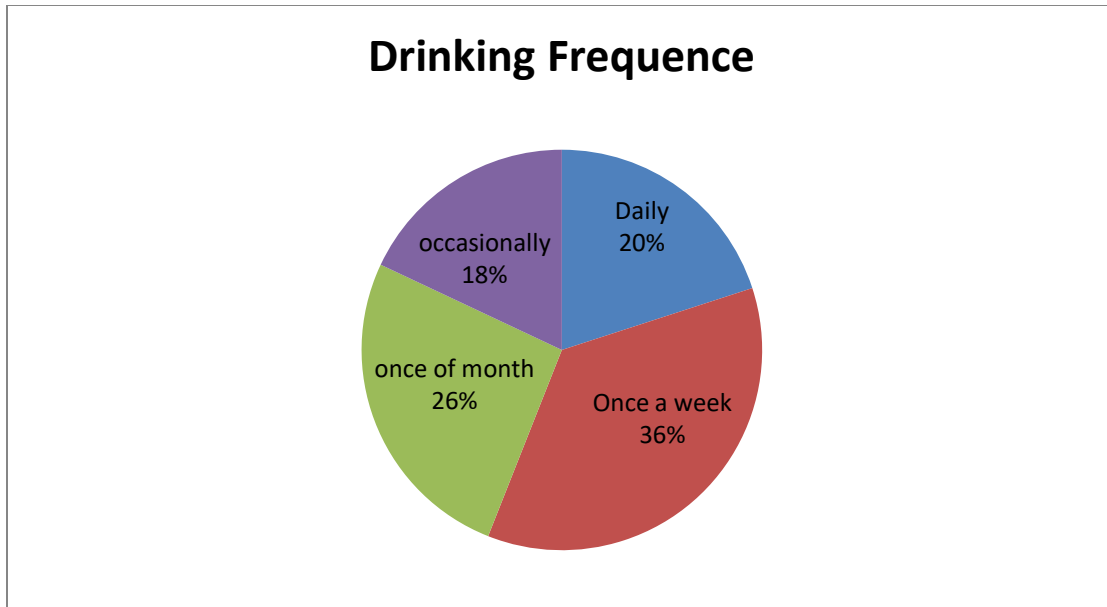
Source:Survey 2069

The response on above table shows that out of total respondents 96 percent drink cold drink and only 4 percent resonded do not drink.

Table No.6
Drinking Frequency

Particular	No.	Percent
Daily	30	20
Once a week	54	36
Once a month	39	26
Occasionally	27	18
Total	150	100

Source:Survey2069



The table shows the frequency of drinking cold drink of the people 20 percent of the people drink daily,36 percent people drink once a week,26 percent people drink once a month and 18% of people drink cold occasionally in Kathmandu Valley.

Hypothesis No.1

H₀: There are no significance differences among frequency of drinking.

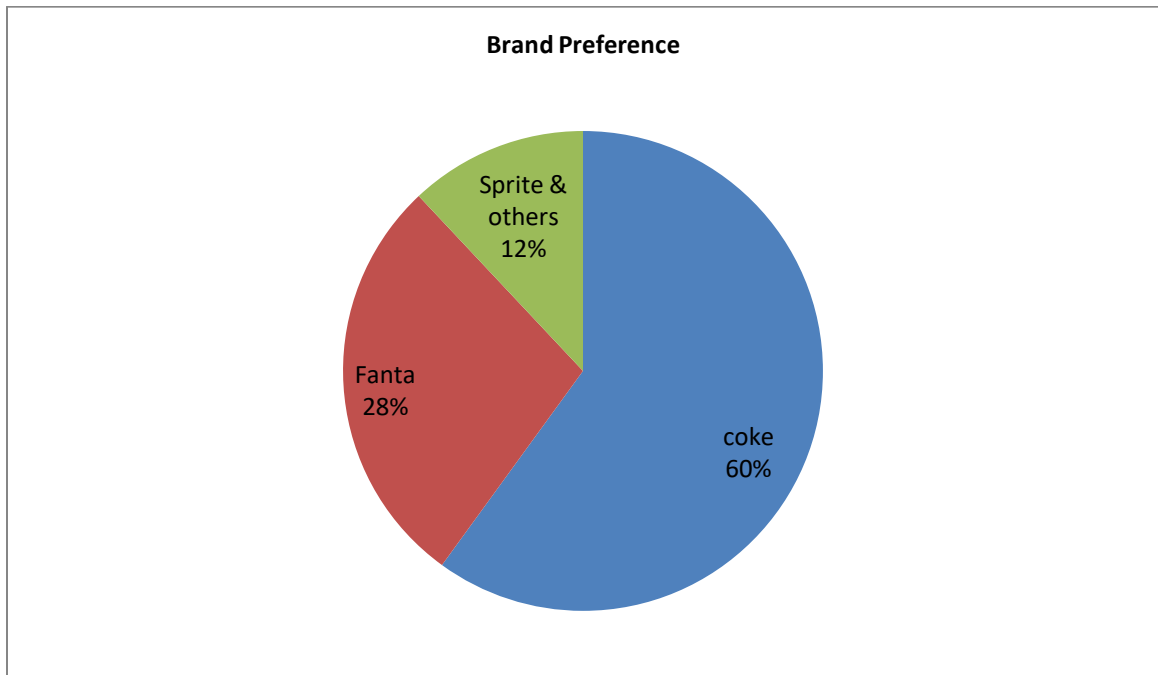
H₁: There are significance differences among frequency of drinking.

The tabulated value of χ^2 at 5% level of significance for 3df is 7.81.Calculated value 11.76 is greater than tabulated value (7.81).So we can say that there are significant differences among frequency of drinking.

Table No.7
Brand Preference

Product	No.	Percent
Coke	90	60
Fanta	42	28
Sprite &Others	18	12
Total	150	100

Source: Survey 2069



The above shows that the brand preference of the individual.60% choose coke,28% people choose Fanta and 12% people choose sprite and other brands.

Hypothesis No. 2

H₀: Consumer is brand loyal.

H₁:Consumer is not brand loyal

The Calculated value is 53.92. The tabulated value of χ^2 at 5% level of significance for 2df is 5.99. Calculated value is much greater than tabulated value. So, H_0 is rejected i.e. consumers are not brand loyal.

4.1.3 Sales promotion of cold drinks(Coca-Cola)

To know consumers opinion and their think about promotional work that cold drink company perform. The researcher has picked up the subject with very simple question such as “Do you know about the promotional work that cold drink manufactures perform?” The following is the table relating with promotional work.

Table No.8
Popularity of Promotion

Particular	No.	Percentage
Yes	135	90
No	15	10
Total	150	100

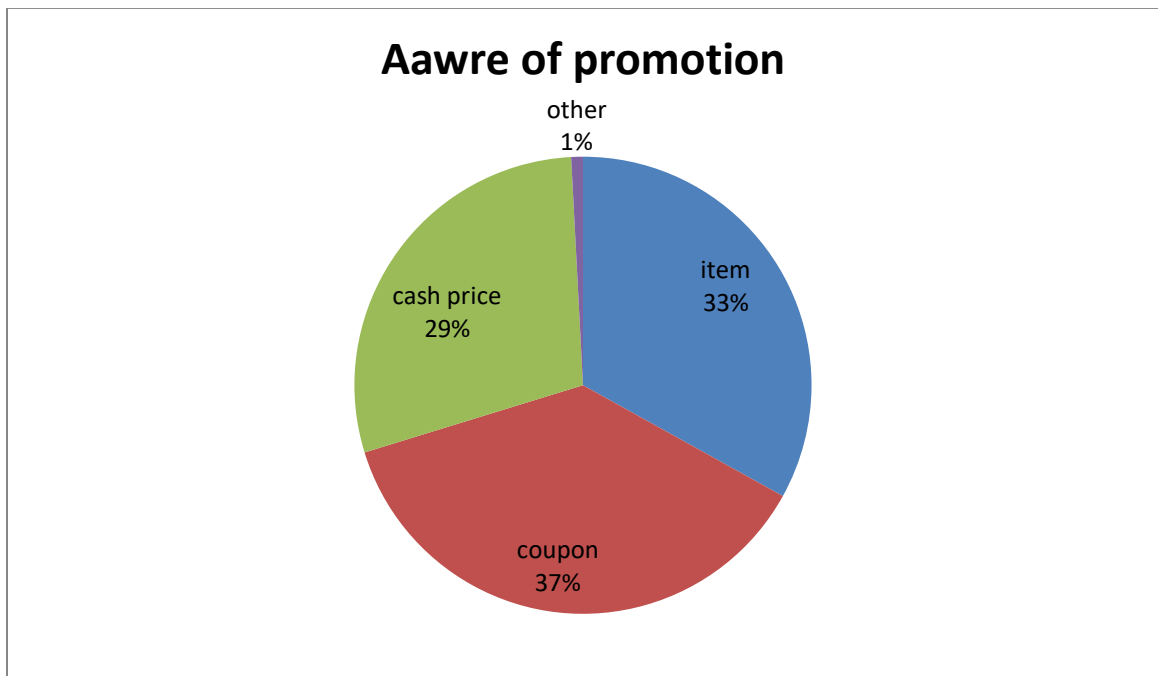
Source: Survey 2069

The above table reveals the popularity of promotional work which provide by manufacturer of cold drinks. According to the table 90% of people know about the promotional work and the only 10% of people are unknown about the promotional.

Table No.9
Aware of Promotion

Particular	No.	Percentage
Item	48	32
Coupon	54	36
Cash Price	42	28
Other	6	4
Total	150	100

Source:Survey 2069

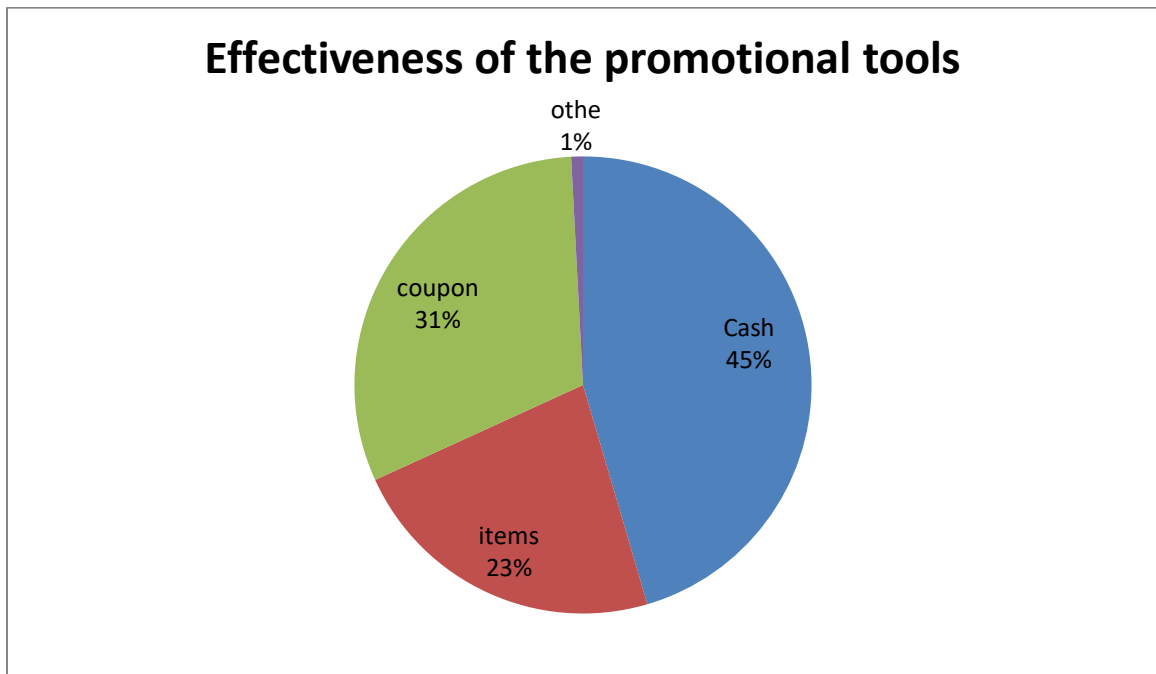


Out of the total respondents 36% people are aware of the item price,32% aware of coupon.28% cash and remaining 4% of people aware of other promotional works.

Table No.10
Effectiveness of the Promotional Tools

Particular	No.	Percentage
Cash	66	44
Items	33	30
Coupon	45	22
Others	6	4
Total	150	100

Source:Survey2069



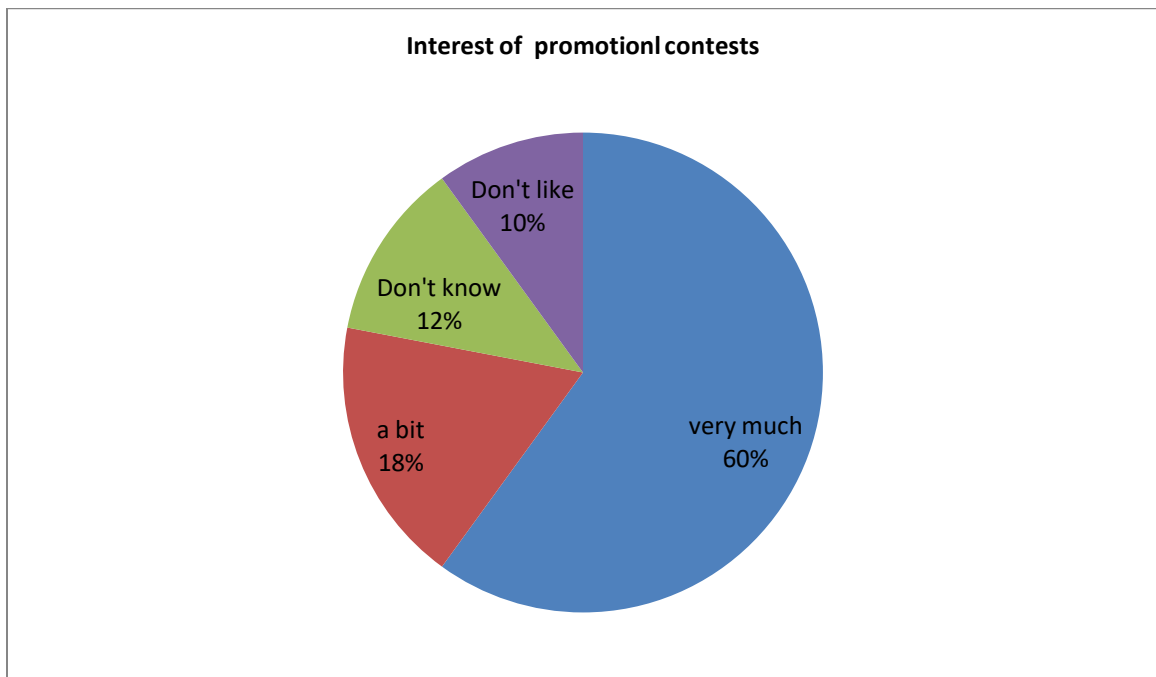
The table shows the effectiveness of the promotional tools. Out of the Total respondents 44% of people choose cash price, 30% item, 22% coupon and 4% of people choose other promotional tools.

Table No.11

Interest on Promotional Contests

Particular	No.	Percentage
Very much	90	60
A bit	27	18
Don't Know	18	12
Don't like	15	10
Total	150	100

Source:Survey 2069



The above table shows the interest of the people on promotional contents. Out of the total respondents 60% of people like these contests very much. 18% like a

bit,12% of people are indifference of these contests and 10% of people are againsta of these contest.

Hypothesis No.3

H₀: There is no relationship between contents and consumer behaviour.

H₁:There is relationship between contents and consumer behaviour.

Caculated value of x^2 is greater than tabulated value(33.36>7.8).So null hypothesis (H₀) is rejected.So we can say that there is a relationship between contents and consumer behaviour i.e. consumer are like sales Promotion Contents.

Table No.12
Participation in contents

Particular	No.	Percent
Yes	108	72
No	42	28
Total	150	100

Source:Survey2069

The table depicts that 72% of people takig parts in contents and 28% of people donot taking any parts in contents.

Table No.13
Win Prizes

Particular	No.	Percent
Yes	36	24
No	114	76
Total	150	100

Source:Survey2069

Table No.14
Encourage to Consumer More

Particular	No.	Percent
Yes	84	56
No	66	44
Total	150	100

Source:Survey 2069

The above table shows that if promotion scheme should be change 56% of people are encouraged to consumer more cold drink and 44% of people are not affect by any scheme.

Table No.15
Brand Switching

Particular	No.	Percent
Yes	111	74
No	39	26
Total	150	100

Source:Survey 2069

The above table shows that 74% of people switch their brand if they do not provide any promtion package.And 26% of people are brand loyal so they do not chage their usual brand.

4.1.4 Media Graphic

To Know which media is suitable to convey the message of sales promotion, which media is more popular,the researcher wants to ask some question like. “Do you watch/read/listen the programs and news from T.V.paper and Radio?” The following is the relating with media.

Table No.16
Habit on watching Programs

Particular	No.	Percent
Yes	150	100
No	0	0
Total	150	100

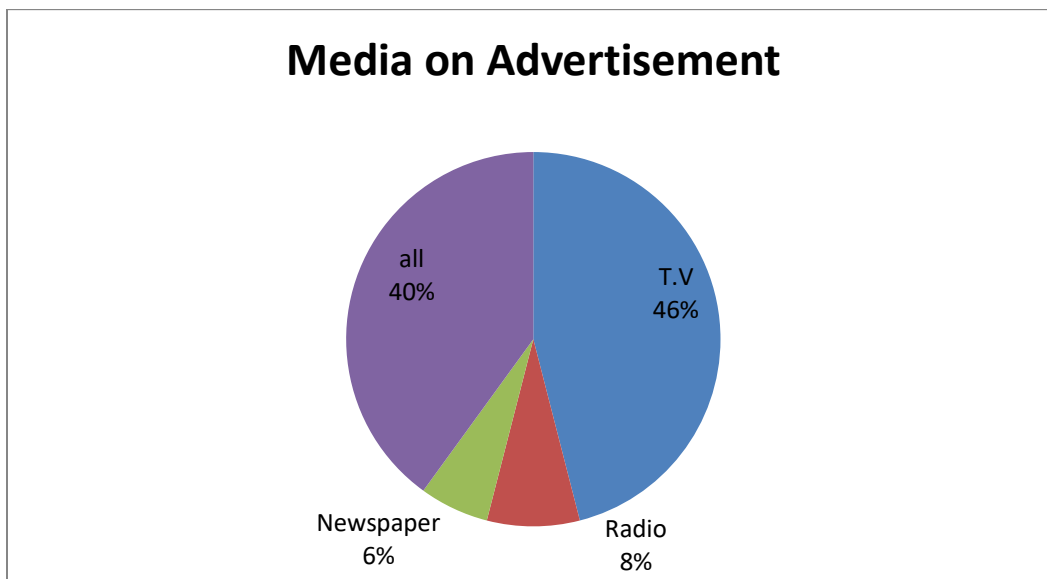
Source: Survey 2069

The table shows the cent percent of people watch/listen/read the programs and news on T.V radio and paper respectively.

Table No.17
Media on Advertisement

Particular	No.	Percent
T.V.	69	46
Radio	12	8
<i>Newspaper</i>	9	6
<i>All</i>	60	40
<i>Total</i>	150	100

Source: Survey 2069



The table shows that 46% of people choose T.V. 8% choose radio,6% choose newspaper and 20% of people choose all these media to watch/listen/read the programs and news.

Table No.18
Interest on advertisement

Particular	No.	Percent
Yes	135	90
No	15	10
Total	150	100

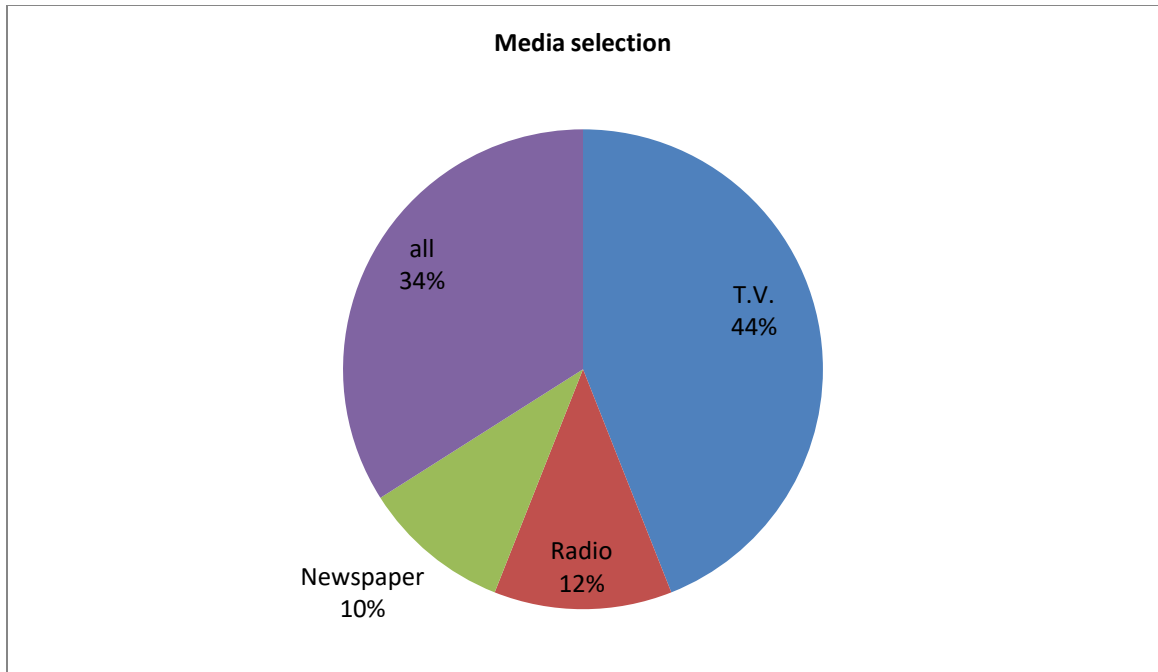
Source:Survey 2069

Out of the total 50 respondents 90% of people show interest on advertisement and 10% of people not interest on advertisement.

Table No.19
Media selection

Particular	No.	Percent
T.V.	66	44
Radio	18	12
Newspaper	15	10
All	51	34
Total	150	100

Source:Survey 2069



The Above table indicates that 56% of people select electronic media (include T.V. and radio) 10% select print media (newspaper) and 34% of people select both print and electronic media.

Hypothesis No.4

H₀: There is no relationship between media selection and consumer habit.

H₁: There is a relationship between media selection and consumer habit.

Tabulated value of χ^2 for 3df at 5% level of significant is 7.81. Calculated value of χ^2 greater than tabulated value ($16.72 > 7.81$). So null hypothesis (H₀) is rejected i.e. there is relationship between media selection and consumer habit.

4.1.5 Retail Shopkeeper's Opinion

To know what shopkeeper think about sales promotion program the researcher ask some question to them. The following is the table relating with sales person.

Table No.20
Known about promotion Task

Particular	No.	Percent
Yes	144	96
No	6	4
Total	150	100

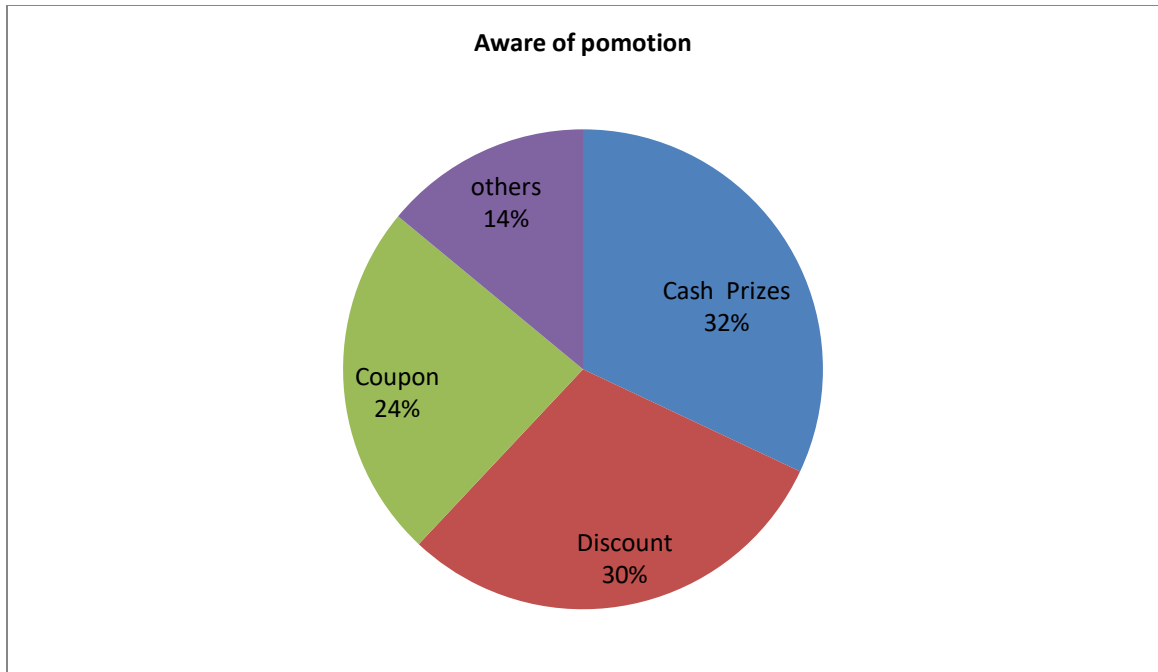
Source:Surve 2069

The above table shows the coverage of promotion 96% of people know about at any one promotional work that manufacture promote and only 4% of people do not know about promotion.

Table No.21
Aware of Promotion

Particular	No.	Percent
Cash Prizes	48	32
Discount	45	30
Coupon	36	24
Others	21	14
Total	150	100

Source:Survey 2069



Out of total respondets 32% retailer are aware of cash prize,30% aware of discount,24% coupon and remaining 14% of people aware aof others promotional works.

Hypothesis No.5

H₀: There is no signification different between promotion and retailer i.e.,retailers are aware of promotion.

H₁: There is signification difference between promotion and retailers i.e.,retailers are not aware of promotion.

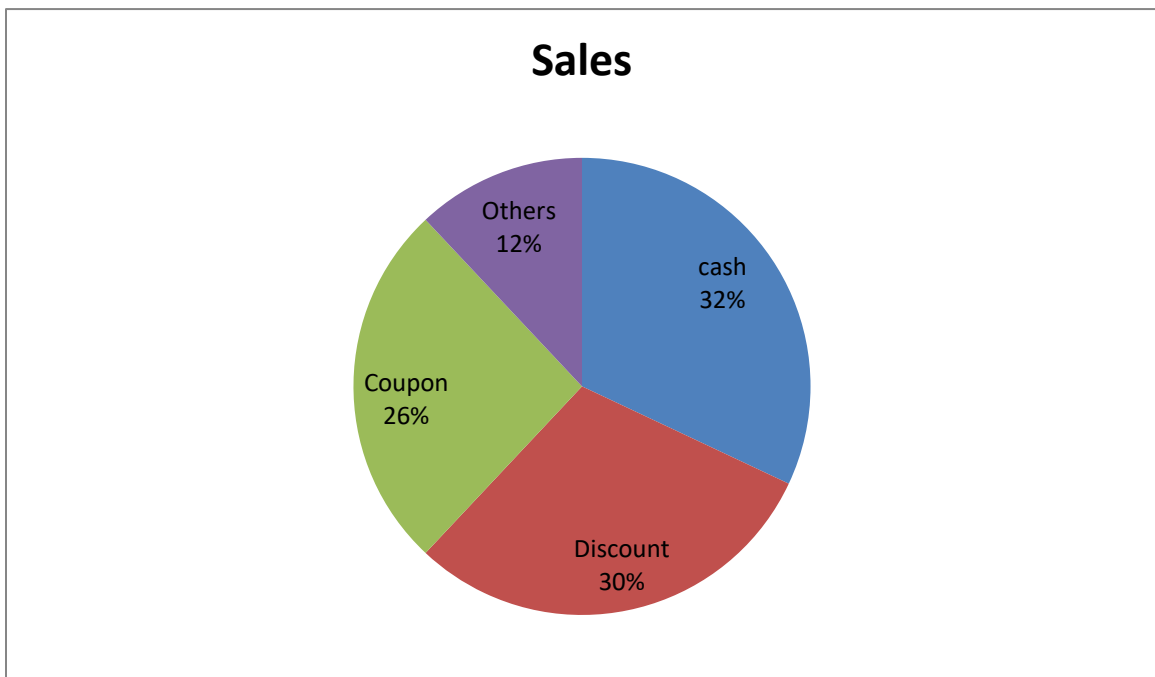
Tabulated value of x^2 at 5% level of significance for 3df is greater than calculated value (7.81>3.90).So we accept null hypothesis.

(H₀)i.e. consumer are aware of promotional tasks.

Table No.22
Encourage to sales value

Particular	No.	Percent
Cash	48	32
Discount	45	30
Coupon	39	26
Others	18	12
Total	150	100

Source:Survey2069



The above table shows that the coverage of promotional tools 32% of retailer is encouraged by cash prize.30% encouraged by discount.24% encouraged by coupon and remaining 14 % of retailer are encouraged by others tools to sales more.

Hypothesis No.6

H₀: There is no significances difference between promotion and sales.

H₁: There is significances difference between promotion and sales.

Tabulated value of χ^2 at 5% level of significance for 3df is greater than its calculated value(7.81>3.90).Null hypothesis (H₀) is acceptable i.e.sales and sales promotion is related.

Table No.23
Taken parts on contents

Particular	No.	Percent
Yes	147	98
No.	3	2
Total	150	100

Source:Survey 2069

The above table shows that 98% of sales person (Shopkeepers) are involving at one contents and only 2% of are not taken parts on these contents.

Table No.24
Win Prizes

Particular	No.	Percent
Yes	138	92
No	12	8
Total	150	100

Source:Survey 2069

The table show that 92% of people win prizes and only 8% of people do not win any prize.

Table No.25
Effectiveness of Sales promotion

Particular	No.	Percent
Yes	114	76
No	36	24
Total	150	100

Source:Survey 2069

The above table shows that effectiveness of sales promotion.76% of retailers are affected by promotion but 24% of retailers are not affected by promotion.

Table No.26
Effect of Sales Promotion on Sales

Particular	No.	Percent
Yes	120	80
No.	30	20
Total	250	100

Source:Survey 2069

80% of retailer of says that they are affected by promotion work.If any product do not provide any promotion package they switch their brand but 20% of retailer are brand loyal.

4.2 Trends of Sales of Coca-Cola Group

Sales data coca-cola has taken from distribution located in kathamandu distributor give data yearly basis not no monthly basis.So research divided this data on monthly on the brand of distributor report and according to season.

All sales data of the coca-cola are taken from distributors. The researcher already presented the data taken from consumer in earlier part. In this part 9% and evaluated the data of sales of coca-cola. Out of total cold drink that been in market the researcher took only these brands of Coca-Cola as an example i.e., coke, fanta and sprite.

The collected data have been presented using group and bar diagram. Graph and bar diagram is simple and easy to understand actual picture. The researcher use only previous year's data.

4.2.1 Sales Data of coke

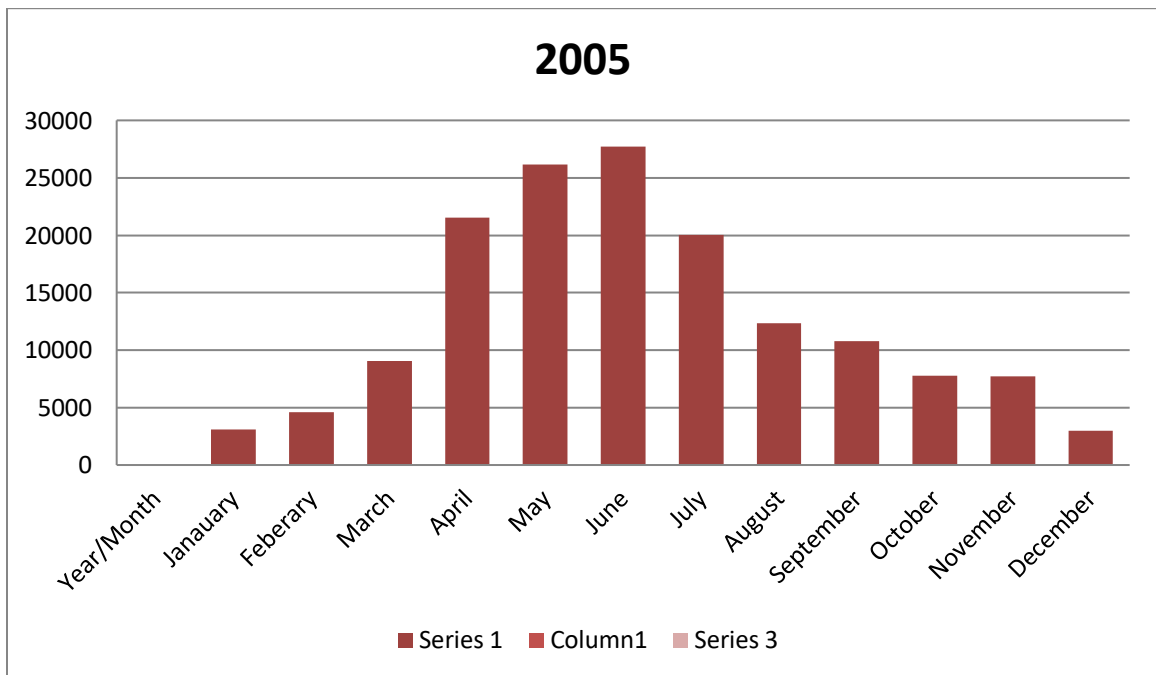
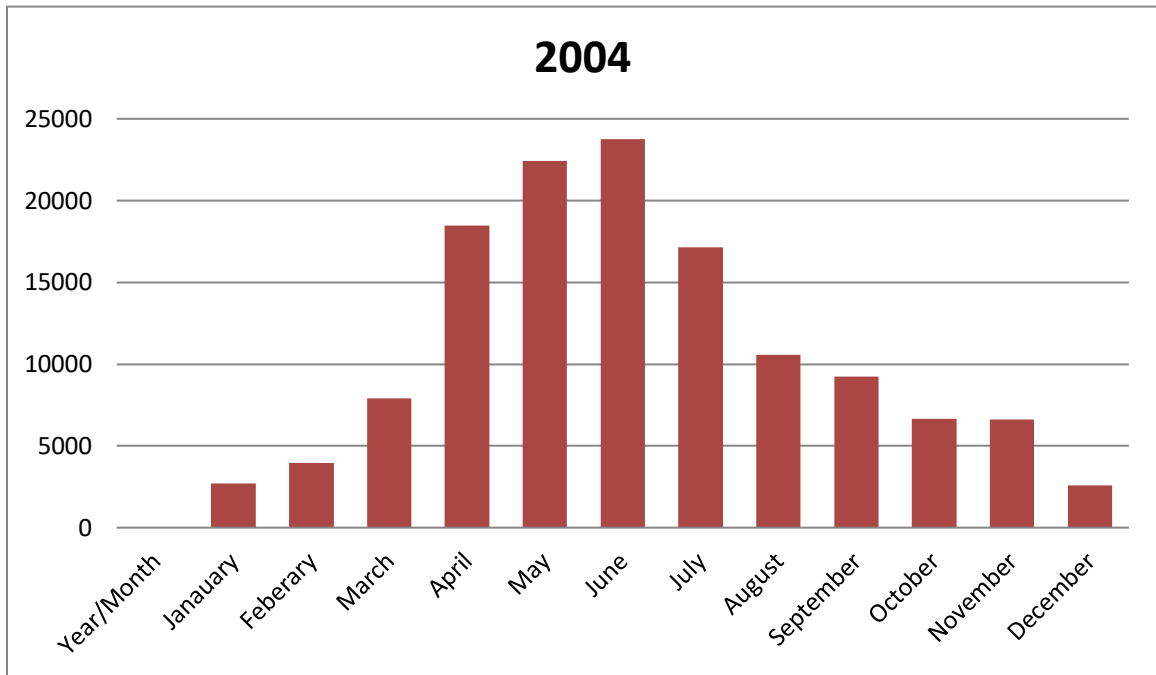
**Table No:-27
Sales Data of coke**

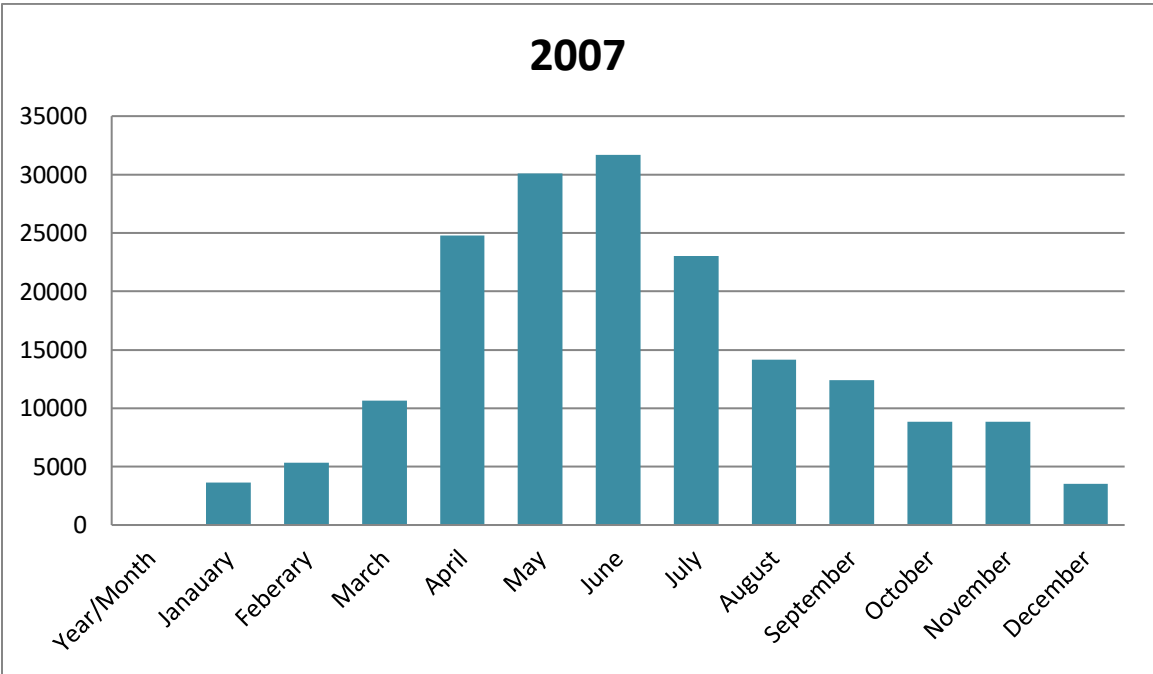
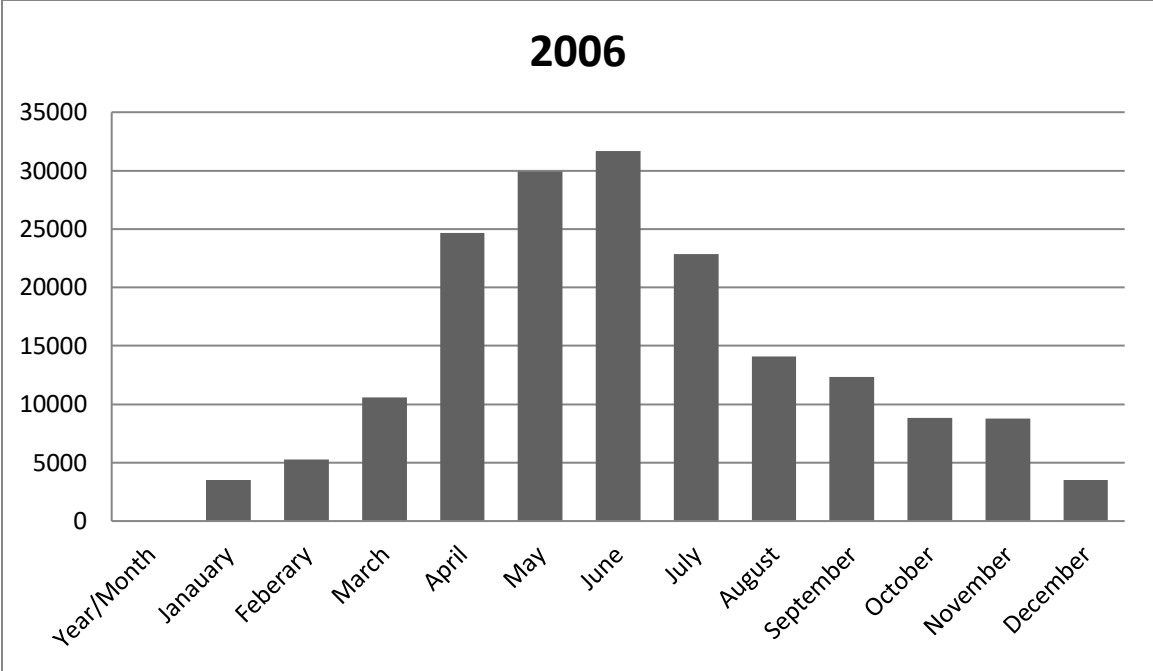
Year/Month	(In crate)							
	2004	2005	2006	2007	2008	2009	2010	2011
January	2690	3080	3520	3640	4040	4440	4650	4700
February	3960	4620	5280	5310	6060	6260	6370	6400
March	7920	9040	10560	10620	12120	12240	12440	12500
April	18480	21560	24640	24780	28250	28500	29800	30000
May	22440	26180	29920	30090	34340	34500	34550	35560
June	23760	27720	31680	31680	36360	36450	36500	37000
July	17160	20020	22880	23010	26260	26300	26350	26500
August	10560	12320	14080	14160	16160	16200	16250	16500
September	9240	10780	12320	12390	14140	14200	15000	15236
October	6640	7780	8820	8850	10140	10345	10456	10500
November	6600	7700	8800	8850	10100	10234	10567	10600
December	2600	3000	3500	3540	4030	4100	4235	4567
Total	132000	154000	176000	177000	202000	203769	207168	210063

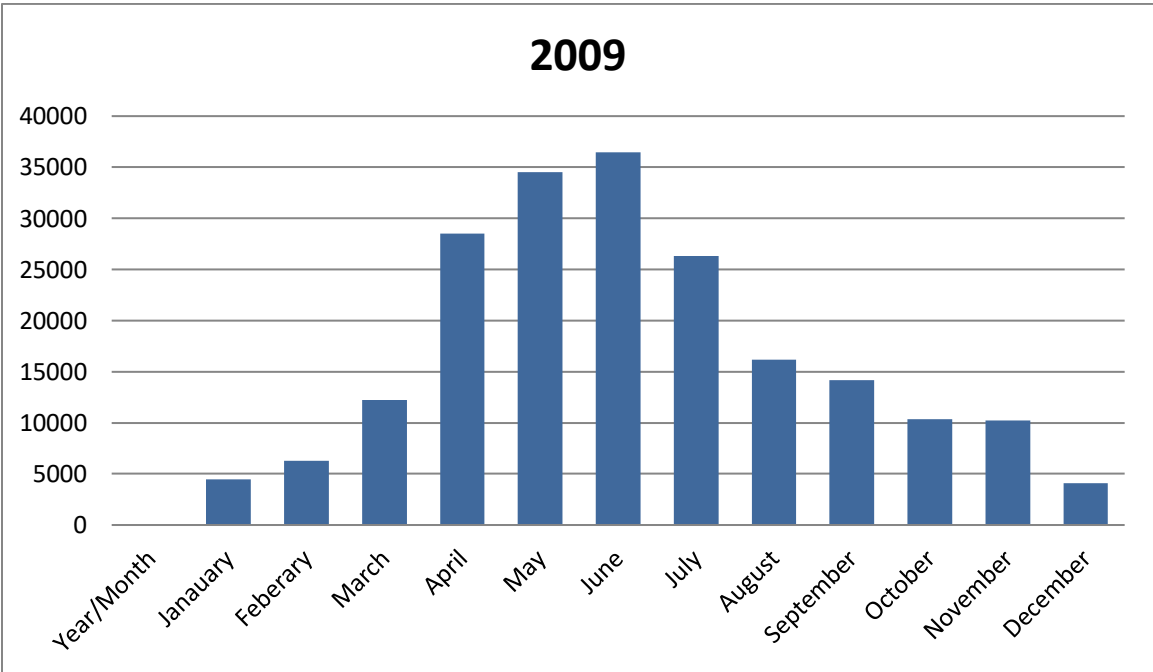
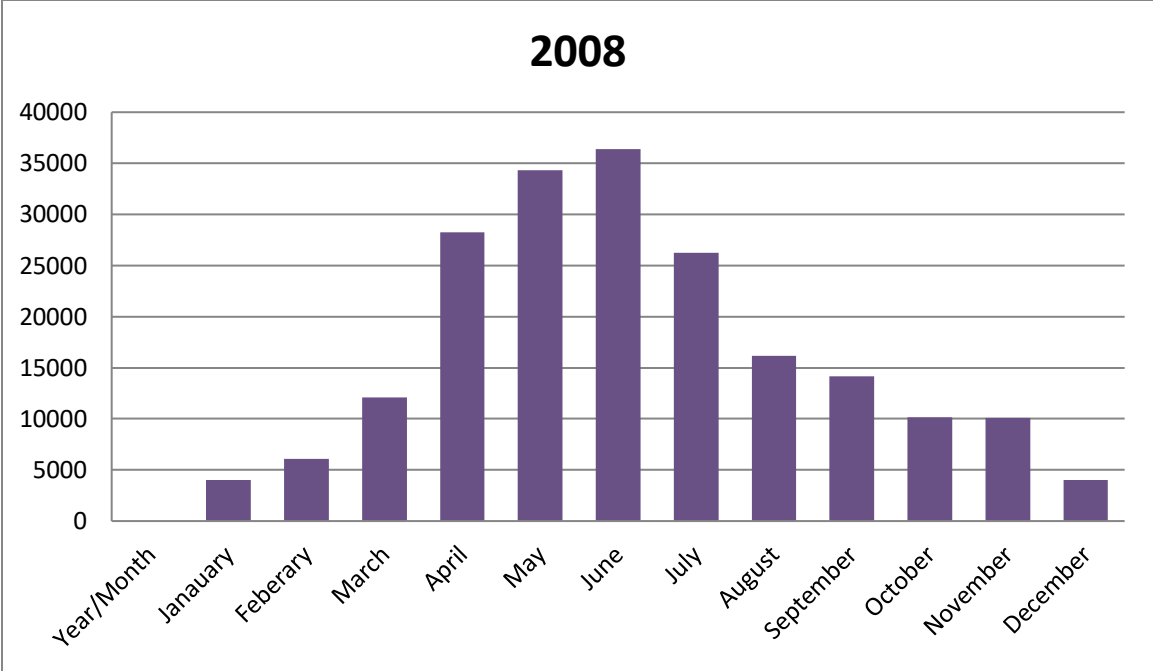
Source: Coke Distribution, Kathmandu

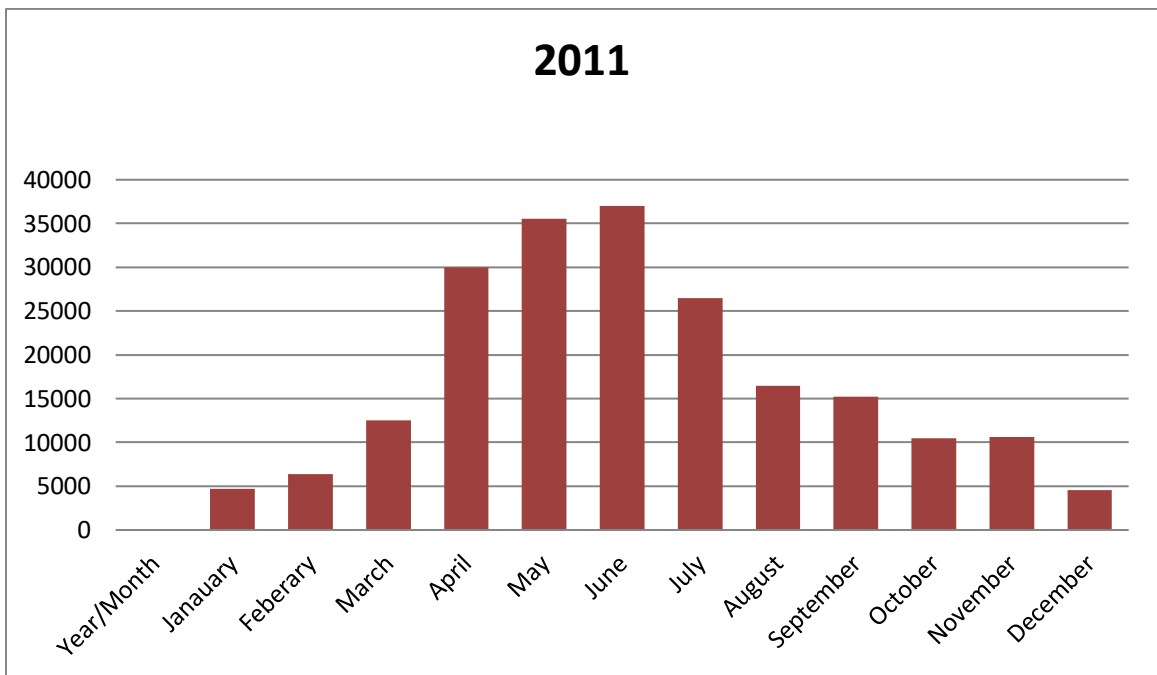
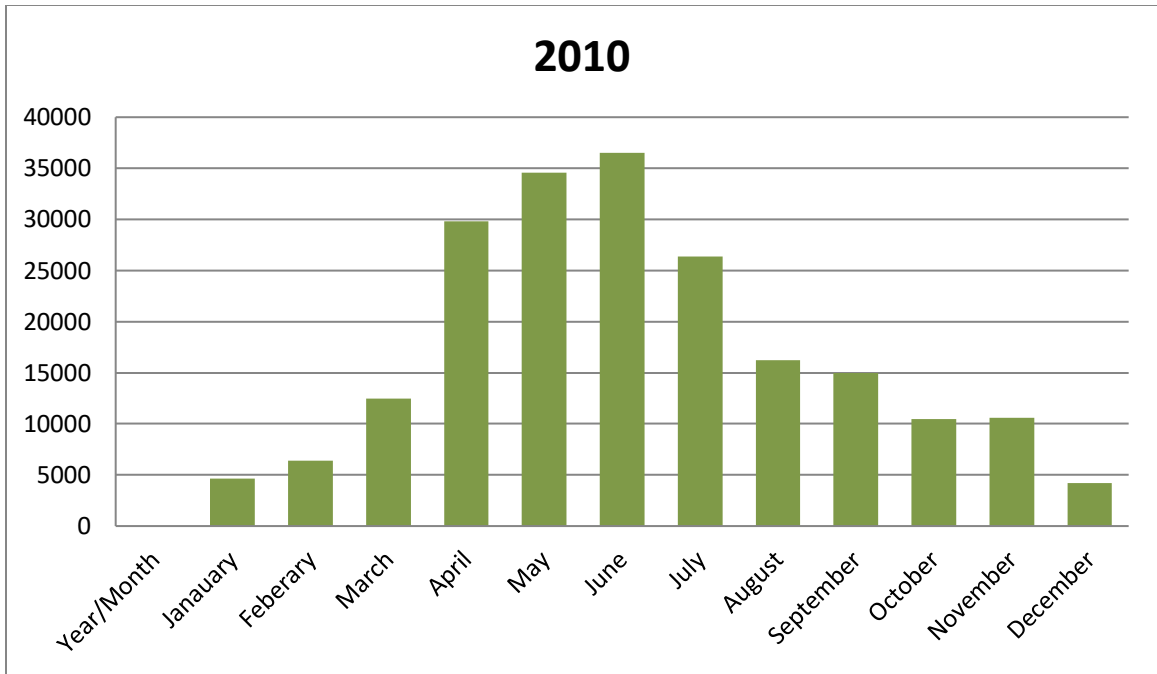
(1 Crate=24 bottles)

Graphical Analysis of Sales Data of Coke



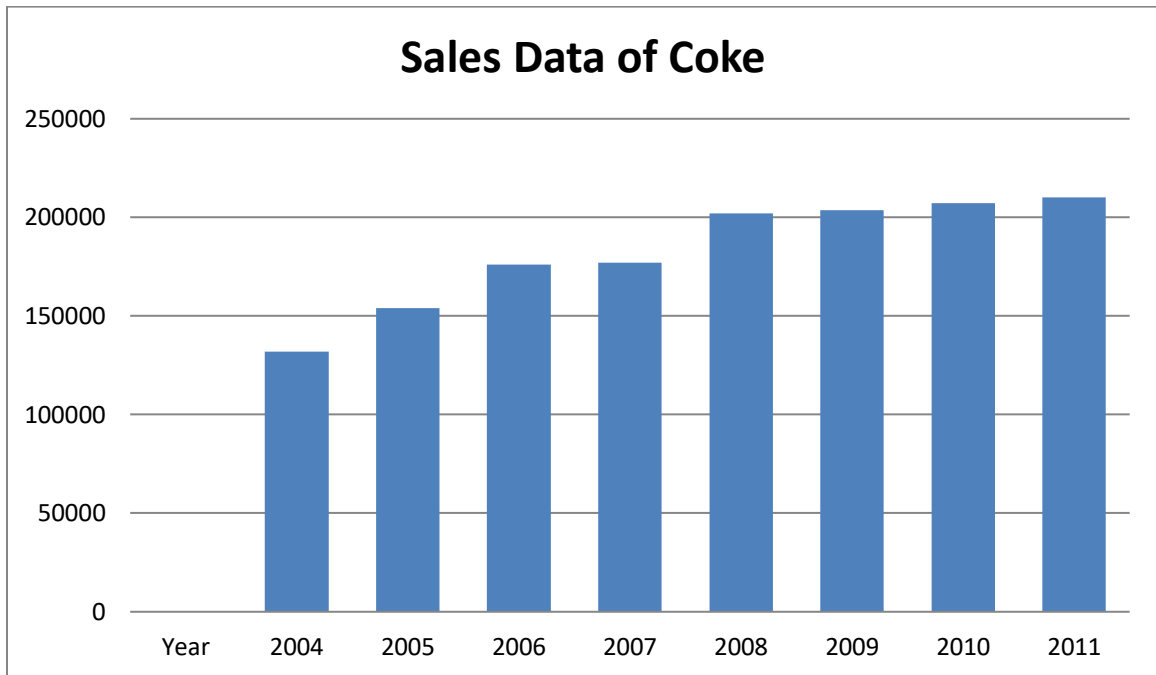






Sales of coke have gone same way on each year. Maximum sales month April, May & June. In this month company provide special promotional package and increased sales by 50% first and last two months sales are very low because of cold season. After march sales season started. On October Nepalese main festival Dashain and Tihar comes. In this time sales have increased than after gone

down. According to marketing manager April, May and June is the main season. In this time they achieve 50% sales target.



In 2005 coke sales 154000 crates. In 2006 sales goes up 176000 crates. On year 2007 sales have gone up ward slow motion. But in Year 2008 sales has research 202000 crate. In year 2006 company has not provide any new special promotional program. So sales has incgeased slowly. In year 2008 Coke Company provide special freeze scheme, discount scheme, free coke scheme (liquid only), coupon scheme, etc. In 2009, 2010 & 2011 sales are respectively 203769, 207168 & 210063.

4.2.2 sales Data of Fanta

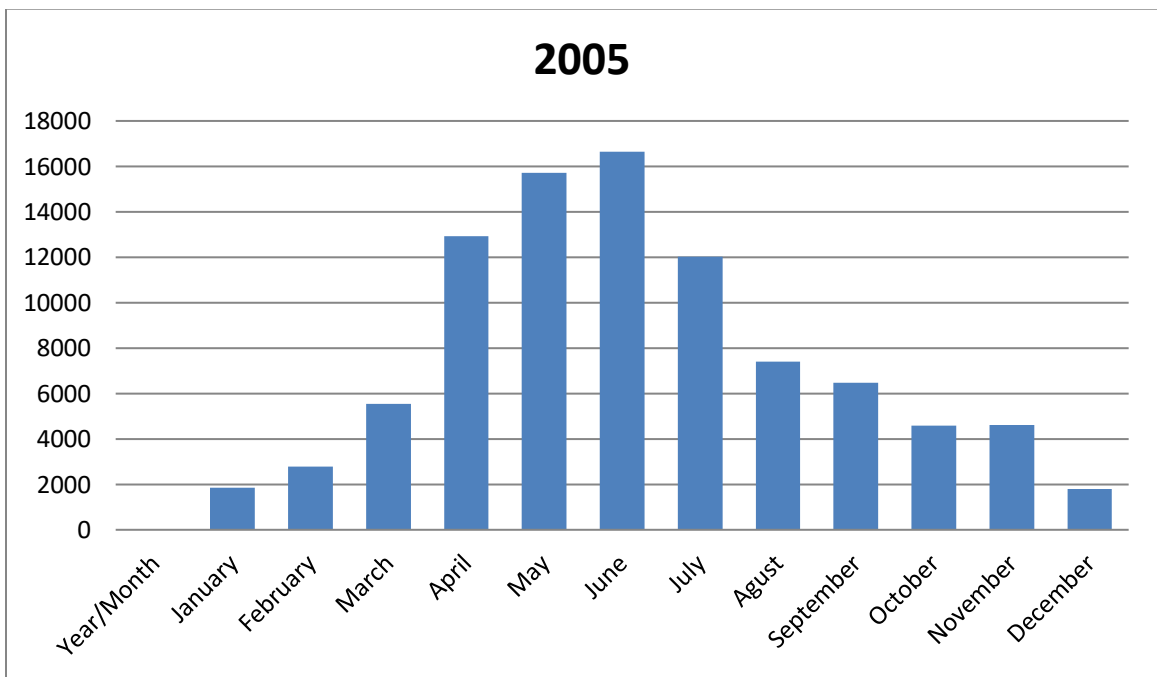
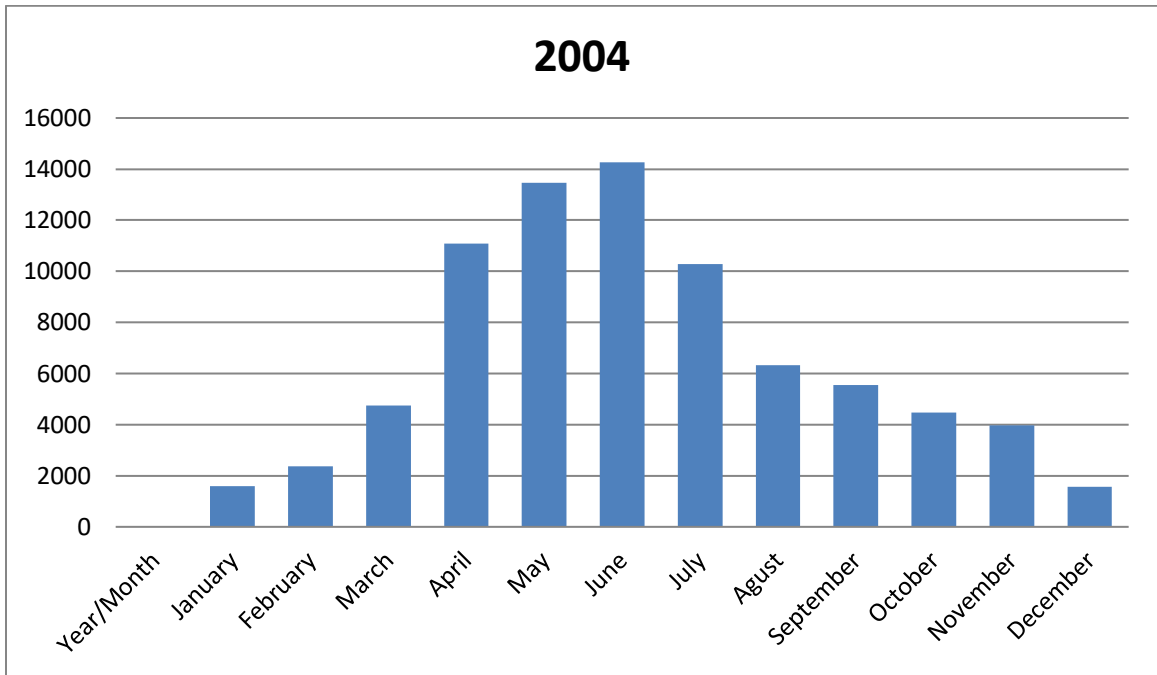
Table No.28
Sales Data of Fanta
(In Crate)

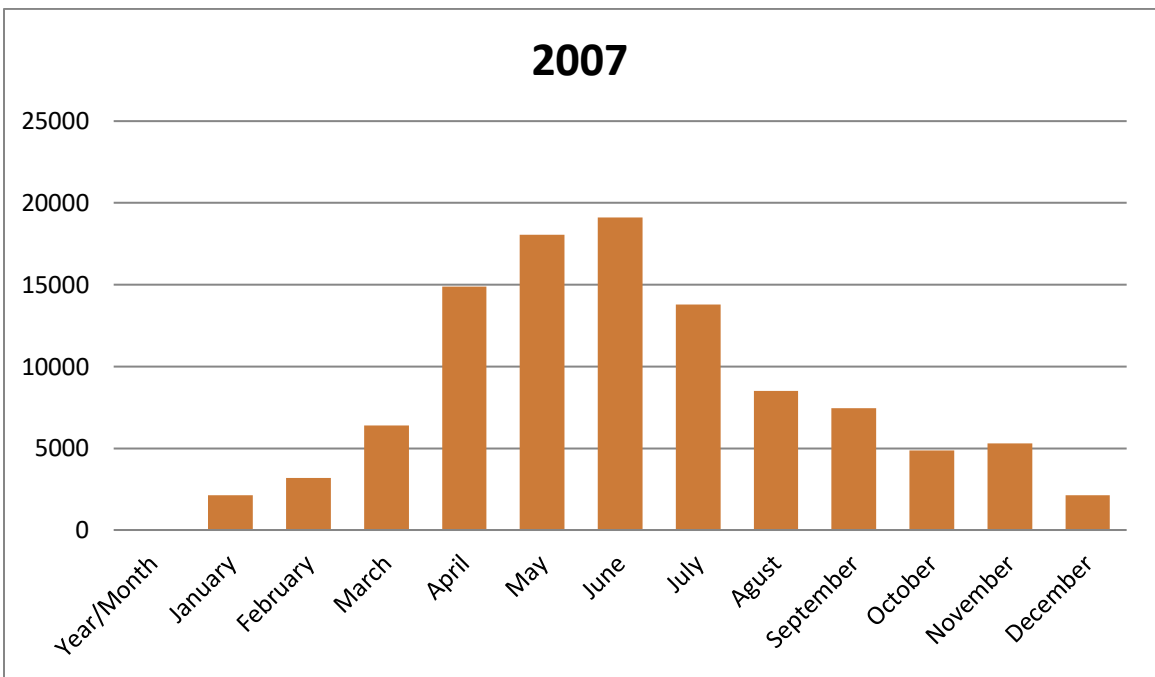
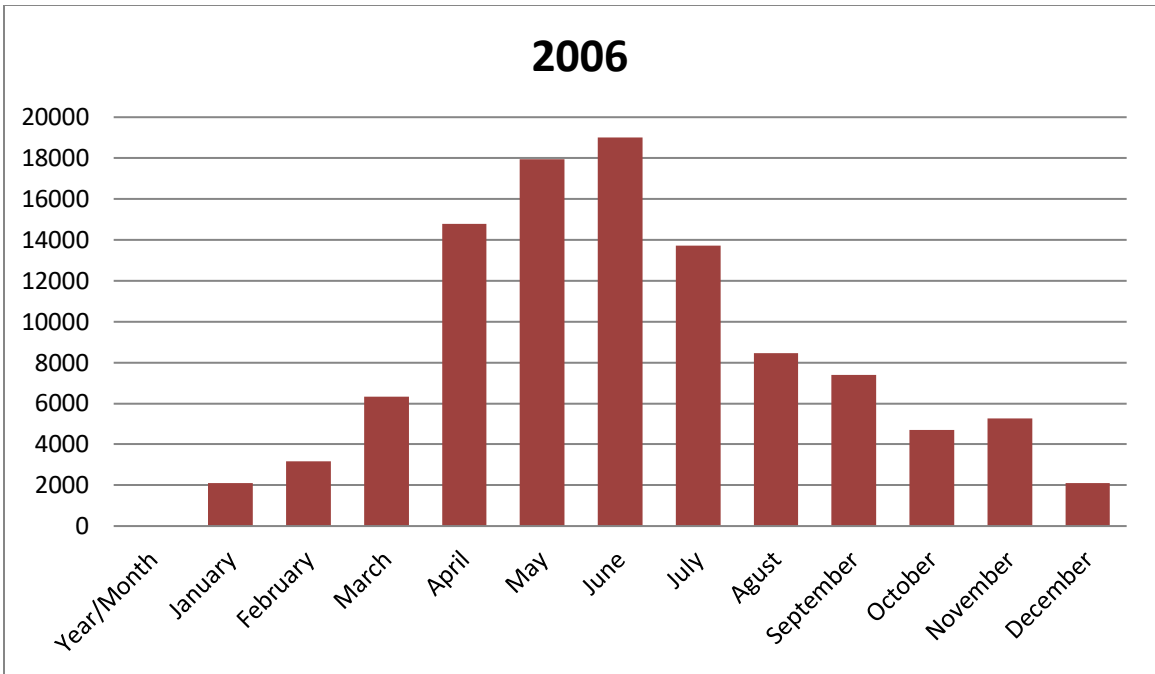
Year/Month	2004	2005	2006	2007	2008	2009	2010	2011
January	1584	1848	2112	2124	2424	2450	2500	2550
February	2376	2772	3168	3186	3636	3700	3786	3798
March	4752	5544	6336	6372	7272	7500	7550	7600
April	11080	12936	14784	14868	16950	16700	16771	16790
May	13464	15708	17952	18054	20604	20987	21119	21980
June	14256	16632	19008	19116	21816	21997	22000	22400
July	10296	12012	13728	13806	15756	15967	16000	16233
Agust	6336	7392	8448	8492	9696	10000	11000	11500
September	5544	6468	7392	7434	8484	8550	8997	9000
October	4465	4587	4687	4865	5000	5233	5422	5576
November	3960	4620	5280	5310	6060	6123	6235	6432
December	1560	1800	2100	2124	2418	2445	2490	2500
Total	79200	92400	105600	106200	121200	121652	123870	106577

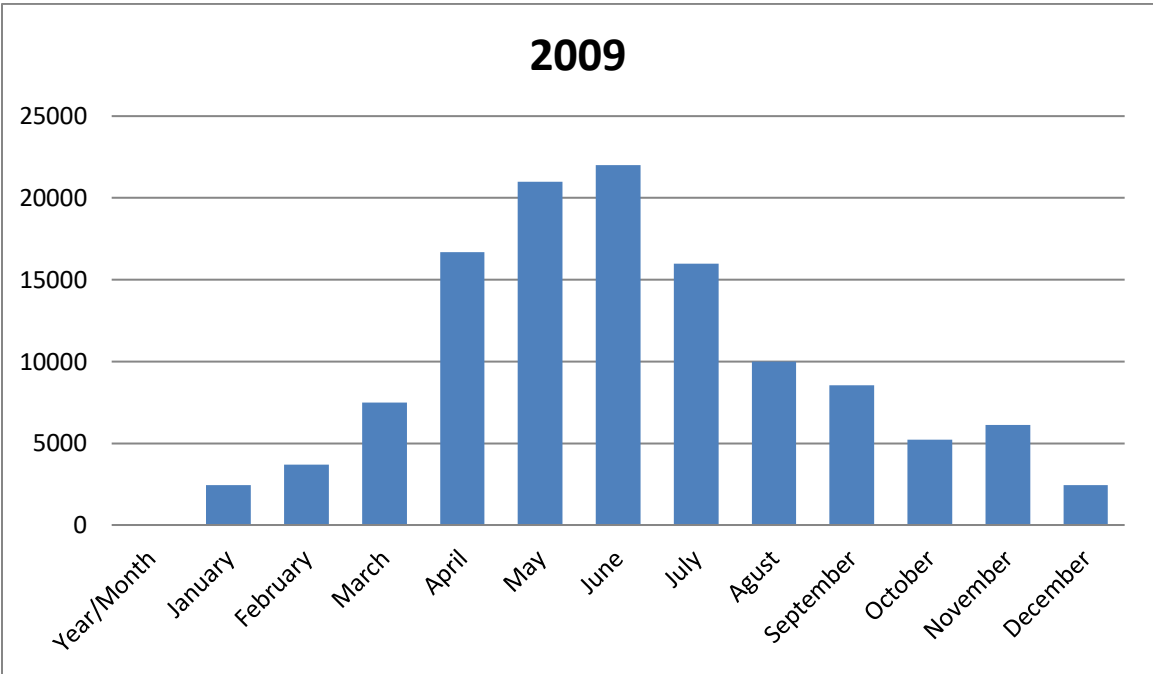
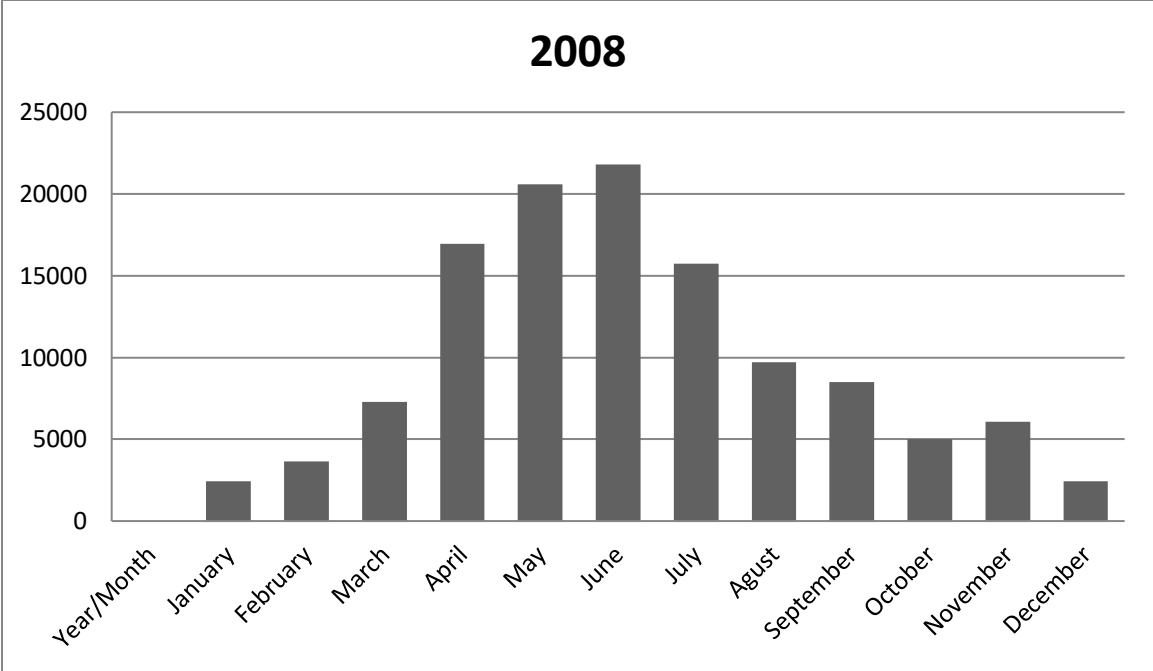
Source: Coca-Cola distribution, kahmandu

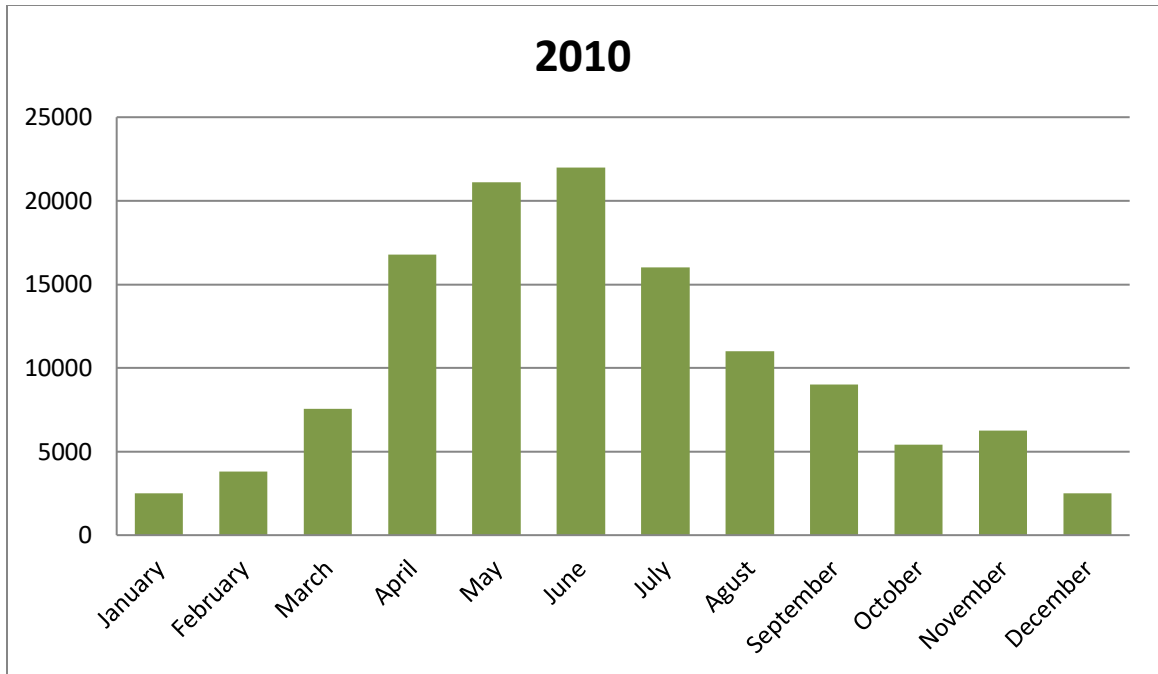
(1 Crate-24 bottles)

Graphical Analysis of sales Data of Fanta

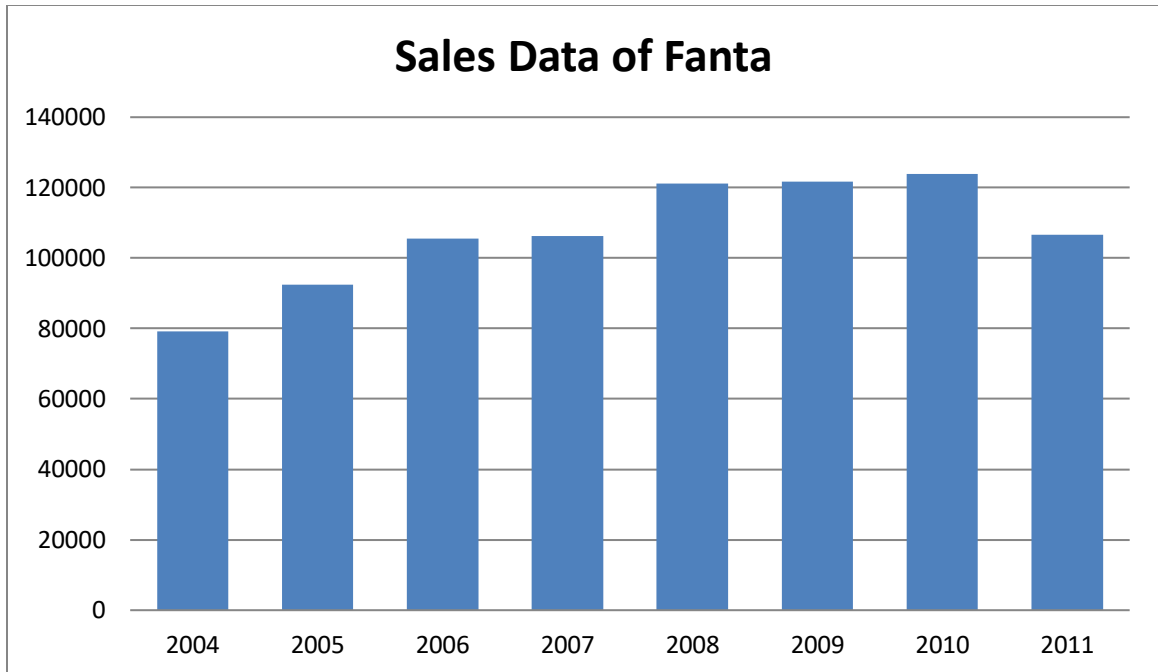








Sales of Fanta have gone same way on each year. The company achieve maximum sales target on April, May, June & October. On this four month, company sales above 50% out of tota year's sales. In this season company provide various consumer and dealer promotion program has clearly show that sales are increased on April, May and June then decrease on october sales is again go up because of Dashain and Tihar. The biggest festival of hindus.



In 2005 sale Fanta is only 92400 crates, In 2006 its sales gone 105600 crate likewise in 2007 sales has reached 106200 crates and in 2008, it achieve its target on 121200 crates. Fanta is 2nd largest selling of coca cola company in Nepal. Every year Fanta also provide any one special promotion program freeze, free drink, coupon contents and other various programs has done by the company. So Fanta has increasesd its sales every year. Sales volume of 2009, 2010 & 2011 is 121652, 123870 & 106577.

4.2.3 Sales Data of Sprite

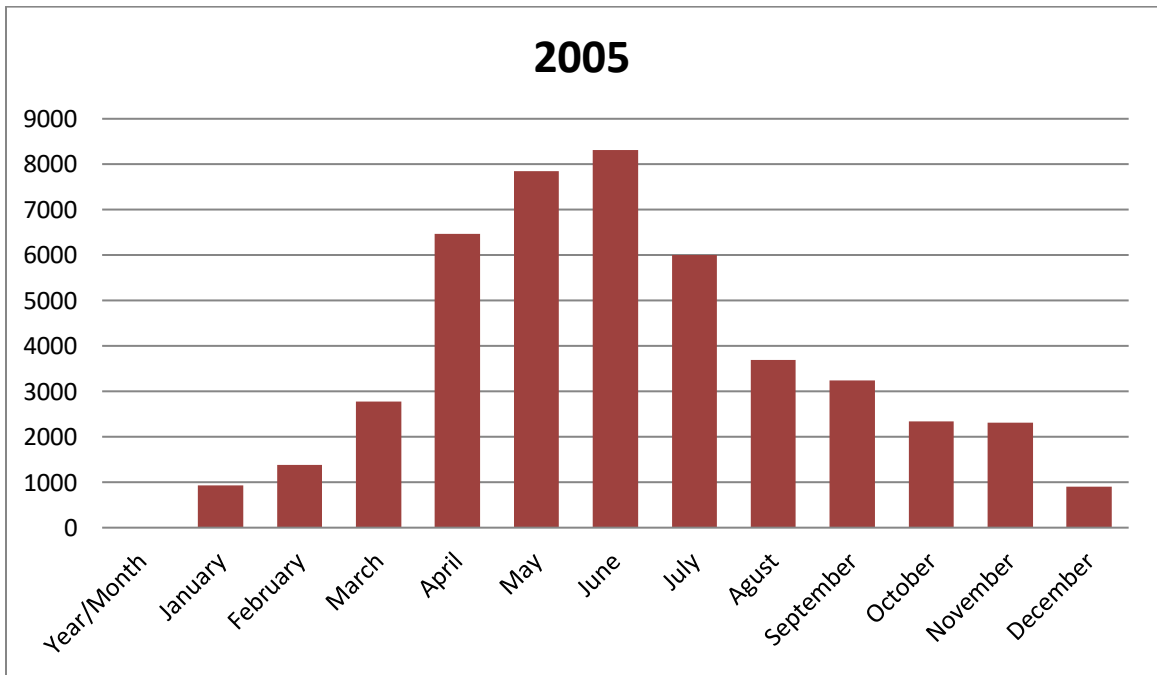
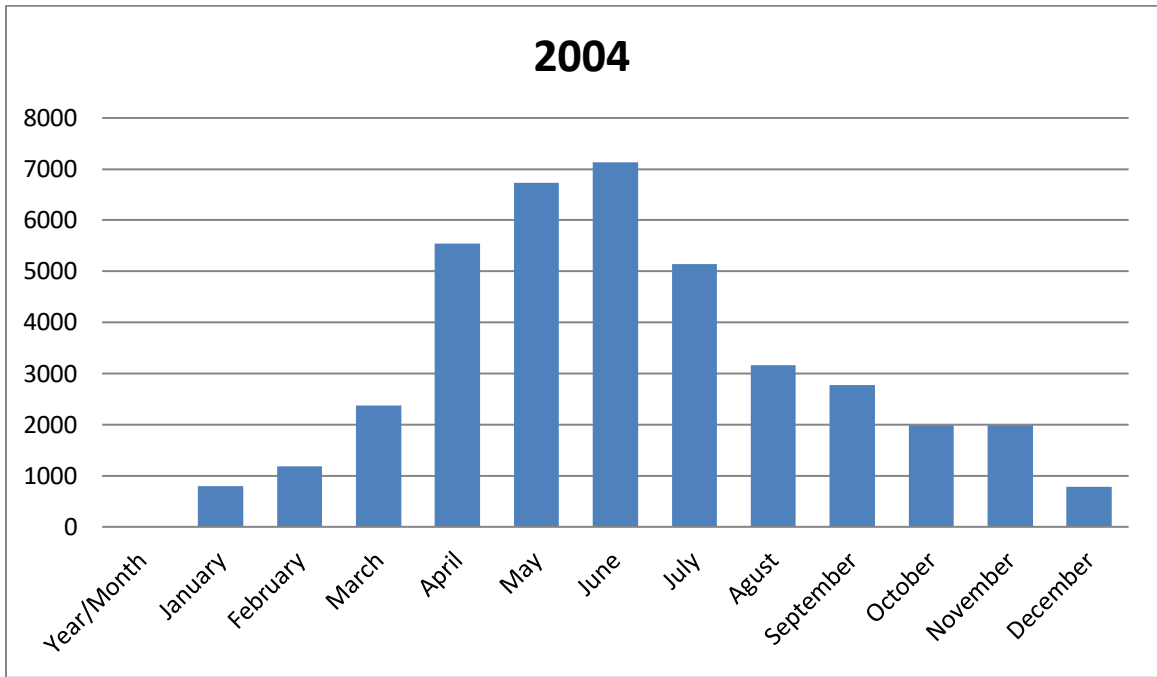
Table No. 29
Sales Data of sprite

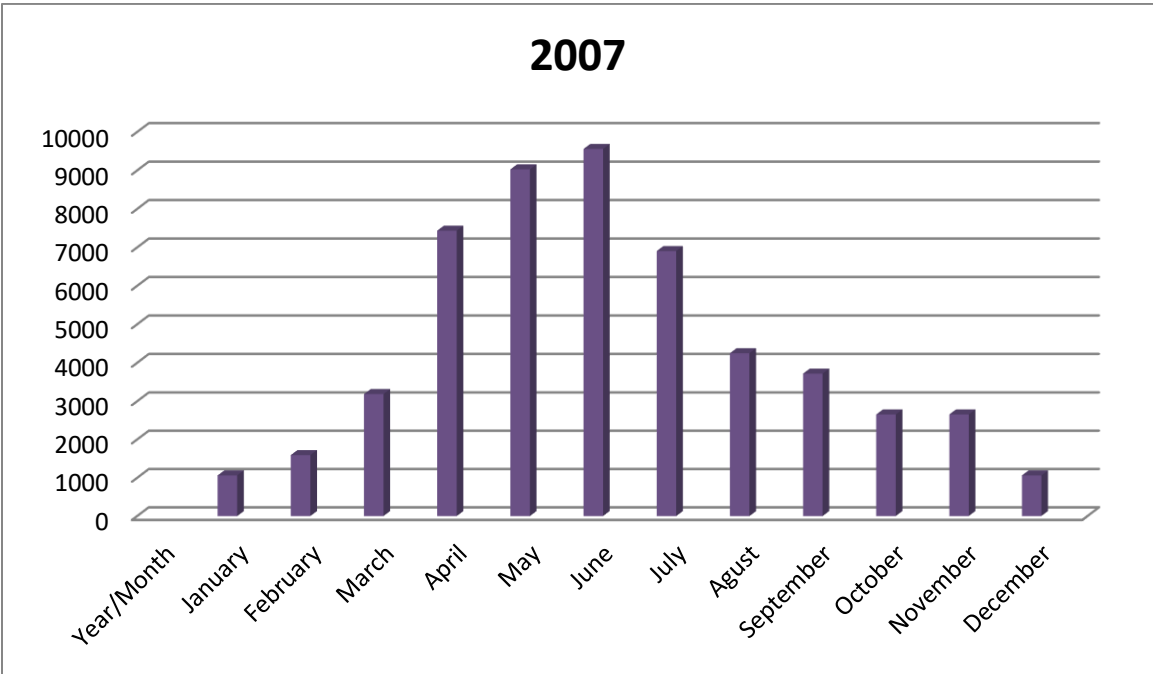
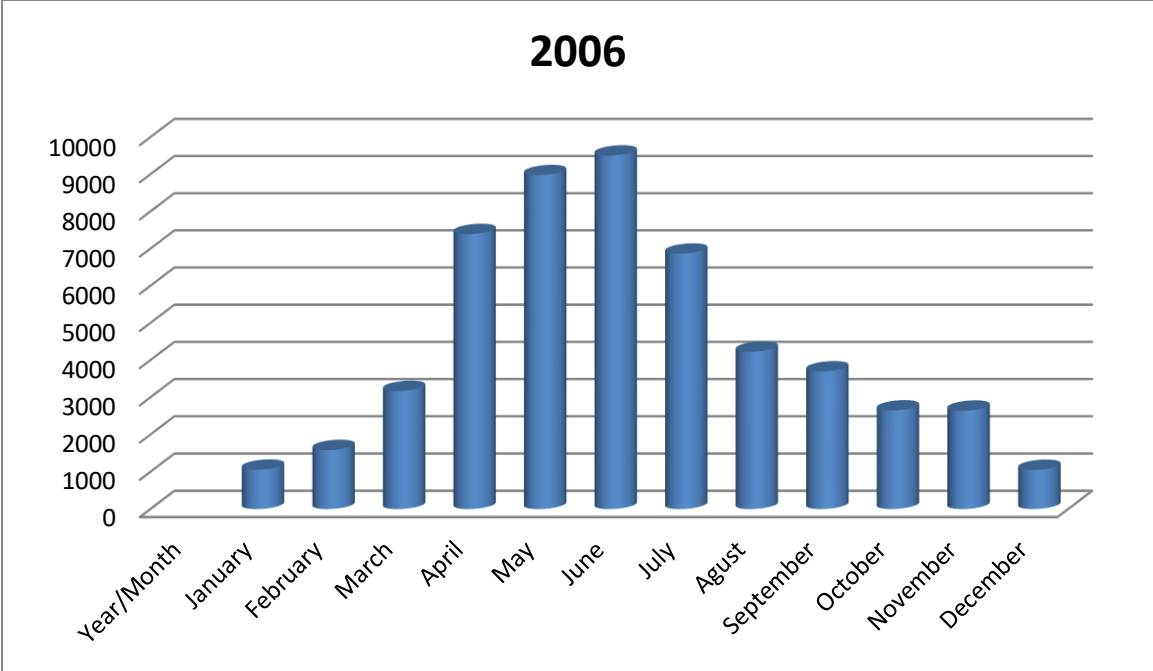
Year/Month	2004	2005	2006	2007	2008	2009	2010	2011
January	792	924	1056	1062	1212	1234	1434	1654
February	1188	1386	1584	1593	1818	2145	2165	2234
March	2376	2772	3168	3186	3636	3738	3400	3423
April	5544	6468	7392	7434	8472	8654	8754	8954
May	6732	7854	8976	9027	10302	11434	12467	13876
June	7128	8316	9504	9558	10908	11477	12467	13976
July	5148	6006	6864	6903	7878	7954	8754	9653
Agust	3168	3696	4224	4248	4848	4976	5087	5589
September	2772	3234	3696	3717	4242	4324	4556	4765
October	1992	2334	2646	2655	3042	3134	3244	3345
November	1980	2310	2640	2655	3030	3249	3344	3421
December	780	900	1050	1062	1209	1237	1278	1290
Toal	39600	46200	52800	53100	60600	63556	66950	72180

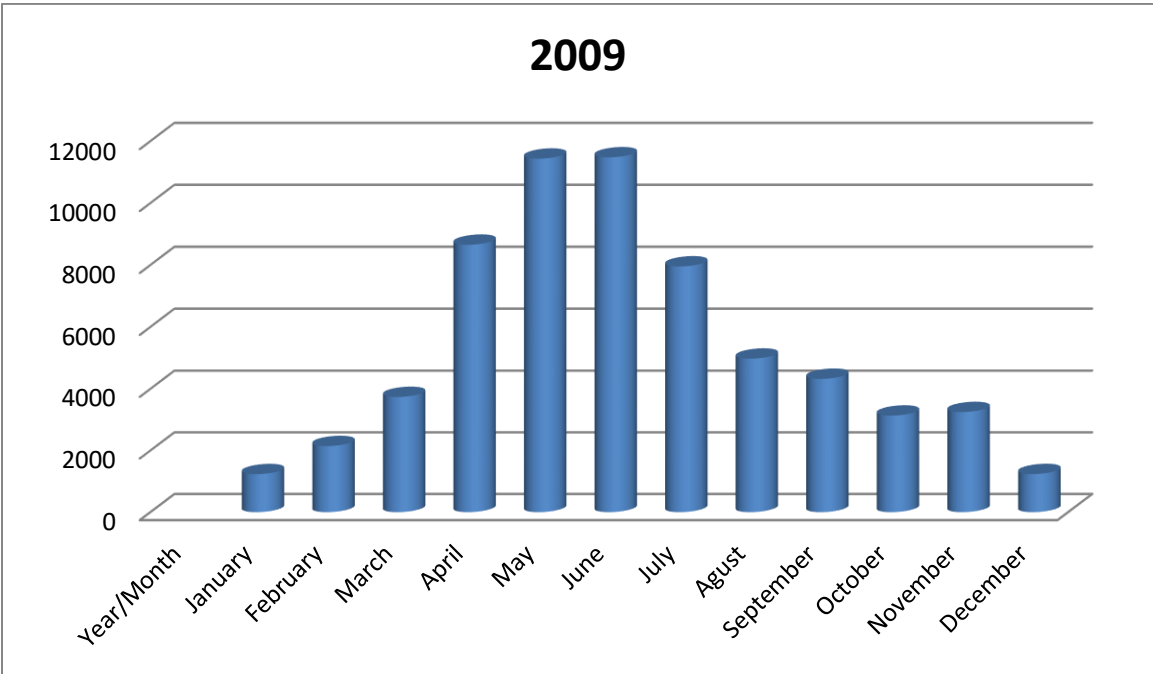
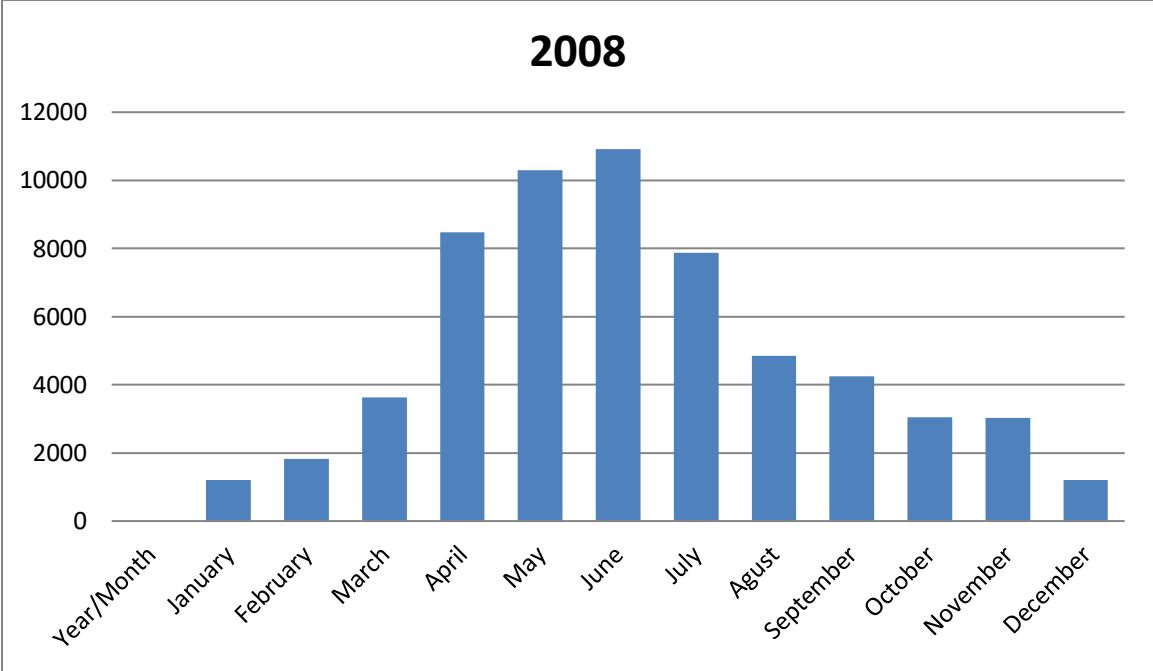
Source: Coca-Cola distributors, Kathmandu

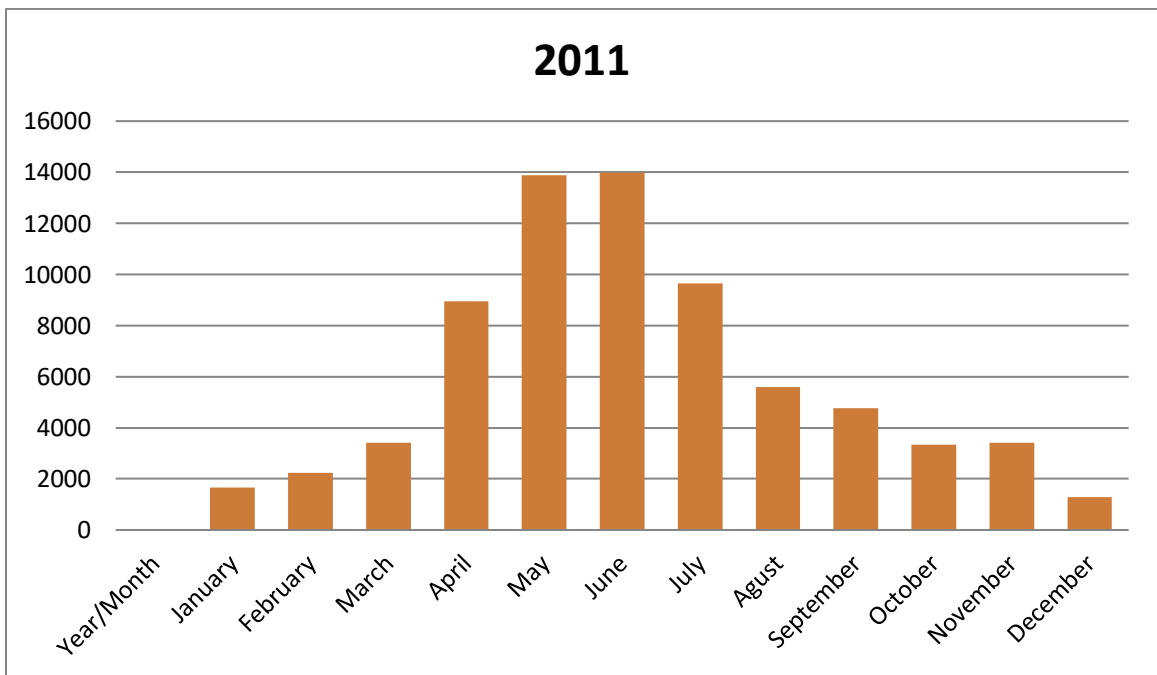
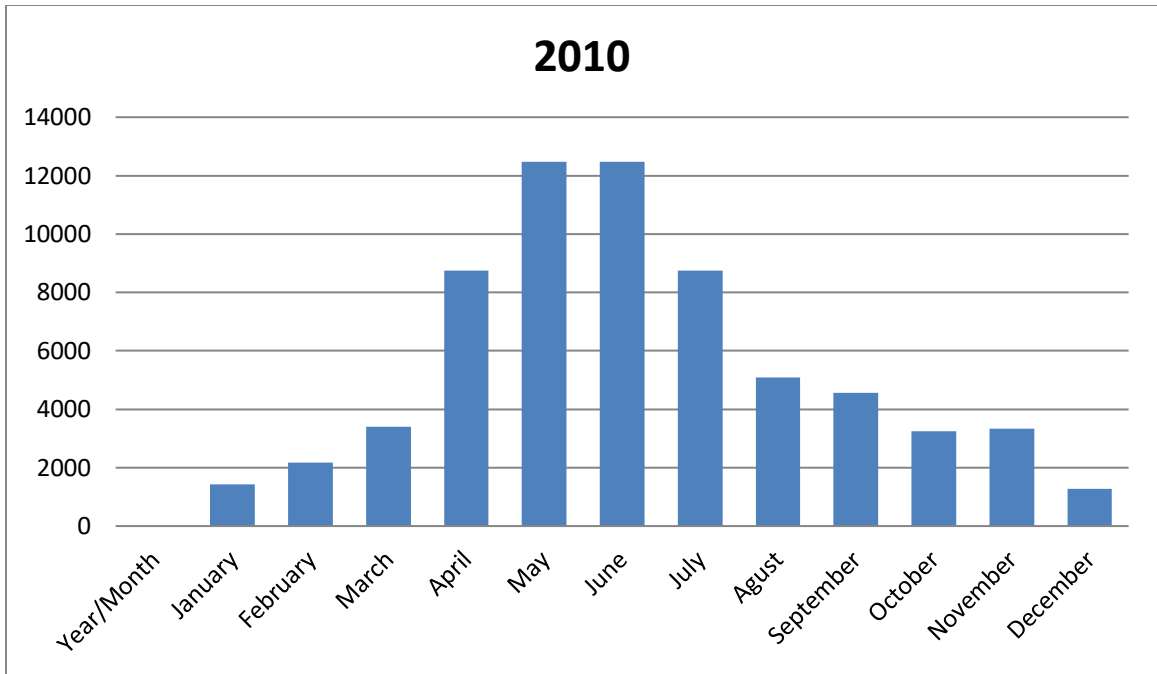
(1 crate – 24 bottles)

Graphical Analysis of Sales Data of Sprite



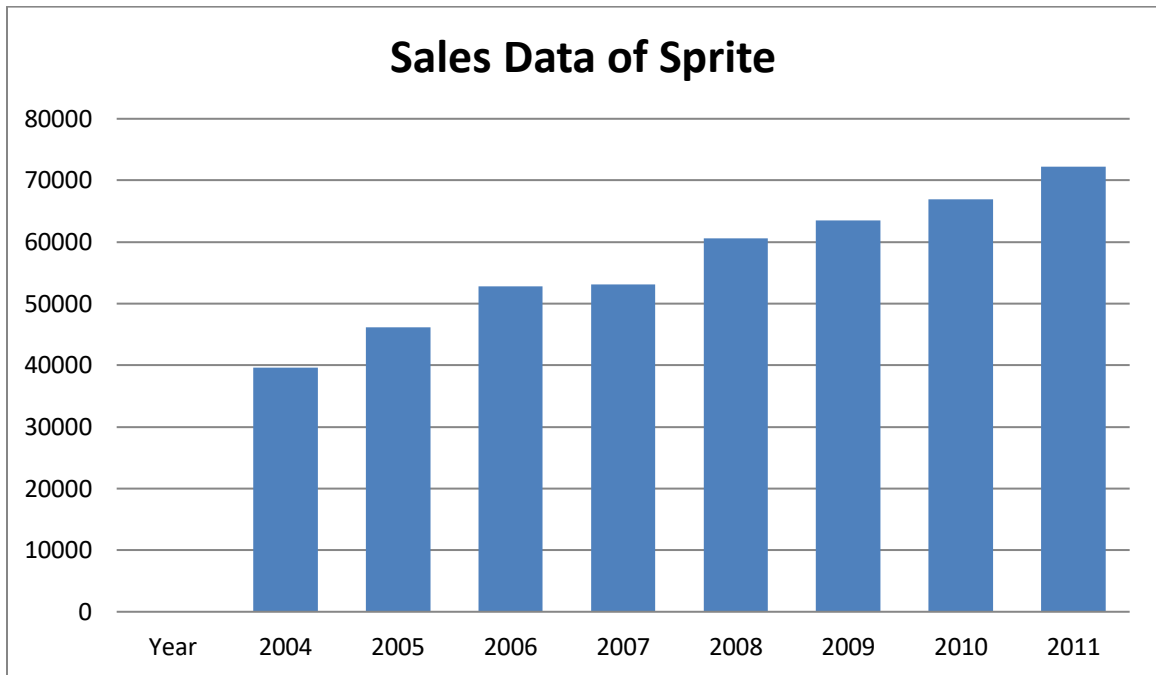






Sales of sprite have also gone same way on each year. The company achieves maximum sales target on April, May, June, and October. On these four months, company sales are above 50% of total year's sales. In this season, the company's various consumer and dealer promotions clearly show that sales are

increased on April, May and June then decrease on October sales is again go up because of Dashain and Tihar. These are biggest festivals of Hindus.



In 2005 sales Sprite is Only 46200 crates. In 2006 its sales gone 52800 crate likewise in 2007 sales has reached 53100 crates and in 2008, it achieve its target on 60600 crates. Fanta is 3rd largest selling of coca-cola Company in Nepal. Every year Sprite also provide any one special promotion freeze, free drink, coupon contents and other various programs has done by the company. So Sprite has increased its sales every year. Sales volume of 2009, 2010 & 2011 is respectively 63556, 66950 & 72180.

4.3 Sales Promotion Expenses

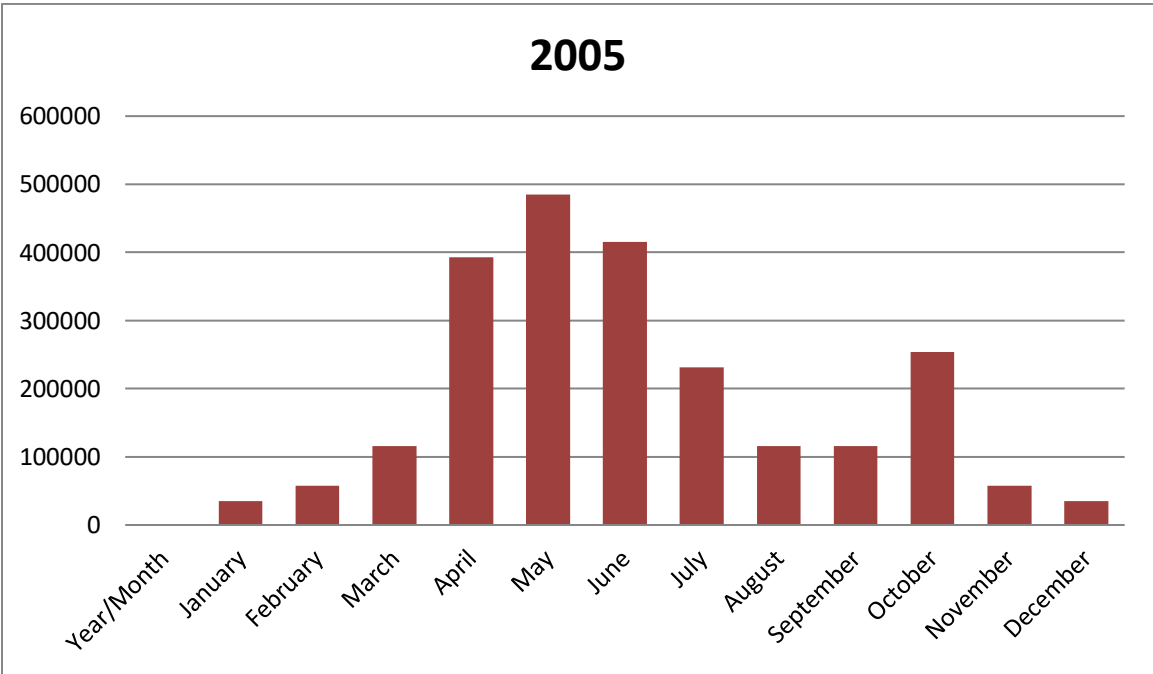
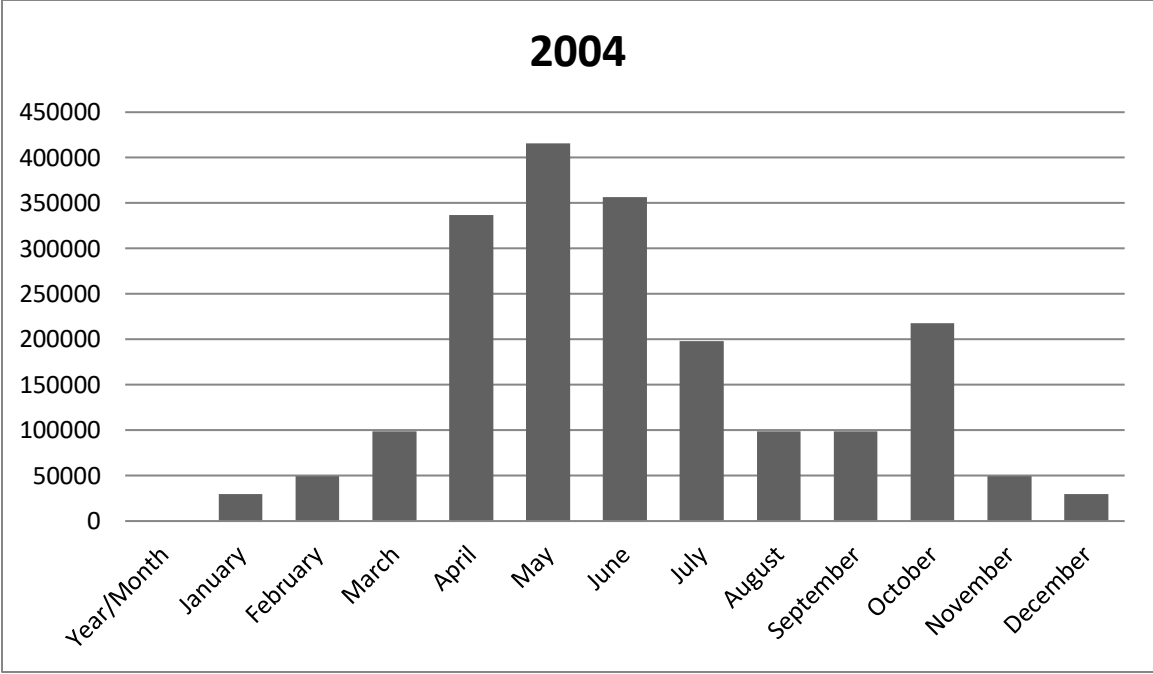
Table No.30

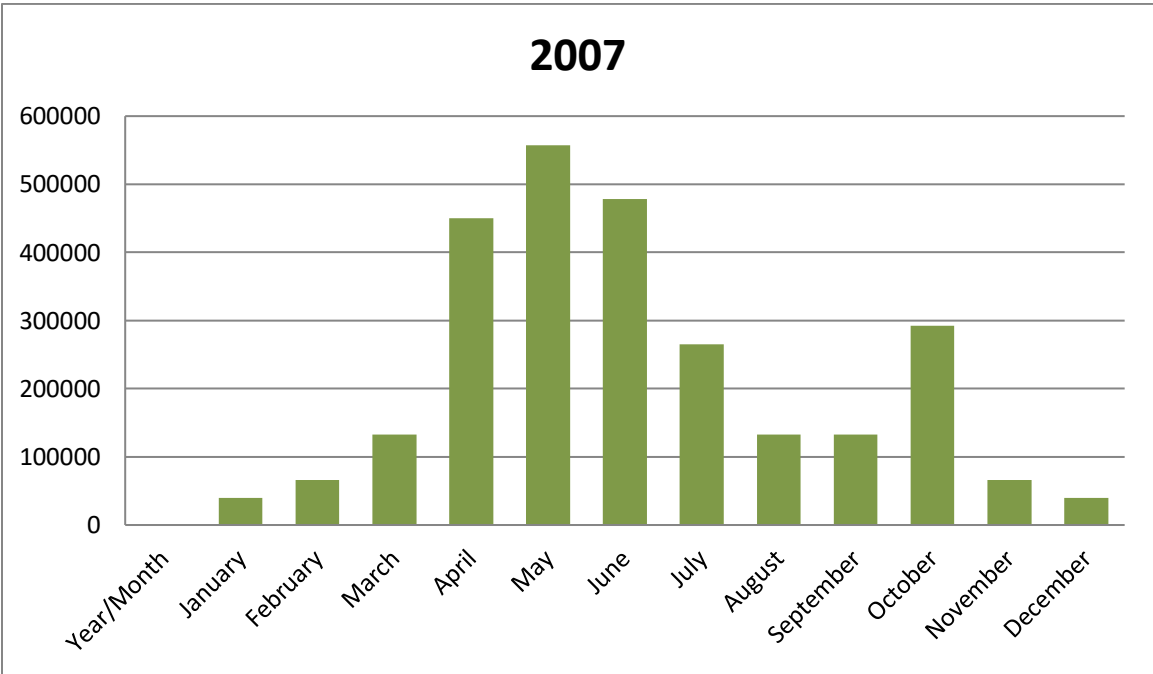
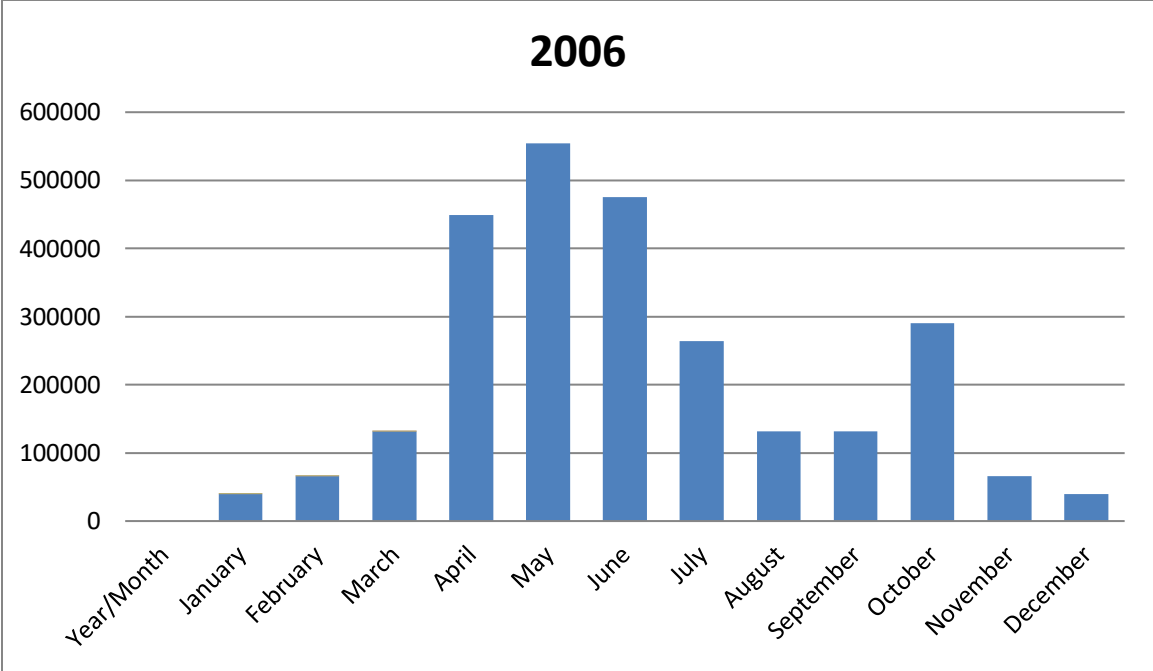
Sales Promotion Expenses of Coca-Cola Group

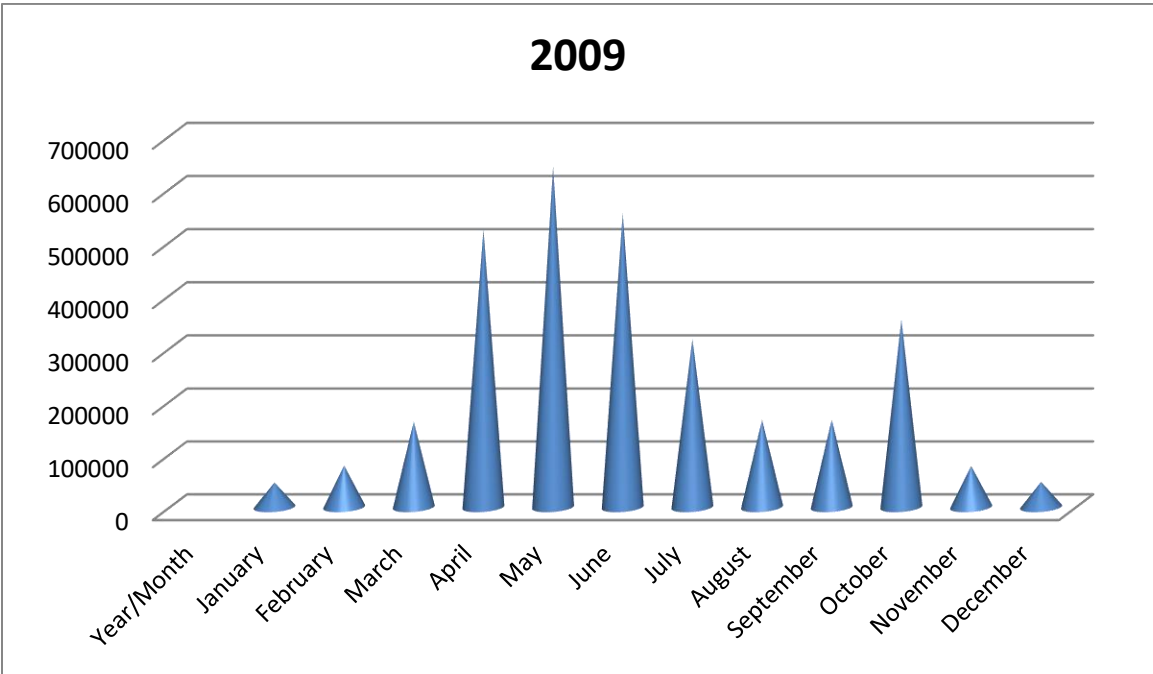
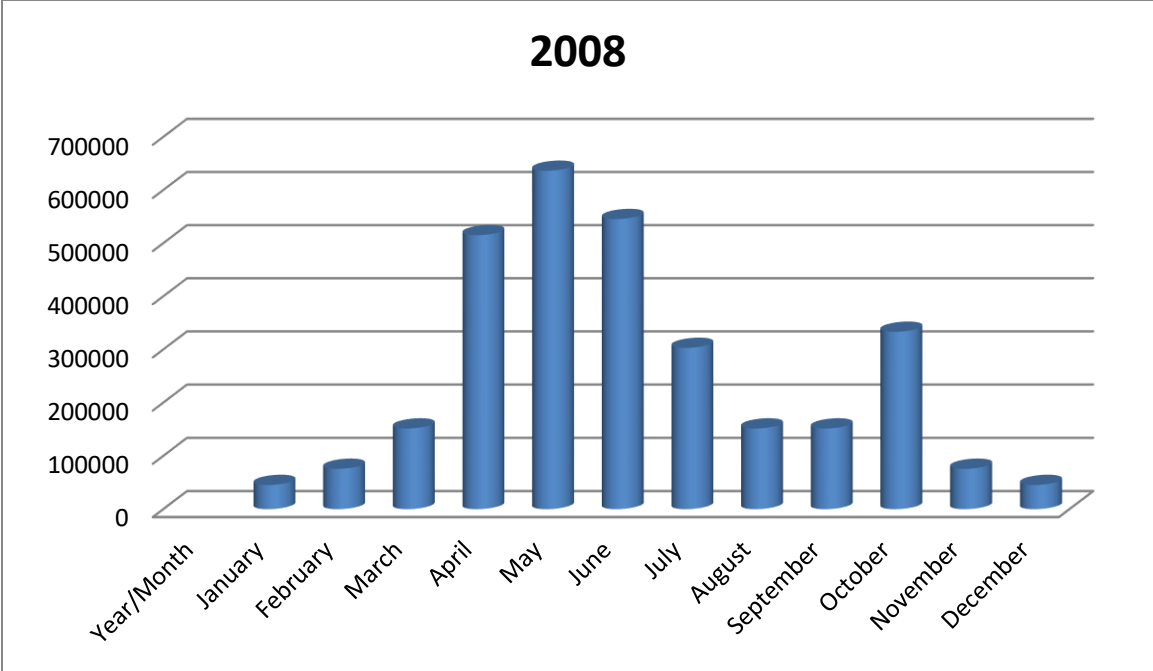
Year/Month	2004	2005	2006	2007	2008	2009	2010	2011
January	29700	34650	39600	39825	45450	46578	47899	48764
February	49500	57750	66000	66375	75750	78766	79007	79234
March	99000	115500	132000	132750	151500	162334	167889	170980
April	336600	392700	448800	450135	515100	523560	535550	542240
May	415800	485100	554400	557550	636300	642250	667544	687750
June	356400	415800	475200	477900	545400	554321	565544	574440
July	198000	231000	264000	265500	303000	317778	334556	354332
August	99000	115500	132000	132750	151500	165443	175443	179060
September	99000	115500	132000	132750	151500	165443	175443	179060
October	217800	253500	290400	292050	333300	354556	376657	387432
November	49500	57750	66000	66375	75750	78060	79075	83467
December	29700	35250	39600	39825	45450	47890	48900	49776
Total	1980000	2310000	2640000	2665500	3030000	3136979	3253507	3336535

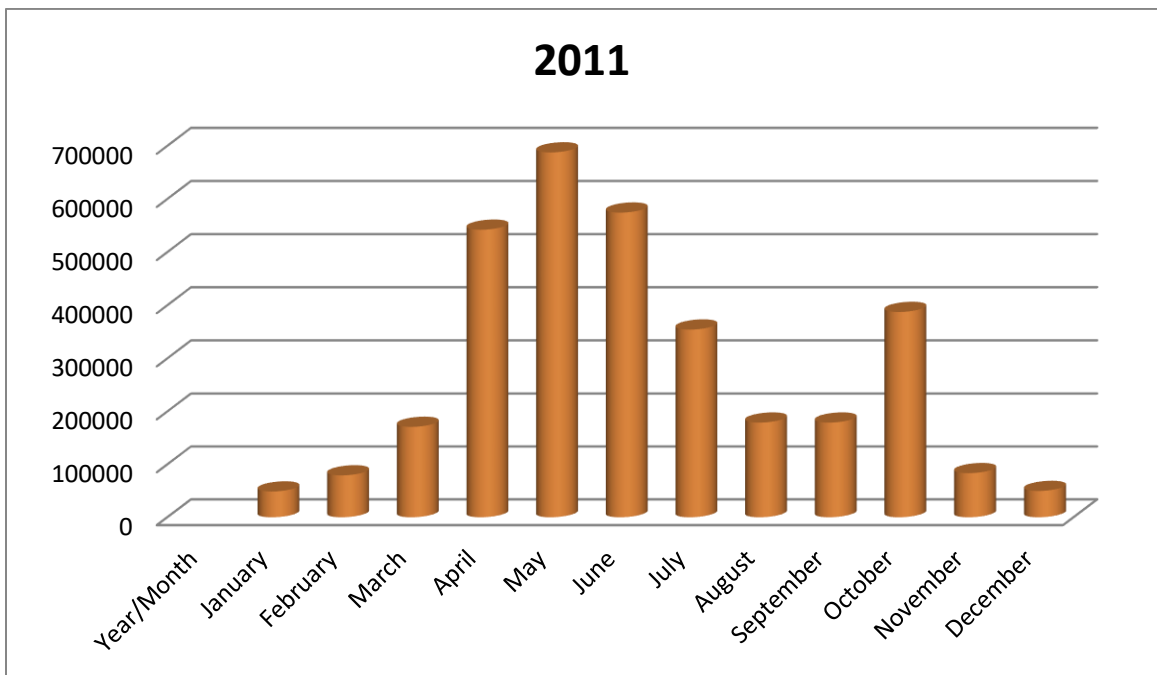
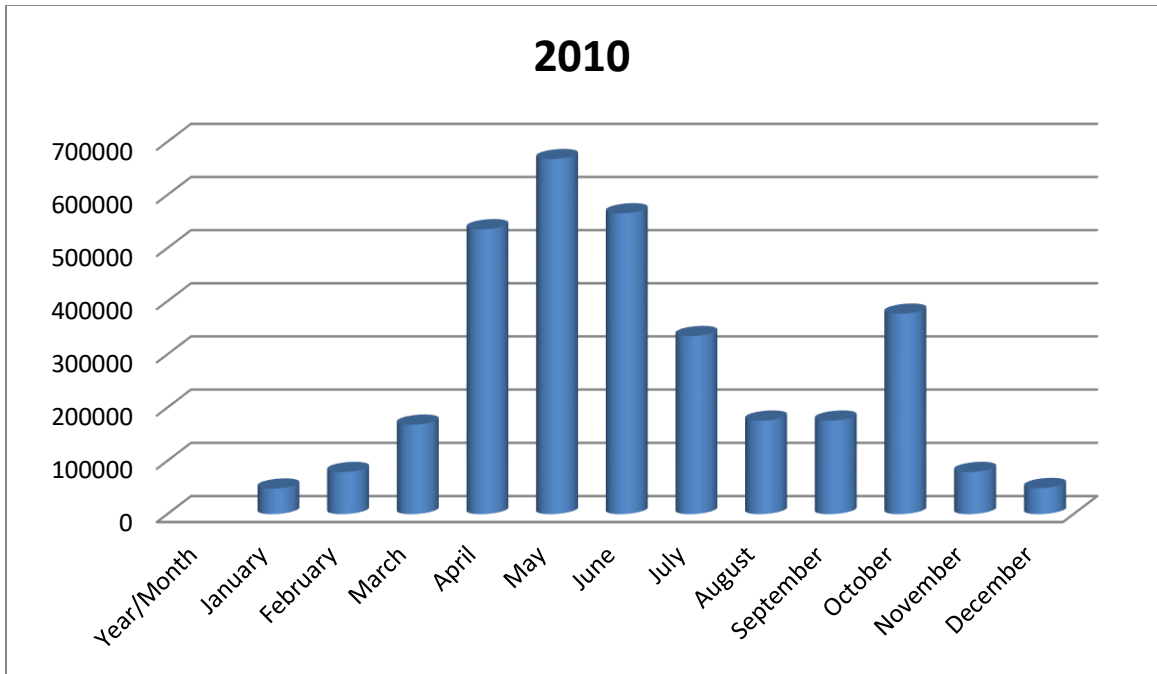
Source: Coca-Cola distributors, Kathmandu

(1 crate-24 bottles)



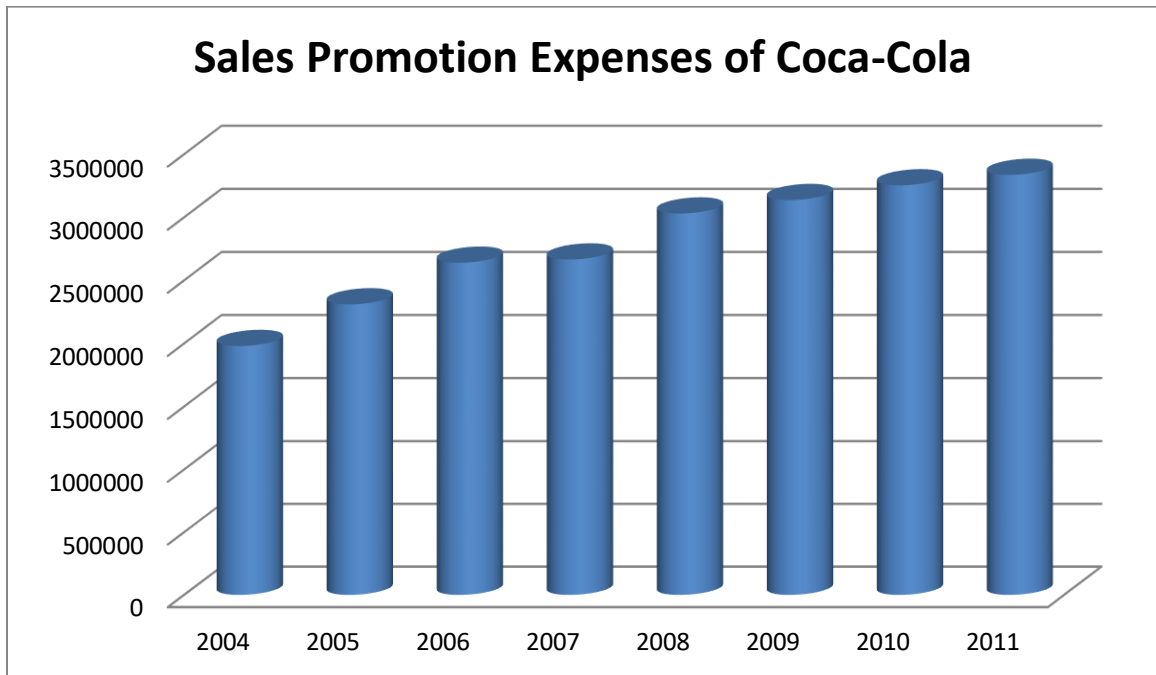






The Coca-Cola Company spends on sales promotion program same schedule each year. Company provide special promotion package on April, May and June each Year. This time is pick season for cold drinks. In this three month, company want to achive 50% sales target on overall year. For achive this target distributor make sales schedule and provide various dealer and consumer promotion Program. On

October again company provide Dashain and Tihar special program. We can see on graph that the maximum sales months are April, May, June And October.



Coca-Cola is the largest selling company in Nepalese cold drink market. Coca-Cola spend large amount on its sales promotion program. In 2005 it spends Rs.2310000 and on 2006 spends Rs.2640000. Likewise, it spends Rs.2655000, Rs.303000, Rs.3136979, Rs.3253507 & Rs.3336535 on 2007, 2008, 2009, 2010 & 2011 respectively. The company already made schedule of sales and promotional expenses. Every year it increased its promotion budget. To capture new market and kept safety present market it is necessary to provide various consumer and dealer promotion package.

4.4 Impact of Sales Promotion

Impacts of sales promotion are measured through regression analysis. The regression analysis between sales Coca-Cola and sales promotion expenses of Coca-Cola. In the regression analysis the following results have been seen. (see appendix 6)

4.4.1 Regression Analysis of the Data

Regression is a popular tool in the statistics. This analysis is a mathematical measure of the average relationship between two or more variable in term of original units of data. It also clearly indicates the cause and effect relationship between the variable. The variable corresponding to effect is taken as dependent variables.

Here in our calculation, we denote X as expenses on sales promotion and Y as sales as per actual basis. We have considered the data for the period when the sales promotion was on the market. So only 3 months data have been taking for the calculation purpose. These months are April, May and June. All data in thousand(000).

4.4.2 Analysis of the Result of Regression

On regression analyses the research try to show the relationship between the sales data and the expenses done sales promotion. Now the analysis Coca-Cola brand(Appendix 6).

Coca-cola's sales promotion and the sales data had shown that positive relation between the expenses and the sales. Both the data is dependent on each other if one goes down the other automatically comes down. In the year 2004 when sales expenses is Rs.392700 the sales on an average is 40964 crates per month. It shows that if the company wants more sales than 40964 crates they have to spend more than Rs.392700 likewise the results of the year 2005, 2006 and 2007 all have shown the same impact. A Sale goes down to the minimum if the sales expenses would be Rs.0.96 i.e. No. Expenses on Sales promotion.

4.5 Finding of the Study

The major objective of the present study to see sales promotional tools are effective or not on the sales of the cold drink. The whole research is sub divided on the basis in interpretation and analysis into two parts i.e. first effect of sales promotion from the consumer and shopkeepers view point and second effects on sales promotion from the consumer and shopkeepers view point and second effects on sales promotion from the calculation of sales data.

On the basis of analysis of the consumer view point and sales data separately. The major findings are:-

1. The person who drinks occasionally and prefers coke brand more than others.
2. People are aware about sales promotion activities out of them most people know about item prize than coupon and cash Prizes. But cash prize is effective than others tools.
3. The sales of Coca-Cola increasing month by month but the ratio of sales is higher in the months when the companies launched sales promotion program. This indicated that is positive relationship between the sales and the sales promotion. If expenses on sales promotion increase the sales increase in a high speed.
4. The sales of one brand does not affect negatively to the sales of other brands. As the observation shows that the trend of all two brands are increasing.
5. The Coca-Cola drinker's have not particular choice of brands. So the concept of brand loyalty is not founding in Nepalese cold drink market. So they can easily be directed towards one particular brand through proper marketing net.
6. All media is not popular among the people. Only electronic media (Specially) is very popular among the people and the people who

watch and listen media notice the ads, the percentage of the people notice ads for entertainment are higher than for information.

7. It is found that coca-cola distributor generally conduct 3 months special promotion package one time in a year. In this time they achieve 50% sales target of year.
8. From the regression it is clearly seen that if the expenses on the sale promotion increase the sales of the product will be increased.
9. Large number of people is interested on promotional contents that the manufacturer launches various occasions.
10. Retailers are interested on promotional program. They are aware of cash prizes than other promotional work.
11. Sales promotion program has positive impact on retailers and most of them take part on contents and win prizes.

CHAPTER-V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Due to the globalization of the business, the world has become so close that a company can easily access to the market of the other part of the world. The companies are facing through challenges to market their product. Over the years, the trust has shifted from efficient productions to the swift marketing. Marketing department has developed different techniques to market the different products.

Publicity, advertisement, personal selling etc. have all become so usual that the consumer hardly get excited by these techniques. In the meantime, sales promotion came as a panacea for the manufacturers as the number of brands increase in the market. Advertising, personal selling and publicity create more noise for the consumer on the contrary. The rewarding offers, made through sales promotion methods prove to be more attractive to consumers. As a result, sales promotion methods prove to be more attractive to consumers. As a result, sales promotion has received greater attention and afford of the sales force to encourage sales to stock the product and to persuade consumer to try the product. The use and practice of sales promotion method in Nepal is relatively very late.

Nepal is a country of rural markets which are far from modernized system. The economy is characterized by low average per capita income. Though the concept of buying Nepali products is nowhere, because of low availability of local brands, consumers have been buying foreign products and brands since very long. So the practice of sales promotion methods within the country is very limited. Promotion as an element of marketing mix demands other elements to be equally effective. The reputation which is earned by value sold is an asset to the

follow up program of promotion. But the availability of the non branded products at cheap price from the manufactures have create an environment of competition with few industries especially liquors and beer, soft drink, soap, instant noodles, tea etc.

The concept to pickup this subject for research came into mind because the Nepalese companies are using this technique very much but nobody has tried to do research and find out its effectiveness in Nepalese market the resarcher work on this topic as because this is virgin and challenging area for research .In Nepal the increasing importance of sales promotion in marketing, as compared to media advertising, over the past fifteen years is the result of success achived throughly sales promotion. The reason behind this has been the challenge of competition faced by business and industry during the latter part of this century. sales promotion refers the use of differnt promotion tools stimulated or to create immediate sales.

Coca-Cola company (brands:- Coca-Cola, Sprite, fanta) which was established in the private sector who constantly offer prizes as a promotional techniques. This companies pratice the sales promotion method to achieve the following objectives:-

1. To offset the impact of a new competitive products.
2. To create demand for a new produt.
3. To pursue other brands users.
4. To get rid of competition.
5. To established purchase habit to the initial users.
6. To increase immediate sales.
7. To recover loss in sales.
8. To meet competition.
9. To simplify and encourage to work of salesmen to sell.

Cold drinks companies in Nepal are primarily using the general tools like contents price cash prizes and items prizes. And the cold drink company somewhat is able to achieve the basic objective of the sales promotion.

Sales promotion offers consists of various tools. The tools which have been taken into consideration for the purpose of this study include free goods offer, coupon, premiums, sampling, contest, cash prizes advertisement specialities etc. The objectives of promotion in relation to the consumers is to reach new users, to load current users, to increase product usages, to reinforce brand advertising and to introduce new products. These objectives may be further divided to four categories with a number of subordinate objectives. Such tools as sampling, coupons, consumer deals, advertising specialities and contest may be offered at the introduction stage to introduce new products, to produce for trials and to convert tries into regular users. Two of the above promotional tools viz. Coupon and consumer deals may be suitable at the growth stage besides premium at this stage. Thus coupons premiums and consumer deals may be contemplated to load current users, to load regular users, to increase usage by present users and get rid of competition at growth stage. Similarly sampling, coupons, premiums and contest are considered suitable impulse buying at the maturity stage. During the latter part of the maturity stage, when the product shows a declining trend, sales promotion tools like coupon and premiums may be introduced to increase product usage to reach large number of prospects, to gain increased display area and shelf space in the store, to offset seasonal slumps, and to offset the impact of new competitive products. Above all the promotional tools are popular and effective sales promotion tools in all level of product life cycle in Nepal.

The questionnaires were distributed in Kathmandu and the sales data taken from distributor. Out of collected data, chi square (x^2) method and regression method of statistic were used to see the different result. Chi square test's result show that electronic media is popular and the regression result shows that the increase in promotional expenses causes the overall sell of the coca-cola is very high.

5.2 Conclusion

The overall conclusion of this study would be the following.

The sales promotion activities do positive impact on sales of coca-cola. From the regression analysis it became so clear that if sizeable amount is spent on promotional activities the sales would increase accordingly.

The studies find that besides other cash prize is most accepted as well as effective and widely used mode of sales promotion.

Electronic media is most accepted by the people. So far sales promotion purpose the electronic media is very suitable.

The present study finds that besides the consumers have not particular choice of brands. So the concept of brand loyalty is not found in Nepelase consumer. So, they can easily be directed towards on particular brand through proper promotional activities.

In summary, increasing sales of one brand does not effect negatively to the sales of other brand. They all can increase their sales through promotional activities and create own seperate new market.

The sales pfromotion is very powerful tools which can easily occur the sales. However, the study clearly previals that the sales of coke would be very high

and the sales of fanta & sprite would be lower than coke,provided every promotional activities would be the same.

5.3 Recommendations

Sales are the very pivotal activities of any industries.The success and failure of the industries depend on the sales of the products.The whole world is running after the sales.Companies expense huge for research on consumer habit and effective sales activities.So the sales promotion is the key factor to increase sales.

On the basis of findings of the present study,the following recommendations are advised to the industires.If the recommendations are properly applied the posotive impact can be seen.

- The electronic media is very popular among the people.So the heavy media coverage should be acquired.The advertisement should be more entertaining which can able to cater the need of brands information too,should be introduced.
- Proper tools/mode of sales promotion has to be selected.It is provde that cash prizes are effective both consumer and sales person's view.So thrust on cash prizes than items prizes should be given cold drinks companies.Sometimes items like audio system,cycle etc.They should be cut down and cash prize,free drinks should be introduced.If done so more people will get the prizes.Finding have already shown that the persons,who get the prize can be easily indeed to have cold drink.
- Findings proved that the sales promotion have impacts on the sales of the coca-cola.But the company launches the special sales promotion package for only 3 or 4 months.It is strongly advised that sales promotion programs should be launched at least 6 months,be it,the programms has to be broken into two part,and the expenses made on the

promotion should be lower down a bit.If it is done the overall average sales for the year will be increased substantially.

- Through the increase in the sales expenses have positive impacts on coca-cola.The expenses should be made wisely,the selection of the mode of sales promotion,the section of period to launch sales promotion program should be made wisely.It is advised that the monthly sales promotion expenses should be longer than present so that they yearly sales would be increased.

If the suggestions are to be followed properly by the industries,the positive impact on the sales as well as on the image of the companies and also the image of the cold drinks among the consumers would be positive.

At the last,sales promotion covers a wide range of short term incentive tools designed to stimulate the consumer market,the trade and the organizations own sales force.Sales promotion expenditures now exceed advertising expenditures and are growing at a faster rate.So as in Nepal too,the use of this marketing techniques is increasingly high.Thus.the use of sales promotion is very important if the use would be in a proper way.

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APPENDIX-1

H₀: There are no significant differences among consumers

H₁: There are significant differences among consumers

Particular	O	E	O-E	(O-E) ²	(O-E) ² /E
Daily	30	37.5	-7.5	56.25	1.5
Once a week	54	37.5	16.5	272.25	7.26
Once a month	39	37.5	1.5	2.25	0.06
Occasionally	27	37.5	10.5	110.25	2.94
Total	150				11.76

Degree of Freedom=(n-1)

$$=4-1$$

$$=3$$

Tabulated value of X² at 5% level of significance for 3 d.f. is 7.81

APPENDIX-2

H₀: Consumers are brand loyal

H₁: Consumers are not brand loyal

Cold drink	O	E	O-E	(O-E) ²	(O-E) ² /E
Coke	90	50	40	1600	32
Fanta	42	50	-8	64	1.28
Sprite & others	48	50	32	1024	20.64
Total	150				53.92

Degree of freedom=(n-1)=3-1=2

Tabulated value of X² at 5% level of significance for 2d.f.is 5.99.

APPENDIX-3

H₀: There is no relationship between content and consumer's behaviour i.e. Consumer's are like Sales promotion content.

H₁: There is a relationship between contents and consumers behaviour i.e. Consumer like Sales Promotional contents.

Interest	O	E	O-E	(O-E) ²	(O-E) ² /E
Very much	90	37.5	52.5	2756.25	73.5
A bit	27	37.5	-10.5	110.25	2.94
Don't know	21	37.5	-16.5	272.25	7.26
Don't like	15	37.5	-22.5	506.25	13.5
Total	150				97.2

Degree of freedom = $(n-1) = 4-1 = 3$

Tabulated value of X^2 for 3d.f. at 5% level of significance is 7.81.

APPENDIX 4

H₀:All types of are equal popular among consumer.

H₁:All types of media are not equaled popular among consumer.

Media	O	E	O-E	(O-E) ²	(O-E) ² /E
T.V	66	50	16	256	5.12
Radio	18	50	-32	1024	20.48
News Paper	15	50	-35	1225	24.5
All	51	50	1	1	0.02
Total	150				50.12

Degree of freedom=(n-1)=4-1=3

Tabulated value of X² for 3d.f. at 5% level of significance is 7.81.

APPENDIX 5

H₀: There is no significance difference between promotion and consumer

H₁: There is significance difference promotion and consumer.

Promotional tools	O	E	O-E	(O-E) ²	(O-E) ² /E
Cash	41	37.5	3.5	110.25	0.32
Discount	4.5	37.5	7.5	56.25	1.5
Coupon	3.6	37.5	-1.5	2.25	0.06
Other	28	37.5	-9.5	90.25	2.41
Total	150				4.29

Degree of freedom=(n-1)=4-1=3

Tabulated value of X² at 5% level of significance for 3d.f.is 7.81.

APPENDIX 6

COCA-COLA 2002

Let, X=Sales promotion expenses

Y=Sales

X	Y	XY	X ²	Y ²
339	40	15720	68644	1600
485	49	23765	104329	2401
416	52	21632	76729	2762
$\Sigma X = 1294$	$\Sigma Y = 141$	$\Sigma XY = 61117$	$\Sigma X^2 = 562730$	$\Sigma Y^2 = 6705$

Required equation is $Y - \bar{Y} = b_{yx}(X - \bar{X})$

$$\bar{X} = \frac{\Sigma X}{N} = 431.33$$

Calculating mean of Y series

$$\bar{Y} = \frac{\Sigma Y}{N} = 47$$

Calculating regression coefficient by x

$$b_{yx} = \frac{\Sigma XY}{\Sigma X^2}$$

$$= \frac{61117}{562730}$$

$$= 0.108$$

Now, substituting the values in the equation

$$Y - \bar{Y} = b_{yx}(X - \bar{X})$$

$$Y - 47 = 0.108(X - 431.33)$$

$$Y = 0.108X + 0.416$$

Thus, we X=250

$$Y = 0.108X + 0.416$$

And when X=350

$$Y=0.108(350)+0.416$$

$$Y=38.216$$

Hence the sales would increase when Sales Promotion expenses will be increased in our calculation:

When Sales Promotion expenses=250

Sales =27.416

Here,350>250

28.04>20.04

38.216>27.416

2003

X	Y	XY	X ²	Y ²
449	46	20654	59409	625
554	56	31024	136161	900
475	59	28025	100489	1024
$\Sigma X = 1487$	$\Sigma Y = 161$	$\Sigma XY = 79703$	$\Sigma X^2 = 326051$	$\Sigma Y^2 = 2549$

Required equation is $Y - \bar{Y} = b_{yx}(X - \bar{X})$

Calculating mean of X series

$$\bar{X} = \frac{\Sigma X}{N}$$

$$= 492.67$$

Calculating mean of Y Series

2004

X	Y	XY	X ²	Y ²
450	47	21150	90601	576
558	57	31806	137641	900
478	60	28680	101124	1024
$\Sigma X = 1486$	$\Sigma Y = 164$	$\Sigma XY = 81636$	$\Sigma X^2 = 742348$	$\Sigma Y^2 = 9058$

Required equation is $Y - \bar{Y} = b_{yx}(X - \bar{X})$

Calculating mean of series

$$\bar{X} = \frac{\sum X}{N} = 495.33$$

Calculating mean of Y series

$$\bar{Y} = \frac{\sum Y}{N}$$

$$= 54.67$$

Calculating regression Coefficient b_{yx}

$$b_{yx} = \frac{\sum XY}{\sum X^2}$$

$$= \frac{81636}{742348}$$

$$742348$$

$$= 0.11$$

Now, substituting the Value in the equation

$$Y - \bar{Y} = b_{yx}(X - \bar{X})$$

$$Y - 54.67 = 0.11(X - 495.33)$$

$$Y - 54.67 = 0.11X - 54.48$$

$$Y = 0.11X + 0.19$$

When, $X = 1$

$$Y = 0.11X + 0.19$$

$$Y = 0.3$$

When, $X = 400$

$$Y = 0.11(400) + 0.19$$

$$= 44.19$$

2005

X	Y	XY	X ²	Y ²
515	53	9604	117649	784
636	65	14416	179776	1156
545	69	13068	131769	1296
$\Sigma X=1696$	$\Sigma Y=187$	$\Sigma XY=37088$	$\Sigma X^2=429194$	$\Sigma Y^2=3236$

Required equation is $Y - \bar{Y} = b_{yx}(X - \bar{X})$

Calculating mean of X series

$$\bar{X} = \frac{\Sigma X}{N} = 565.33$$

Calculating mean of Y series

$$\bar{Y} = \frac{\Sigma Y}{N} = 62.33$$

$$b_{yx} = \frac{\Sigma XY}{\Sigma X^2} = \frac{106240}{966746} = 0.11$$

Now, substituting the value in the equation

$$Y - \bar{Y} = b_{yx}(X - \bar{X})$$

$$Y - 62.33 = 0.11(X - 565.33)$$

$$Y - 62.33 = 0.11X - 62.18$$

$$Y = 0.11X + 0.15$$

$$Y = 0.11(100) + 0.15$$

$$Y = 11 + 0.15$$

$$Y = 11.15$$

APPENDIX 7
QUESTIONNAIRE

From: Lina Kumari Mandar

MBS Student

Post graduate Campus, Biratnagar

Dear respondents Sir/Madam. I am going to conduct a research for my thesis as a partial requirement for Master of Business Studies. I request you to answer the question to the best of our Knowledge. I assure you that all the information provide by you will be treated as strictly confidential and be used strictly to my educational purpose only.

Name:

Age:

Address:

Please tick(\sqrt) *the answer*.

A. Consumer habit

1. Do you drink cold drink?

Yes()

b) No()

2. How often do you drink Coca-Cola?

a) Daily ()

b) Once a week ()

c) One in a mid day ()

d) Occasionally ()

3. Do you stick on any special brand of Coca-Cola? If yes give name sequence wise.

a) Coke ()

b) Fanta ()

c) Sprite ()

d) Others ()

B. Sales Promotion.

1. Do you know about promotion work that Coca-Cola manufactures Perform?

a) Yes ()

b) No ()

2. What form of Promotion you are aware of?

- a) Cash Prize ()
- b) Coupon Prize ()
- c) Item prize ()
- d) Others ()

3. What sort of promotion include you to consumer more cold drinks?

- a) Coupon Prize ()
- b) Cash prize ()
- c) Item prize ()
- d) Others ()

4. Do you like the contests that the Coca-Cola Company organizes on various Occasions?

- a) I like very much ()
- b) I like a bit ()
- c) I don't Know ()
- d) I don't like it ()

5. Have you ever taken the part in these contents?

- a) Yes ()
- b) No ()

6. If yes have you got any prizes?

- a) Yes ()
- b) No ()

7. Do you scheme should be changed so that you'll have more Coca-Cola?

- a) Yes ()
- b) No ()

8. Do you change your usual brand in not providing any prizes and other brands offer?

- a) Yes ()
- b)No ()

C. Media graphic

1. Do you watch/read/listen the programs and new from T.V. paper and radio?

- a) Yes ()
- b)No ()

2. If yes, Which media do you select?

- a) T.V. ()
- b) Radio ()
- c) Newspaper ()
- d) All()

3. Do you which media do you notice cold drinks advertisements?

- a) Yes ()
- b) No ()

4. In which media do you notice cold drink advertisements?

- a) T.V. ()
- b) Radio ()
- c) News papers ()

QUESTIONNAIRE TO SALES PERSON

1. Do you know about promotional work that Coca-Cola manufacture Provide?

a)Yes ()

b) No ()

2. What form to promotion you are aware of?

a)Cash Prize ()

b) Coupon Prize ()

3.What sort of promotion include you to sale more Coca-Cola?

a) Cash Prize ()

b) Coupon Prize ()

c)Discount scheme ()

d) Other ()

4.Have you ever taken the part of any contents?

a) Yes ()

b) No ()

5.If yes have you got any prizes?

a) Yes ()

b) No ()

6.Do this promotional work you have to encourage to sales any special brand more?

a)Yes ()

b) No ()

7.Do you change your special brand if your brand is not providing any prize and other brands offer?

A)Yes ()

b) No()