

CHAPTER-I

INTRODUCTION

1.1 Background

Advertising is only a small part of whole marketing. Marketing helps organization to find out what customers want and also helps to decide what products to make. Marketing has been developing together with development in human civilization. Marketing which covers the very wide circumstance now has not been development at one. But the situation has been changed orderly and it has brought a wide change in human needs. Human aspiration for excellence and better status have given birth thousand of discoveries.

Marketing is a societal process by which individuals and groups obtain what they need and want through creating, offering and freely exchanging products and services of value with others. (Kotler, 1999: 8) Marketing requires separate works and a distinct group of activities. It is the whole business seen from the point of view of its final result that is from the customer's point of view.

For a managerial definition, marketing has often been described as "The art of selling products." The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself. Ideally, marketing should result in a customer who is ready to buy. All that should be needed then is to make the product or service available.

The brand is important to the marketer as well as buyers and society. It is important to the marketer in terms of promotion, product image, product attributes and benefits. Brand involves using identification feature on the product so that buyers can recognize the produced and products manufacture. Brand identifies the seller or marketer, which can be name trade mark or other symbol. A brand is essentially a seller's promise to deliver a specific set of features, benefits, and services consistently to the buyer. A best brand conveys a warranty of quality.

Due to the lack of modern technical education Nepalese people only have the access of traditional education. We can get many labors in cheap rate in Nepalese marketing to unemployment and due to lack of proper policies of government to engage people indifferent sectors.

Traditionally, marketing is taken is the economic process related with the exchange of goods or services in monetary value. Generally, the activity of buying and selling goods or services is called marketing. (K.C., 2001:3) The world of business is very complicated due to various types of network day by day. Competition in every business sector is increasing rapidly. In this situation, companies face difficulties to sell their products in the market smoothly (Aryal, 2002: 38). Due to globalization of the business the entire world has become small village. If the company's marketing plan is better, company can easily get access to the market of the other parts of the world and can achieve their goals. So, company should know its market situation in targeted area. If Company is unknown on its market situation; they are blindly adopting the strategies in the market. In this modern marketing era, every marketer should understand that the marketing begins and led with consumer's satisfaction. Companies are adopting marketing policies and strategies to increase the sales through customer's satisfaction. So, a company always should be aware to know its market situation i.e. Are its promotional activities effective? Is its distribution channel good? Are consumers satisfied with his product (i.e.: price, quality, pack and taste)? Why is another brand leading? are the Vital striking question.

According to Philip Kotler, "Marketing is social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others"

Traditionally marketing is taken is the economic process related with the exchange of goods or services in monetary value. Generally, the activity of buying and selling goods or services is called marketing.

Marketing is defined in different ways keeping in view the objectives of

producing goods and services. According to American Marketing Association, Marketing is a the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and service to create exchanges that satisfy individual and organizational objectives.

Today, the availability of various brand in market like, instant noodles, noodles, brush, drinks, soaps, creams, hair oils, T.V., computer, cars, motorcycles etc. It means competition is, so marketing field is challenging field. Business is facing today three major challenges and opportunities:

1. Globalization
2. Advance in technology
3. Deregulation

For each chosen target market, a firm develops a market offering that is positioned in the midst of buyers as delivering some central benefits. Marketers must try to understand the target market's needs, wants, and demands. A product or offering will be successful if it delivers value and satisfaction to the target buyers. The term markets cover various groups of customers. Today there is physical market places and digital market places, as well as mega marketers (*Kotler, 1999: 28*).

High competition is major characteristics of the modern marketing world and Nepal is also not exception. Competition has been very tough in the Nepalese consumer market together with increase in the number of units of industries producing different types of consumer goods. Today, dozens or probably more brands even specific product categories are being sold in the Nepalese market. Consequently, Nepalese consumer has wider choice while buying most of the products. They are no more compelled to buy any particular brand; rather they are free to choose whatever they like among different brands. This in turn, has increased the promotional activities in the country. Every seller is trying to prove his product as the best. This can be witnessed from the promotional efforts sellers are making by bombarding the consumers with

T.V. commercials, radio ads, newspapers, posters, sign boards, and many tools appealing to buy their products. Consumers buy a specific brand to satisfy their physiological stimuli aware by different promotional campaign including advertising (*Shrestha, 1997: 21*).

Noodle History

The revolutionary development of food technology has made possible to get different pre-cooked instant food items. Among different pre-cooked items, noodles is most commonly available dry food in every part of the world. As the wants and needs of human beings went on increasing, massive quantity of noodles in different taste and quality has been available in the present market.

Noodles have been a staple food in many parts of the world for at least 2,000 years, though whether the modern version of the stringy pasta was first invented by the Chinese, Italians, or Arabs is debatable. Prior to the discovery of noodles at the Lajia archaeological site, the earliest record of noodles appears in a book written during China's East Han Dynasty sometime between A.D. 25 and 220, Lu said.

In the context of noodles, there are so many brands found in Nepalese market produced by Nepalese companies. Chaudhary Group (CG) is one of the leading Companies in Nepal. This company produces many kind of foods item like noodles, biscuits, chocolates etc. Concerning about “WaiWai” it is noodles production of CG.

Wai Wai is a brand of instant noodles produced by CG Foods in Nepal and India. It is highly popular all over of Nepal and Sikkim, West Bengal and other parts of India Wai Wai can be eaten straight from the package or cooked in soup form. Unlike ordinary noodles, wai wai is pre-cooked, flavored, seasoned and fried before packaging. It comes in various seasoning flavors. A pack of Wai Wai includes chili powder, Masala (mixed spices) and onion oil which can be used to prepare the soup. Wai Wai is rich in carbohydrates, minerals and proteins. Chicken and vegetarian flavored Wai Wai is the most popular flavors.

Wai Wai is perhaps the most common brand of dry foods in Nepal. Instant noodles consist of a major part of the dry foods sold in Nepal and are available in any part of the country. Wai Wai produced in Nepal is normally exported to India. In large-scale the rising popularity of Wai Wai in India led CG Foods to open factories in India. Wai Wai has gained popularity in about thirty countries around Asia and Europe, with most foreign tourists taking a liking to it and importing it into their respective countries.

Appropriate Technology plays a vital role to produce good quality goods. Initially, Wai Wai, a product of Chaudhary Group was launched with technical collaboration of Thai Foods Industries, and has led to establishment of a huge market for instant noodles in Nepal. After about 2 decades, there are over 20 different brands of instant noodles in Nepal, providing various seasoning, flavors and diets ([http://en.wikipedia.org/wiki/Wai-Wai_\(food\)](http://en.wikipedia.org/wiki/Wai-Wai_(food))).

1.2 Statement of the Problem

Nowadays development of marketing has been expanded to the international level. People living in one corner can use goods produced in another corner of the world very easily so that marketing of any goods is strong competitive. There were only limited brands available in the market. In the context of noodles also market was not so competitive before few years ago. But today, competition is very high because many companies are involved in producing noodles in Nepal. So without advertising, maintaining standard quality and without giving effective services, there is no possibility to sale the noodles. Noodles marketing are increasing day by day due to growing population, as well as consciousness of health. Today's attractive advertising from different media is also a reason for growing market of noodles.

Marketing research should be carried out for systematic distribution and effective promotion to maintain the continue trust on particular brand. As our topic is "A study on Marketing of Wai Wai in Siddharthanagar Municipality Rupandehi." It is necessary to review the Market condition of Brand of Noodles that is produced by Chaudhary Group as compared with other

brand of noodles produced by other companies. Market of noodles is increasing day by day and it is a very important source to increase the National Income as well as per capita income. This has also necessitated reviewing all the internal and external factors that may positively or negatively affect this type of business. This study has aimed at listing all the problems that this industry is facing, analyzing them and correcting them, if necessary so that concerned industrialist as well as state and other interested parties could be benefited. In this regard we will have to study the market situation that this industry faces, specially emphasizing 'Wai Wai' brand due to the nature of the study. Before analyzing the market condition of 'Wai Wai' brand we will have to be, first of all, fully aware of following questions:

1. What is the competitive problem of brand of Wai Wai in comparison to other brand?
2. What is the sale's position of 'WaiWai' in Siddharthanagar Municipality?
3. What is the promotional problem? i.e. advertisement, sales promotion, personal selling.
4. What is the sales growth trend of noodles?
5. What is overall marketing situation of 'Wai Wai'?
6. What are the appropriate strategies for the marketing of Wai Wai and how they should be implemented?

1.3 Objectives of the Study

By observing the prevailing scenario of marketing, to solve the above prescribed problems related to the marketing of Wai Wai. This study is conducted with the following objectives:

1. To analyse the over all marketing activity of Wai-Wai.
2. To find out the sales position of 'WaiWai' in comparison to other brands.
3. To study and analyse the consumers view about price, pack and quality of the 'WaiWai' with other brands.

4. To observe about the promotional activities of 'WaiWai'.
5. Make Suggestions for effective marketing management of Wai-Wai.

1.4 Significance of the Study

Nepal is a country of mixed economy due to lack of proper industrial policy and economic development, Nepal's economic has not become fully self-reliant. Large part of the annual national budget depends on foreign assistances. Industrialization plays a significant entire role in the development of every country. Competition occurs among industries to sell their products in the market. To get success from the competition, it needs proper marketing management and policy. Nepal is dependent on agriculture, as well going on the way of industrialization slowly. Whether it is agricultural or industrial sector marketing plays vital role in drawing attention in consumer towards the products.

Marketing today is perceived as the central activity of every business organization. The modern society is rapidly developing not only in terms of the consumption behavior of people, but also in the form of life-style, thoughts and changing values. Our companies are lacking by the better marketing policies, management and strategies. CG is one of leading company in Nepal for noodles. The primary objective of this study is to know the marketing policy and structure of CG and is expected to find out the positive/negative market aspects in the context of 'WaiWai' in Siddharthanagar Municipality, which may be useful in some same or other industries to give an insight to their own policy and reformulate it to draw the attention of consumers. Besides, the new firms looking for a proper marketing policy and structure and willing to take the lesson from the success or failure of other firms may be the benefited by this dissertation.

1.5. Limitation of the Study

While performing a research there may chance of arising the wide range of problem, Researcher should be confined with a limited problem strictly based

on the objective of research. Some problems might be solved and some might not be. The problems which might not be solved may be called the limitations. These are the limitations of this research work.

- (i) The study is focused on small segment of Nepalese market.
- (ii) Most of data used in this study have been obtained through questionnaire, interview, so most data are primary. Data are based on sample survey conducted in Siddharthanagar Municipality.
- (iii) This study is done according to the limited time frame according to rules of T.U.
- (iv) This study is done in Siddharthanagar Municipality only.
- (v) The study is based on primary data and is supported by secondary data.

1.6 Organization of the Study

The study has organized into the 5 different chapters stated as below:

Introduction:

Chapter one gives the introductory outline of marketing, condition and general pictures of noodles market. This chapter also included statement of problems, objectives, significance, limitations of the study and organization of the study.

Review of Literature:

Chapter two is focused in the information about different issues of marketing, related with this topic by the help of different books, journals, reports, website and research.

Research Methodology:

Chapter three deals about research methodology and detail information about the data used in the research work and data collection procedure.

Data Presentation, Interpretation and findings:

Chapter four is data Presentation and Interpretation chapter, collected data

are tabulated and are shown in the form of table and bar-diagrams. This chapter also analyzed the different issues related with data. The final part of this chapter contains major findings of this research study.

Summary, Conclusion and Suggestions:

Chapter five is mainly concentrated to summarize the exact essence of the research work. It also contains suggestions given by the researcher based on the research work.

CHAPTER-II

REVIEW OF LITERATURE

2.1 Introduction

Nepal has no long history of using noodles as a fast food. Noodles has been used as a popular fast food especially in the city area as well as rural area. Among the established industrial house Chaudhary Group (CG) initiated to produce 'WaiWai' initially in collaboration with Asian Thai Foods industries in 1977 A.D. Due to its wide variety and special flavor, it has been used as a popular fast food in large scale. From the very beginning, it has been able to occupy its top position in Nepalese market. After the introduction of WaiWai in Nepalese market, many varieties of noodles has launched in Nepalese market under different name by various noodles industries. Among different noodles some of the best brands except WaiWai are Mayos, 2PM, Rara and Rumpum.

As we are going to perform the research in marketing of particular brand, we should focus on four components of marketing mix. The mixture of all the activities conducted to fulfill the needs of targeted market is called Marketing mix. Product, Place, Price and Promotion are its main components. So in this chapter, we will review the related topics.

2.2. Marketing (Conceptual Framework)

Marketing is a societal process by which individuals and groups obtain what they need through creating, offering and freely exchanging products and services of value with other. For a managerial definition, Marketing has often been described as an art of selling products. But people are surprised when they hear that the most important part of marketing is not selling! Selling is only the tip of the marketing Iceberg (*Kotler, 1999:8*)

Another definition given by William M. Pride and O.C. Ferrell attempts at viewing marketing as a set of diverse marketing group of activities performed by diverse group. Marketing consists of individual and

organizations that facilitate and expedite the flow of goods and services from producers to consumers satisfying exchange relationships in a dynamic environment through the creation, distribution, promotion and pricing of goods, services and ideas. An Industrial development occurs with the availability of market for the product. The expansion of market area is guided by the high demand of the goods. Also the expansion of market are depends upon the quality, price, demand, and other several phenomena of the concerning output. Depend, on the other hand id influenced by the taste and preference, level of income of the customer, price of competitors and promotional effectiveness.

The numerous definitions are offered for marketing, we can distinguish between a social and managerial definition. A social definition shows the role of marketing in delivering a higher standard of living for the society that serves our purpose as follows:

Marketing is typically seen as the task of creating, promoting, delivering goods and services to consumers and business. In fact, marketing people are involved in marketing types of entities: goods, services, experiences, events, person, places, properties, organizations, information and ideas (*Kotler, 1999: 3*).

2.3. Marketing Concepts and Orientation

Marketing is a social and management process by which individual and organizations obtain what they need and want through creating and exchanging value with others.

An organization that adopts the marketing concept accepts the needs of potential customers as the basis for its operations. Success is dependent on satisfying customer needs. Businesses also try to communicate the relevant features of their products through advertising and other marketing promotion. (tutor2u.net/business/marketing/marketing). The net result of all this economic activity was heavy competition for the consumer dollar. Businesses quickly came to realize that if they were going to get their share of those dollars, they

were going to have to become more consumer oriented. This change in philosophy became known as the marketing concept.

The marketing concept is about matching a company's capabilities with customer wants. This matching process takes place in what is called the marketing environment. Businesses do not undertake marketing activities alone. They face threats from competitors, and changes in the political, economic, social and technological environment. All these factors have to be taken into account as a business tries to match its capabilities with the needs and wants of its target customers.

Although this philosophy had been taking shape for nearly seven years, it was not articulated until it appeared in the 1952 annual report of General Electric. One widely used definition evolving from the report's description is, an organization-wide consumer orientation with the objective of achieving long-range profitability. As this definition implies, there are three parts to the marketing concept. They are:

1. **A customer focus:** The marketing concept begins with the premise that the starting point for business decisions is the customer's needs and wants. Those needs and wants are carefully researched and thoroughly analyzed. Then, goods and services are identified and/or developed to satisfy them.
2. **A profit goal:** The marketing concept dictates that goods and services made available by a business must be produced and sold at a profit. The profit objective is integral to the survival and growth of the business. Without it, the business would not be available to serve the needs and wants of customers.
3. **A total company effort:** Effective implementation of the marketing concept requires involvement of employees from all departments at all levels of the business. Training must be provided and employees must be motivated to achieve the common goals of maximum customer satisfaction and profitability.

Most of the changes in management practice have been related to changes in thinking inherent in the marketing concept. These include making decisions on the basis of customer needs and wants instead of production schedules and sales goals, viewing profit as an objective rather than an accounting outcome, and taking an active interest in all aspects of the business. Putting the marketing concept into practice has also forced managers to think through what they are going to do and their reasons for doing it. (www.answers.com/topic/marketing-concept)

Evolution of Marketing

Present form of marketing is the result of gradual development but not any result of sudden evolution. Different scholars and experts have suggested that Marketing was developed together with the development of civilization. Evolution of marketing can be divided into several stages which are mentioned below:

a) Production Stage

The production concept believes that consumers will favour those products that are widely available and low in cost. The production concept is oldest marketing concept. Managers of production oriented organizations concentrate on achieving higher production efficiency (Mass Production) and wide distribution coverage (Mass Selling). Their focus is on the existing product. All business efforts are directed at raising output levels, produce standardized product and sell at a lower price. The price is assumed to be the critical variable in the buying decision of customers

b) The Product Stage

The product stage believes that consumers respond to good quality products and that are reasonably priced. The product stage is a slight modification on the production stage and emerged almost at the same time as the production oriented stage. The major emphasis of product stage is on product quality performance and features.

c) The Selling Stage

The selling stage is based on the idea that people will buy more goods and services if aggressive selling methods are used. It believes that people ordinarily will not buy the organizations product unless they are persuaded to buy. This selling stage was evolved out of the failure of the production and product stage.

d) Marketing Oriented Stage

The marketing stage believes that the key to achieving organizational objectives lies in being more effective than competitors in integrating marketing activities towards determining and satisfying the needs and wants of the target markets.

e) Societal-Marketing Stage

This is the latest development in the field of marketing. The stage is based upon the fact that the organization should determine the needs/wants and interests of the target markets and deliver the desired satisfactions more effectively and efficiently than do competitors in a way that maintains or improves the consumer's and society's well being.

Table No. 2.1

Comparative Features of Marketing Concepts

Business concepts	Starting point	Main focus	Means	Offer to buyers	Organizational Goal
Production concept	Factory	Product	Production efficiency	Low priced products	Profit through mass production and merchandising
Product concept	Factory	Product	Product quality and performance	Product quality and performance guarantee	Profit through long lasting and high performance products
Selling concept	Factory	Product	Aggressive Selling and Promotion	Promises of product superiority and extra benefits	Profit through high sales volume
Marketing concept	Market	Customers' needs	Integrated Marketing	Customers satisfaction	Profit through customer satisfaction
Societal marketing concept	Market	Customers' needs	Integrated Marketing	Consumer Welfare	Profit through social welfare
Holistic marketing concept	Society	Social Needs	Relationship Marketing Integrated Marketing Internal Marketing Socially Responsible Marketing	Social Welfare	Profit through social welfare

(Koirala, 2011:24)

2.4 Marketing Management

According to G. R. Agrawal, Marketing management is getting the marketing jobs done by working with and through people to achieve marketing objectives. It involves analyzing, planning, implementing, and controlling the marketing efforts. It coordinates physical, human, financial and information resources available to marketing (*Agrawal, 1999: 8*).

Coping with exchange process calls for a considerable amount of work

and skill. Marketing management takes place when at least one party to a potential exchange thinks about the means of achieving desired responses from other parties. We see marketing management as the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering and communicating superior customer value.

According to Kotler, Marketing Management is the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering and communicating superior customer value. Marketing management is the conscious effort to achieve desired exchange outcome with target market.

2.5. Marketing Environment

Competition represents only one force in the environment in which the marketer operates. The marketing environment consists of the task environment includes the immediate actors involved in producing, distributing and promoting the offering. The main actors are the company suppliers, distributors, dealers and the target customers. Included in the suppliers such as marketing research agencies, advertising agencies banking and insurance companies, transportation and telecommunications companies. Included with distributor and dealers are agents, brokers, manufacturer representing and others who facilitate finding and selling to customers.

The broad environment consists of six components demographic environment, economic environment, natural environment, technological environment, political legal environment and social-cultural environment. These environments contain forces that can have a major impact on the actors in the risk environment. Market actors must pay close attention to the trends and developments in these environments and developments in these environments and make timely adjustments to their marketing strategies. *(Kotler: 1999:15)*

Along with opportunities today's marketing (business) environment is full of threats and challenges. This is age of globalization. It has brought the drastic

change in global market. Marketing becomes a hot subject for every business organization in this fast changing world.

Prof. Govinda Ram Agrawal identifies the today's marketing environment characteristics as follows.

Globalization: Global Corporation are present in most of the markets, no domestic market is safe from competition.

Technological change: Technological advances have shortened time and distance. New products appear worldwide in a short time. Consumers are using internet and computers for shopping purpose.

Liberalization: deregulation has brought competition everywhere. Public enterprises are being privatized.

The market environment is a marketing term and refers to all of the forces outside of marketing that affect marketing management's ability to build and maintain successful relationships with target customers. The market environment consists of both the macro environment and the microenvironment.

The microenvironment refers to the forces that are close to the company and affect its ability to serve its customers. It includes the company itself, its suppliers, marketing intermediaries, customer markets, competitors, and publics.

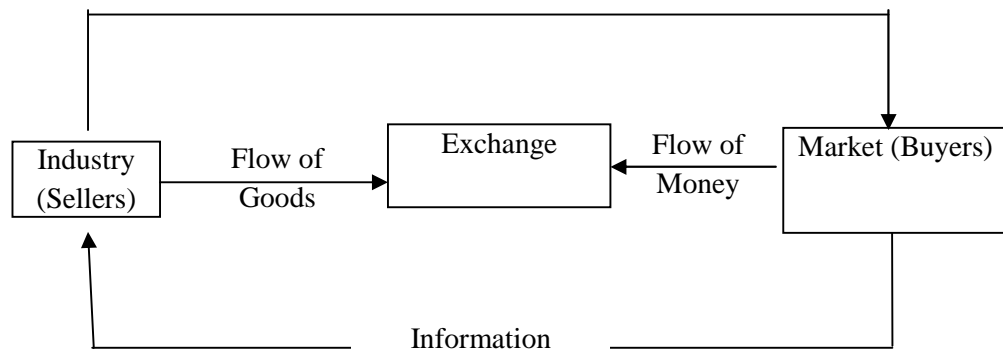
a) Market

The concept of exchange leads to the concept of a market. A market consists of all the potential customers sharing a particular need or want who might be willing and able to engage in exchange to satisfy that need or want.

Thus the size of the market depends upon the number of persons who exhibit the need, have resources that interest others, and are willing to offer these resources in exchange what they want. Originally the term market stood for the place where buyers and sellers gathered to exchange their goods, such as a village square. Economists use the term market to refer to a

collection of buyers and sellers who transact over a particular product or product class, hence the housing market, the grain market, and so on. Marketers, however see the sellers as constituting the industry and the buyers as constituting the market. The relationship between the industry and the market is shown in figure below:

Figure No. 2.1
Relationship between the Industry and the Market



(Kafle, Khadka, 2010:66)

The sellers and the buyers are connected by four flows. The sellers want to sell goods and services and communicate it to their market; in return they receive money and information. The inter loop shows an exchange of money for goods. The outer loop shows an exchange of information.

Each nation's economy and whole world economy consist of complex interacting sets of markets that are linked through exchanged processes. The concept of markets brings us full circle to the concepts of marketing. Marketing means human activity taking place in relation to markets. Marketing means working with markets to actualize potential exchanges for the purpose of satisfying human needs and wants.

b) Competitor

In a general sense, a competitor is one who sells a product or service that in the view of the buyer is substitutable for some other brands. Competitor is one who would be supplying the same type of substitutable product in the target market. Competitions operate at two levels; industry level and market level.

(i) The Industrial Level

At the industrial level, competition is generic where several firms offer different products that can satisfy a particular class of need. In simple meaning if two or more companies have similar products, same markets and consumers, these companies are competitors of each other. We can distinguish four levels of competitors based on the concept of product substitution.

) A company can see its competitors as other companies offering a similar product and services to the same customers at similar prices. Thus Bike might see its major competitors to be Ford, Toyota, Honda, Renault, and other manufacturers of moderate price automobile. But it would not see itself as competing with Mercedes, on the one hand, or Yug Automobiles, on the other.

) A company can see its competitors more broadly as all companies making the same product or class of products. Here Bike would see itself as competing against all other automobile manufacturers.

) A company can see its competitors even more broadly as all companies manufacturing products that supply the same service. Here Bike would see itself competing against not only other automobile manufacturers but also manufacturers of Bikes, bicycles, and trucks.

) A company can see its competitors still more broadly as all companies that compete for the same consumer dollars. Here Bike would see itself competing with companies that sell major consumer durable, foreign vacations, new homes, major home repairs, and so on.

(ii) The Market Level

At the market level, competition is between product class and between brands. This is closer concept of competition where each firm has to closely watch the plan, programs, activities, and action of competitors.

The sellers in the product class of computers are more closely, IBM PC

has to compete with Compaq, Dell and many other manufacturers and assemblers of personal computers. In Nepal we can take an example of WaiWai and Mayos (*Koirala, 2057: 135/136.*)

2.6. Segmentation

Segmentation is an approach midway between mass marketing and individual marketing (*Kotler:1990;9*).A market can rarely satisfy everyone in a market. Not everyone likes the same soft drinks, hotel room, restaurant, automobile, collage and movie. Therefore marketers start with market segmentation. They identify the profile distinct groups of buyers who might prefer or require verifying products and marketing mixes. Market segment can be identified by examining demographic, psycho graphic and behavioral differences among buyers. The firm's opportunity-those whose needs market the firm can meet in superior fashion. (*Kotler, 1990:8*)

Market segmentation is the process of dividing the total market into homogeneous groups of customers who share similar needs and characteristics. According to Prof. William J. Stanton, Market for a good or service into several smaller groups, such that the members of each group are similar with respect to the factors that influence demand.

Requirements for market Segmentation: -

- a) Measurable
- b) Differentiable (Divisible)
- c) Accessible
- d) Profitable
- e) Actionable

Benefits of Segmentation:

- a) Effective identification of market opportunities
- b) Effective use of marketing resources
- c) Effective competitive response
- d) Market specialization
- e) Environmental adaptation

Disadvantages of Segmentation:

- a) Increase in Production cost
- b) Increase in marketing expenses
- c) Poor Market coverage
- d) Lack resources
- e) High Risk

(Agrawal, 1999: 51/52/53/54)

New Criteria for Market Segmentation

Segmentation analysis has developed out of several key premises:-

1. Traditional demographic methods of market segmentation do not usually provide this knowledge. Analysis of market segments of age, sex, geography, and income level are not likely to provide as much direction for marketing strategy as management requires.
2. In today's economy, each brand appears to sell effectively to only certain segments of any market and not to the whole market.
3. Sound marketing objectives depend on knowledge of how segments, which produces the most customers for a company's brand, differ in requirements and capabilities from the segments, which produces the largest number of customers for competitive brands.

Once the marketing director discovers the most pragmatically useful way of segmenting his market, it becomes a new standard for almost all his evaluations. He will use it to appraise competitive strengths and weakness, to plan his product line, to determine his advertising and selling strategy, and to set precise marketing objectives against which performance can later be measured (Daniel, 2002: 37/38).

2.7 Some Repeated Terminologies

Brand: A name, term, sign, symbol or design, or a combination of them, intended to identify the goods or service of one seller or group of sellers and to differentiate them from those of competitors.

Brand Name: That part of a brand which can be vocalized the utter able.

Brand Marks: That part of a brand, which can be recognized but is not utter able, such as symbol, design, or distinctive coloring or lettering.

Trade Mark: A brand or part of a brand that is given legal protection because it is capable of exclusive appropriation. A trademark protects the seller's exclusive rights to use to brand name and / or brand mark.

Copyright: The exclusive legal rights to reproduce, publish, and sell the matter and form of a literary, musical or artistic work.

Packaging: Packaging consists of the activities of designing and producing the container or wrapper for a product. The container or wrapper is called the package. The package might include up to three levels of material.

1. The primary package is the product's immediate container. Thus the bottle holding old spice after-shave lotion is the primary package.
2. The secondary package refers to material that protects the primary package and is discarded when the product is about to be used.
3. The shipping package refers to packaging necessary for storage, identification, or transportation.

Labeling: It refers to the process of giving label in the packaging. It consists of printed information, as Brand, grade description.

Producers: The producers of consumer products are manufactures, processors and assemblers who gather factors of production to make products desired to be used by individuals and households. The size of producers widely differs between products and markets, ranging from cottage level producers to large multinational companies who often operate several manufacturing units across the world.

Many small producers perform all the distribution functions and directly deal with the consumers, while some manufactures also maintain their own distribution networks. However, all large number of manufacturers depends

on marketing intermediaries to distribute their products. Producers perform major distribution function, such as carry of inventory, demand or sale generation, physical distribution, and after-sales service and credit extension to customer. The producer usually transfers a part of the distribution function to other channel components, such as agents, wholesalers and retailers.

Agents: Agents generally work for the principal. They negotiate the sales or purchase transaction on behalf of the principal. In the consumer marketing channel system, the agents generally work for the producer. Agents normally work on a commission on sale basis. Agents do not take title to the goods they handle however, they unit the producer with the buyers. Brokers and sales agents provide an important link between the producer and wholesalers. Brokers have limited authority on negotiation to deal and mainly perform the function of identifying, locating and contacting buyers for the producer. The sales agents have fully authority to negotiate the deal on behalf of the producer.

Wholesalers: Wholesalers are merchants who normally buy from several producers and sell to a large number of retailers and other institutional customers. They are often called dealers or distributors. There are different types of wholesale establishments who differ in terms of merchandise they handle, their methods of operation and breadth of services they provide to producers and retailers. However, they have one common feature: they take full title to the merchandise they handle. They also perform storing, promotion and credit extension functions in the channel system. In case of consumer products, wholesalers are an important link between the producer (and agent) and the retailers.

Retailers: Retailers buy merchandise from the producers and wholesalers and sell them to the consumers. Retailers vary widely in terms of their size of operation. They range from street vendors to large retail establishments like department stores and super markets. Retailers also take full title to the

merchandise they handle. Retailers also perform storing. Promotion and credit extension functions to a limited level (*Koirala, 1999: 215/16/17/18*).

2.8 The Marketing Concept in Nepal

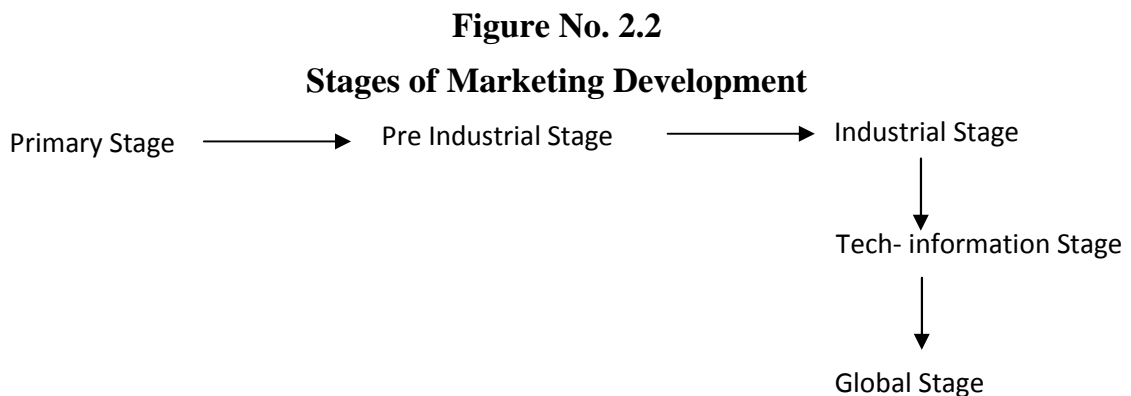
- a) The economy of Nepal is characterized by excessive dependence on agriculture. The industrial sector is in a developing stage. The role of services has been growing in the recent years. Due to the topographic diversity of the country coupled with poor transport and communication facilities, marketing has remained fragmented.
- b) Marketing has traditionally remained a neglected aspect in Nepal. Enterprises tend to concentrate on production and selling rather than marketing. The selling concept has been serving as the marketing philosophy of Nepalese managers. The public sector has generally remained indifferent to the marketing concept.
- c) The public sector remains dominant in the Nepalese economy. The private sector is developing and dominated by the family owned and managed business. The advent of global companies, especially in tourism and finance sectors, has resulted in the transfer of new marketing skill along with capital and technology.
- d) The marketing concept has not been embraced by most Nepalese organizations. This is clear from the following points.
 - Management Philosophy of most organizations of Nepal does not emphasize customer orientation.
 - Target markets have not been clearly defined by most Nepalese organizations.
 - Marketing information system has remained very weak in most organizations.
 - Marketing activities have remained fragmented in the organization structures. They have not been organizationally coordinated. Marketing department has not become a part of the top management

team.

- Organizations tend to be more interested in producing products and making profit through selling and production. They seem least concerned about satisfying the needs of the customers.
- e) Prospects for the Marketing Concept: Nepal has experienced significant socio economic changes over the last 25 yrs. The supply-driven marketing where organizations could sell everything is increasingly way to demand driven marketing. The realization is gradually coming that customers and their needs are important in marketing. Giving The increasing intensity of competition in the Nepalese market has also helped in these regards

2.9. Development of Marketing

Marketing has developed in an evolutionary rather than revolutionary fashion. Its development has been influenced by the progress of civilization and economic development of nations.



(Agrawal, 1999 : 2)

2.10 Basic Principle of Marketing Concept

As business people begin to recognize that marketing is vital to the success of their organization a new philosophy of doing business developed. Called the marketing concept, it emphasizes customer orientation and co-ordination of

marketing activities to achieve the organization's performance objective. Sometimes the marketing concept is simply stated as "the customer is the boss!" As important as it is to stress customer satisfaction, however, motto must not be allowed to replace achievement of objective as the fundamental rationale for the marketing concept,

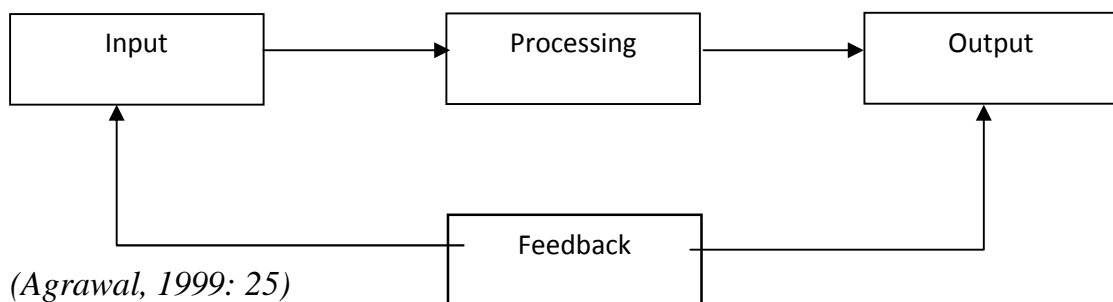
1. **Target Market focus:** The principle of marketing concept emphasis that no organization, business or non-business, big or small can operate in every market and satisfy every category of needs of needs of the market. An organization can do better if it can define the boundaries of its operation and follow a market tailored business strategy.
2. **Customer orientation:** All planning and operations showed be customer oriented that is organization and its employees should be focused on determining and satisfying customers' needs. Customer oriented, coordinated marketing is essential to achieve the organization's performance objectives; the primary objective for a business is typically a profitable sales volume. In nonprofit organizations the objective might be the number of people served of the variety of services offered. The principle of customer orientation calls for the organization to carefully and accurately define customer needs from the customers' point of view. They have to use the tool of market research to understand customer needs.
3. **Integrated marketing:** The principle of integrated marketing calls for a full coordination and integration of the various marketing activates performed within the organization.
4. **Profitability:** The principle of profitability calls for an analysis of every business opportunity from the view point of profitability and survival of the organization. The market oriented organization, however, scarifies short-term profit opportunities and targets at long term profits through creating and retaining satisfied customers. (*Koirala, 2057:16*).

2.11. Marketing System

A marketing system is an unified whole composed of interrelated and interacting subsystem to achieve desired objectives. Marketing is a dynamic system consisting of Input-processing-output-Feedback showing in figure.

Figure No. 2.3

Marketing System



(Agrawal, 1999: 25)

- a. Input of the marketing system consists of the marketing mix elements product, price, and promotion, place.
- b. Processing of the marketing system consist of environmental influences and buyer decision processes.
- c. Output of the marketing system consists of customer response reflected by profit, market, share, social welfare, and organization image.
- d. Feedback provides information to design input.

2.12. Marketing Mix

Marketing is the process of choosing markets to be in, products to offer, prices to change, distributors to use, and messages to send. Organization must create and maintain an effective marketing mix that satisfies customer needs *(Agrawal, 1999: 28/29)*.

Definition

Marketing mix is the set of marketing tools that organizations use to pursue their marketing objective in the target market.

2.13 The Tools of Marketing Mix are Known as 4 Ps

It is necessary to go in brief of tools of marketing mix. Always market situation is measured with the help of tools of marketing mix i.e. 4 Ps. If we neglect one from other the effectiveness of market situation is not measured by better way. Now, respectively we discuss about: - product, price, distribution channel and promotion.

2.13.1 Products

In a narrow sense, a product is a set of attributes assembled in an identifiable form. Each product is identified by a commonly understood descriptive (or generic) name, such as steel, insurance, tennis rackets or entertainment. Product attributes such as brand name and post sale service that appeal to consumer motivation or buying patterns play no part in this narrow interpretation.

In marketing we need a broader definition of product to indicate that consumers are not really buying a set of attributes, but rather benefits that satisfy their needs. A product is a set of tangible and intangible attributed, including packaging, color, price, quality, and brand, plus the seller's services and reputation. A product may be a good, service, place, person, or idea. In essence, then, consumers are buying much more than a set of physical attributes when they buy a product. They are buying want satisfaction in the form of the benefits they expect to receive from the product. We divided all products in to two categories –

- (a) Consumer products
- (b) Business Products

This research is concerning with consumer product so, goes ahead with consumer product:-

Consumer products are intended for use by household consumer for non business purposes. A product is anything that is capable of satisfying human needs and wants. Philip Kotler defines a product as anything that can be offered

to a market for attention, acquisition, use or consumption ad that might satisfy a want or need. (*Stanton, 1994: 210/211*).

What is Product Quality?

When considering the physical product apart from the additional attributes, real or fancied, bestowed on it by an effective marketing program, the manufacturer's attention is usually centered on "product quality". In this context product quality is often measured in terms of the purity or grade of material used the technical perfection of design, and exacting standard of production. The level of quality is usually set in terms of either meeting or beating competition. Once a level of product quality, this sense, has been determined, most firms carry out rigorous programs of quality control and product testing to ensure that technical standards of product quality are upheld.

How Brands Influence People?

This first thing to recognize when we talk about brands is that they are not just names, terms, symbols, designs or combinations of these, although it is true to say that such things can differentiate certain products and companies from others. The additional ingredient that makes a successful brand is personality.

Today leading brands are personalities in their own right and are well known in all societies and cultures as film heroes, cartoon characters, sports stars, or great leader. Thousands of people relate to brand personalities in the same ways as they do to human personalities. There is of course, a psychological basis to this, and the psychology behind brands really stems from Carl Jung's work where he described the four functions so mind-thinking, sensation, feeling and intuition. The secret to successful branding is the influence the ways in which people perceive the company or product, and brands can affect the minds of customers by appealing to these four mind functions, or combinations of them.

Some brands appeal to the rational part of a person, to the elements of logic

and good sense (the thinking dimension) such as noodles, which prevents decay and cholesterol-free foods. Others appeal to the sense of smell, tasted, sight, and sound such a fashion and cosmetic products. Some brand attract the emotional part of people appealing to the feeling's dimension to which consumer react with feelings of warmth, affection, and belonging. Products such as Harley-Davidson motorcycles and companies like Benetton with its global village branding exemplify these. *(Catatan, 20Aug, 2010)*

People Prefer to Buy Brands

Brands are also successful because people prefer them to ordinary products. Today's world is characterized by more complex technology, and this can be extremely confusing to people who are not technology minded. Brands can play an important role here by providing simplicity and reassurance to the uninitiated, offering a quick, clear guide to a variety of competitive products and helping consumers reach better, quicker decision.

Ethics and argot marketing (The Role of Product Harm and consumer Vulnerability)

It is not surprising to find that Tedlow's (1990) historical account of marketing in America is a history of market segmentation. Market segmentation, with its concomitant target marketing (targeting), is one of the most important concepts in marketing. The essence of market segmentation, recognizing the differences among customers and choosing to target segment of them with similar needs has reached its zenith in the late 20th century. Many consumer markets have fragmented, increasing the need for sharply focused target marketing. Marketers, aided by information technology, have responded with strategies aimed at smaller and hence more exclusive groups of consumer, even to the point of program directed at the individual consumer. The sophistication of target marketing and reorganization of its importance as a means of achieving efficiency and effectiveness have never been greater. But despite its role in identifying and servicing customer needs, more focused target marketing has been

accompanied by increased criticism. In particular, extensive media attention has been devoted to the targeting of adult consumer segments viewed as “vulnerable”, with products considered “Harmful”, which is the focal issue addressed here. This criticism of targeting has included products such as lottery tickets, fast food, weight loss products, contraceptives, rental furniture and electrical equipment, food supplements, and financial services, such as auto insurance and credit cards. Most extensive, however, has been the criticism of the targeting to alcohol and tobacco products, notable uptown and Dakota cigarettes and power master malt liquor. In many respects, targeting epitomized the marketing concept. Nonetheless, on occasion it has resulted in controversy and even has been criticized as unethically. This seemingly paradoxical outcome has received little theoretical or empirical scrutiny, yet it is clearly of importance to marketing theory and practice. Certainly, marketers and public policymakers must respond if there is public disquiet over targeting and therefore should be interested in its causes and consequences. Marketers might need to be especially responsive if their practices result in diminished reputation of the firm, lost sales, and potentially, the regulation of targeting. From a theoretical standpoint, it is important to determine whether there are boundary condition to the assumed benefits of the targeting concept, in other word, the potential for controversy and ethical concern might suggest that targeting is in appropriate for some products and markets. (*Smith N.C. and Martin E.C. vol 61. 1997*).

2.13.2 Pricing

Price is the value placed on what is exchanged. Something of value; usually purchasing power is exchanged for satisfaction and utility. Goods, services, ideas, advice, rights etc., are exchanged and their value measured by their price. Price is usually expressed in term of monetary units. Pricing is the act of determining the exchange value between the purchasing power and utility or satisfaction acquired by an individual, group or an organization through the purchase of goods, services, ideas, rights etc.

Traditionally, price has operated as the major determinant of buyer choice. This is still the case in poorer nations, among poorer groups, and with commodity-type products. Although non-price factors have become more important in buyer behavior in recent decades, price still remains one of the most important elements determining company market share and profitability. Consumers and purchasing agents have more access to price information and price discounters. Consumers shop carefully, forcing retailers to lower their prices. Retailer put pressure on manufacturers to lower their price. The result is a market place characterized by heavy discounting and sales promotion.

All profit organizations and many nonprofit organization set prices on their products or services. Price goes by many names.

Price is around us. You pay rent for your apartment, tuition for your education, and fee to your physician or dentist. The airline, railway, taxi and bus companies charge you a fare, the local utilities call their price a rate, and local bank charges your interest for the money you borrow. Your regular lawyer may ask for a retainer to cover her services. The 'Price' of an executive is a salary, the price of a salesperson may be a commission, and price of a worker is a wage. Finally, although economists would disagree, many of us feel that income taxes are the price we pay for the privilege of making money (*David J. Schwartz, 1981: 271*).

Price is the marketing-mix element that produces revenue, the others produce costs. Price is also one of the most flexible elements. It can be changed quickly, unlike product features and channel commitments. At the same time, price competition is the number one problem facing companies. Yet many companies do not handle pricing well. The most common mistakes are these:-

1. Pricing is too cost-oriented.
2. Price is not revised often enough to capitalize on market changes.

3. Price is set independent of the rest of the marketing mix rather than as an intrinsic element of market positioning strategy, and
4. Price is not varied enough for different product items market segments, and purchase occasion.

(Kotler, 1999: 456.)

In setting its pricing policy, a company follows a six-step procedure: -

1. It selects its pricing objective survival, maximum current profit, maximum market share, maximum market skimming, or product-quality leadership.
2. It estimates the demand curve, the probable quantities that will select each possible price.
3. It estimates how its cost varies at different levels of output, at different levels of accumulated production experience, and for differentiated marketing offers.
4. It examines competitor's cost, price and offers.
5. It selects a pricing method.
6. Finally, it selects the final price, taking into account psychological pricing, and the influence of other marketing-mix elements on price, company pricing policies, and the impact of price on other parties.

Company do not usually set a single price, but rather a pricing structure that reflects variations in geographical demand and cost, market-segment requirements, purchase timing, order levels, and other factors.

Several Price-adaptation strategies are available:-

1. Geographical Pricing
2. Price discounts and allowances
3. Promotional Pricing
4. Discriminatory Pricing

Product-mix pricing, which includes setting prices for product lines, optional features, captive products, two part items, by-products, and product bundles.(Kotler,1999:482/83).

Quality Tier Competition: How Price Change Influences Brand Choice and Category Choice?

National brand expenditures on sales promotion for frequently purchased consumer products have increased dramatically in the past decade, with many companies spending more on promotions than they do on advertising. Understanding the effects of price promotional strategies has become important with the growing success of private label brands. Indeed, the increasing presence of private-label brands means that brands price promotions. Managers of national brands must understand the exact nature of the impact of private-label brands so compete effectively in the marketplace.

Previous research on quality tier competition focuses on brand switching between high and low-quality brands (i.e., “what” aspect). Evidence from these early studies suggests that quality tier competition is asymmetric-that is, consumers respond to price promotions more to: switch up than to “switch down” quality tiers. These findings could be explored further by considering the category purchase aspect of the consumer choice decision. The incidence aspect of purchase behavior, the “whether” decision, is the choice to buy the product category now or later. Manufacturers are typically more interested in the “What” aspect and retailers in the “whether” aspect, but investigation how asymmetric competition completion works in both of those dimensions could have very different implications. For example, the dominance of the “what” aspect calls for strategies to attract customers from other brands, dominance of the “Whether” aspect, however, indicates that the competition is not direct.

Past research shows the relative advantages of high quality brands over low-quality brands when prices are cut, however, the effects of price increases

have not been examined. A separate and independent stream of research on responses to price changes established that consumer in fact a respond differently to price increases and decrease. Consequently, research on quality tier competition could benefit by incorporating the differential responses to price increase and decrease (*Sivakumar and Raj, 1997:71/84*)

Moreover other important part is buying behavior so we review in short for this concept also.

How to convert Customer Desire into a Sale?

Consumers always want more. It does not matter what is being offered. If it is there, they have at least a twinge of desire for it. But how do you take that desire and convert it into a sale? To push a sale across the finish line you need buying stimulators. The stimulators are:

a. Fear of Loss

One of the best stimulants for buying is not only to say how the customer will benefit from your product, but to mention how they will use if they do not buy your product. The fear of loss drives a sale as much as the customer's desire for the product or service remind the customer that they can either use your product or service, or they and live with the consequences, you could say something like, The choice is yours. You can live the life you have always dreamed of, or you can stick with your dead-end job for the next thirsty years.

b. Increase Buying Options

A wide variety of buying methods exist for one reason not everyone likes to buy the same way. Some people like to order over the phone, someone line, some through mail, some through fax. And not everyone likes to use credit cards; some people like to use cheques or cash. The points are, when you increase your buying options, you appeal to more people. Give your customers what they want and they will give you what you want.

c. Appeal to the Emotions

People buy a product or use a service because they expect to feel a certain way afterward. We buy vitamin supplements because they will make us feel stylish and affluent. So think about the benefits of your product and convert those benefits into feelings. If you are selling a business opportunity, emphasize on how great people will feel when they work for themselves with no boss and no set schedule. If you sell sports equipment, focus on how your quality goods will improve technique and make your customers winners. Use vivid, picturesque words to dramatize the feelings your customers will experience after they buy your product or service.

d. So Many Choices, So Much Indecision

The most successful advertisement focus on one product or service. Do not make the mistake of trying to list all your products and services in one advertisement. Do not give the customer a choice. If they have to deal with more than one product, you will have mass indecision on your hands. Make the choice as easy as possible, or you will lose the sale.

e. Simplify the Process

The easier something is, the more people want to do it your customers do not want to deal with a difficult ordering or purchasing process, so make the procedure as simple, quick and pleasant as possible.

2.13.3 Distribution

Distribution is concerned with all business activities revolving around the problem of getting the product from the place of manufacturing to the final consumer. Distribution deals with two aspects of product movement: marketing channels and distribution is the system of relationship among the various persons and institutions involved in the process of movement and ownership of products and facilitating exchanges. Distribution logistic is concerned with the physical movement of products.

Most producers do not sell their goods directly to final users. Between producers and final users stands one or more marketing channels, a host of marketing intermediaries performing a variety of functions. Marketing channel decisions are among the most critical decision facing management. The company's chosen channel(s) profoundly affect all other marketing decision.

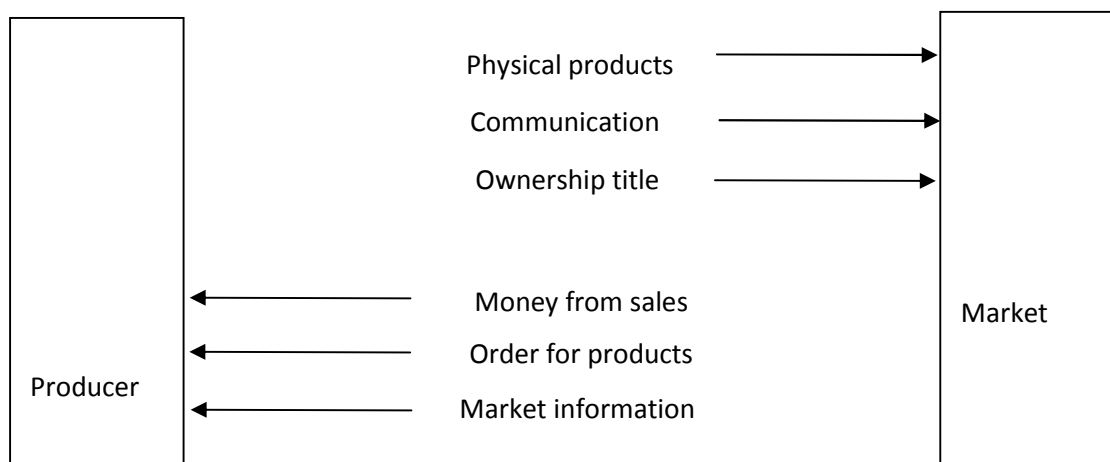
Channels of Distribution

Meaning of Marketing Channels

According to William J. Stanton, A distribution channel consists of the set of people and firms involved in the transfer of title to a product as the product move from producer to ultimate consumer or business user (*William, 2002: 363*). The channel of distribution involves several individuals and institutions such as producer, suppliers, industrial users, brokers, agents, wholesalers, retailers and consumers. It also includes several flows in the system. It consists of forward flows and backward flows. The forward flows move from producers to the market. There are three forward flows: product flow, communication flow and ownership flow. The backward flows move from the market to the producers. The backward flows are: money from sales, orders for products, and market information.

Figure No. 2.4

Channel Structure for Consumer and Industrial products



The channel structure is a combination of channel components and channel levels. The channel components are the type of channel participants involved in the channel system. The channel structure of consumer products and industrial products are different. Similarly, the type of channel components also differs between the two types of products (*Koirala , 2057: 215*).

Physical Distribution

In the marketing channels the products must be moved in the right quantity at the right time to the right place in order to deliver desired satisfactions to the end users or consumers. Physical distribution or marketing logistic is concerned with the management of flow of goods from the point of origin to the point of consumption. Marketing organizations must manage the flow of goods and services from their production locations to the market, and also make arrangement for a flow of information between the two points.

2.13.4 Promotion

The marketing mix activities of product planning, pricing, and distribution are performed mainly within a business or between a business and the members of its distribution channels. However, through its promotional activities, a firm communicates directly with potential customers. And, as we will see, it is not a simple process.

Promotion is the element of an organization's marketing mix that serves to inform, persuade, and remind the market of a product and for the organization selling it, in hopes of influencing the recipient feelings, beliefs, or behavior.

Advertising

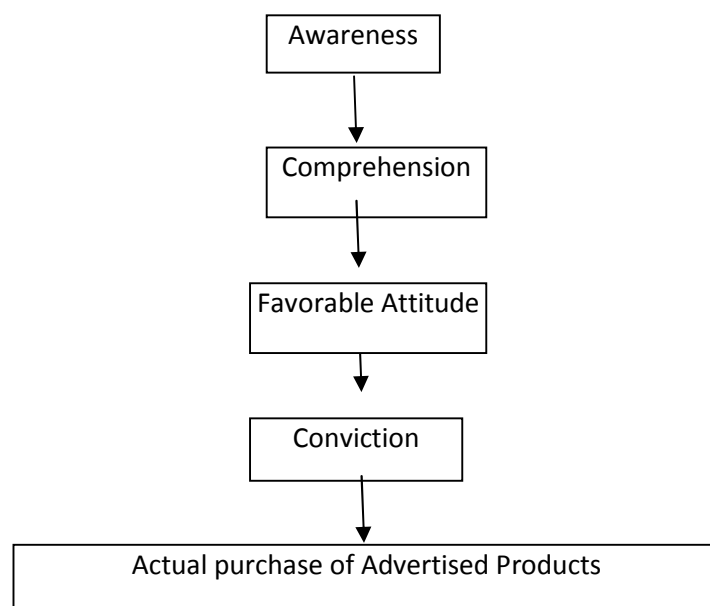
A product, service and Idea can be presented and promoted in a variety of ways, and advertising is only one of them. Advertising influences consumer attitudes and purchase behavior in a variety of consolidated manner. It has multiple objectives and roles in persuading the consumers. The technique of advertising may be direct by one or more objectives of advertising depending upon the situation. (*Shrestha, 1997: 36*)

According to William J./Michael J. and Bruce J. Advertising is impersonal mass communication that the sponsor has paid for and in which the sponsor is clearly identified. The most familiar forms of ads are found in the broadcast (T.V. and Radio) and print (newspapers and magazines) media. However, there are many other advertising alternatives, from direct mail to bill boards and the telephone directory yellow pages also Internet.

The advertiser needs comprehension of psychology. The effective advertising needs to be familiar with certain effects that lead to certain response. Advertising is a method of communication, which is one of the most important aspects of human behavior.

Today business organization, non-business social organization, political organization and governmental and non-governmental organizations are also using advertising as tools of promoting and presenting goods and services as well as poly- typical candidates for votes.

Advertising can be understood as form of communication, which aims at bringing about some change in the behavior of the target audience, particularly the potential buyers or non-buyers towards the product or service advertised. A generally theoretical model seeks to identify a step-wise behavioral progression non-buyers towards buying action.



This is the progression from awareness to comprehension. From comprehension to favorable attitude, favorable attitude to conviction and finding actual purchase of a product concerned, which can be presented in the diagram to answer how advertising convert from potential to an actual one.

It is opened to question if this model represents what actually happens in real life for one thing actual purchase occurs as a result of many factors and advertising is only one of them. Sometimes advertising can do its job and bring the customer to the retail outlets, but if the distribution plan of the company is uneven, and retailer doesn't have stocks of the products, purchase may not result. Simply advertising stimulates the potential buyers to go to the store to buy actual advertised products.

In general, advertising is done in expectation of tangible gains such as favorable attitudes, better image of the firms, and increased sales. The techniques of advertising depending upon the situation however, is the matter of decision of the marketing manager to blend all promotional tools advertising, personal selling, and sales promotion to arrive at a right mix. Each of the promotional tools has got unique characteristics and is complementary (*R.K, 1997:52*).

Advertising is the non personal communication of information usually paid for and usually persuasive in nature about products, services, or ideas by identified sponsors through the various media. (*Count. L. Bovee/William F. Arens 2002:2*)

Advertising is any paid form of non personal presentation and promotion of ideas, goods, or services by an identified sponsor. Advertisers include not only business firms but also charitable, nonprofit, and government agencies that advertise to various publics.

Developing in advertising program is a five-step process:

1. Set advertising objectives
2. Establish a budget that takes into account the stages in product life cycle,

market share and consumer base, competition and clutter, advertising frequency and product substitutability.

3. Choose the advertising message, determine how the message will be generated, evaluate alternative messages for desirability, exclusiveness, and believability, and execute the message with the most appropriate style, tone, words, and format and in a socially responsible manner.
4. Decide on the media by establishing the ad's desired reach, frequency, and impact and then choosing the media that will deliver the desired results in terms of circulation, audience, effective audience, and effective ad-exposed audience.
5. Evaluate the communication and sales effects of advertising.

Advertising and other Promotional Activities

It should be made clear here that advertising and promotions seem the same but are not exactly the same thing. Promotion is a broad term whereas advertising is just a part of promotion. When we talk of promotion it generally includes sales promotion, publicity, personal selling, public relation and advertising. Advertising is considered to be one arm of promotion.

a. Sales Promotion

According to the American Marketing Association, sales promotion consists of those marketing activities, other than personal selling, advertising, and publicity, that stimulate consumer purchasing and dealer effectiveness, such as display, show, demonstrations and various non-recurrent selling efforts not in the ordinary routine. Sales promotion is the third major promotional tool. It is used to coordinate and supplement the advertising and personal selling programs. Sales promotion has increased considerably in importance in recent years as management has sought measurable, short-term sales results. Sales promotion should receive the same strategic attention that a company gives to advertising and personal selling. This means establishing objectives and appropriate strategies. Separate budget should be

set for sales promotion. Sales promotion can be directed towards final consumers, middlemen, or a company's own employee.

b. Personal Selling

Personal selling consists of person-to-person communication between the sales persons and their prospects. Unlike advertising, it involves personal interactions between the source and the destination. The most effective method of promotion probably is to have sales persons call upon every target consumer. For many institutions, especially those that appeal to the mass market, this would be terribly inefficient. As a result, they employ mass marketing techniques, such as advertising. Personal selling is very important in industry.

c. Public Relation

Marketers engage in public relation in order to develop a favorable image of their organizations and products in the eyes of the public. These activities to parties are directed towards other than target consumer. They are public at large, labour union, the press, and environmental groups. Public relation activities include sponsoring, lobbying, and using promotional messages to persuade members of the public to take up a desired position. The term public relation refers to a firm's communications and relationships with the various section of the public. These sections include the organization customers, suppliers, shareholders, employee, the government, the general public and the society in which the organization operates.

d. Publicity

Publicity is a means of promoting the mass market and is similar to advertising except that it is found in the additional promotion of the news media pertains to newsworthy events. The most common type of publicity is news releases (press release), photographs and feature stories. Promotion can be directed towards final consumers, middlemen, or a company own employees. Public relations and publicity are the last two promotional methods. Public relations are the

broad, overall promotional vehicle for improving or maintaining an organization's image and its favorable relationship with its publics. Publicity, a part of public relations is any promotional communication regarding an organization and/or its products that are not paid for by company benefiting from it. Typically there two activities are handled in a department separate from the marketing department is a firm. (*B.S. Rathor, 2003:91/92*).

2.14. Can Repeating an Advertisement More Frequently than the competition Affects Brand Preference in a Mature Market?

The extent of advertising in mature markets cannot be exaggerated, because in most developed economic like the United States nature product categories are more typical of what is advertise, In a mature product market, most marketing researcher would declare the rate of advertising to the limited, especially if product attributes were integral to the brand choice process and preference were well formed. In truth, there is probably a strong presumption that under most circumstances the answer to the question posed here is negative. Business practice would be explained as resulting from competition, signaling, and the creation of barriers to entry of justify in terms of reminder advertising. At present a considerable body of research into the effects of advertising has accumulated, and even though most of the focus has been on new markets or users, it is possible to build on these results in order to start providing answers to the important query posed here. We report results of an experiment emphasizing ecological validity and careful preference measurement. The major findings are that advertising more than the competition can influence awareness and brand choice and especially the role of brand name in preference.

There are several reasons why it would be hard to detect advertising effects in mature markets or why such effects if detected are likely to be weak. First, it is highly probable that in mature markets firms are operating on or next to the saturation point of their advertising response curves. Second, there is small like hood that new users exit, so most users will have has prior product

experience, and much brand choice will be based on inertia, especially for low priced, frequently purchased product. Third, mature markets are competitive, so there are bound to be high levels of competitive advertising, fourth, consumer's product-brand knowledge structures are likely to be well formed, so, information needs will be minimal and product evaluation could be memory based. In many cases, advertising may be working simply to maintain the status, Quo, and the only way to detect the impact of advertising would be to eliminate it entirely and see if sales decline, as Maxwell house discovered in the late eighties. Therefore, advertising effect is like to be detected in mature markets if certain conditions hold. These include non- packaged goods product category in which product experience is ambiguous, advertising is common practice, attributes are pertinent to choice and are numerous enough to make constant product evaluations cognitively demanding, and the advertised products are part of the consumer's consideration set. Even then it may still be impossible to detect advertising effects in which case experimental methods are needed(*Giles and Rao, April, 1995:32/42*).

2.15 A Review of Previous Research Work

A very few works have been conducted by some scholars regarding various aspects such as brand loyalty market situation, brand choice, advertisement and particularly instant noodles. Though some of researches have been conducted but no research has been on basic marketing aspects of instant noodles such as wai wai. Some of the relevant studies are mentioned below.

Arjun Kumar Thapaliya (1999) has performed a research work entitled "A study on market situation of instant noodles". He summarized that sales promotion works as a starter to the noodles users. People, who are not so educated, are not loyal towards any particular brand. Due to this, the sales promotion, advertisement easily attracts attention of those noodles users and as result the sales of that particular noodles will increase.

Kishor Raj Aryal (2002) has conducted a study entitled “The study of market share of Coalgate in comparison to the other brand”. This research mainly concentrated market share condition of Coalgate in comparison to the different market available Coalgates. He has covered the limited area of the marketing.

Sanjay Parajuli (2001) has conducted a research entitled “study of loyalty on branding”. He specially focused on the interpretation and analysis of the data and information collected from the consumer it is found that brand awareness of the Nepalese consumers is high and most of them are brand- loyal in each of the products selected for this study. Similarly, it is also found that the factors such as the consumer sex, age, marital status.

By reviewing of the literature, few published and unpublished literature were found. The review of available literature gives common scenario of the situation but study has no limitations and only one study may not applicable forever. No. any research work has been done in this topic before and the researcher is trying to find the major marketing strategies of wai wai noodles in Siddharthanagar Municipality. This is the main research gap for this study. Data are also latest in their nature.

CHAPTER-III

RESEARCH METHODOLOGY

3.1 Introduction

Business research is a systematic inquiry that provides information to guide managerial decisions. More specifically, it is a process of planning, acquiring, analysing and disseminating relevant data information and insights to decision makers in ways that mobilize the organization to take appropriate action that in turn, maximize business performance. *(Cooper, Schindlev, 2007;4)*

A research is defined as the systematic and powerful search for the improvement of knowledge about the physical, social, business and economic activities(or phenomena) through different statistical methods *(Silwal, 2062:1)*

Research Methodology is an art of scientific inquiry. In other words, it is systematic product of knowledge. C. R. Kothari Defines, Research methodology is a way to systematically solve the research is done scientifically. In it we study the various styles that are generally adopted by a researcher in studying the research problem along with logic behind them. It is necessary for the researcher to know not only the research methods/techniques but also the methodology.

Most of the data used in this study are primary in nature. Some secondary data have been also used for the purpose of study. Most of information is collected from the sample sizes for the different professions, age groups, areas and educational background.

3.2 Research Design

The main aim of this study is to reveal the marketing of wai wai brand. The present study is exploratory in nature. Therefore the survey research design is used in this study. The collected data and information from the survey are tabulated an analyzed according to the need of the study to obtain the objectives.

3.3 Sources of Data

The data used in this study are mainly primary in nature. The primary data have collected by field survey with positive help of questionnaires. Thus, all the data required for the study are collected directly from the buyers of the products.

3.4 Data Collection Procedure

The systematically collected statically information for the propose of getting conclusion (or inference) is called data. The data plays an important role in the research and in the analysis of management problem, data is concerned is the foundation of all types of research, the data collection plan specifies the details of the task. In essence it answer the question who, what, when, how and where. What qualifies a participant to be observed? Most each participant meet a given criterion those who initiate a specification action? Who are the contacts to gain entry the intermediary to help with introductions, the contacts to reach if conditions change a trouble develops? Who has responsibility for the various aspects of the study? Who fulfills the ethical responsibilities to the participants? The characteristics of the observation must be as sampling elements and units of analysis.

For the present research the questionnaire was developed for different aspects according to objectives of the study and marketing complications are applicable to different aspects of marketing practices. Two different sets of questionnaires were prepared. 13 questions were prepared in one set of the questionnaire to be distributed among consumers and 10 questions were prepared in another set of the questionnaire to be distributed among shops. While distributing the set of the questionnaire, the researcher personally visited to the respondents one by one and obtained the same process in gathering information. Few consumers' form was distributed and collected by personal contact.

During the time in research some shopkeepers were unable to fill the questionnaire. Under this situation researcher filled that questionnaire with the

help of their oral answers. This study is mainly based on above mentioned two questionnaires and oral conversation & interview with concerned distributor, wholesalers, retailers and consumers. Besides this the researcher also has conducted field survey as well. The questionnaires were distributed to the consumers and businessman of Siddhartha Municipality for the collection of necessary information.

3.5 Population & Sample

Population can be defined as the elements about which we wish to make some inference. The individual participate or object on which the measurement is taken is known as population element. For example population unit, sample unit, sample element etc. in this study the populations of the study area were the consumer and the shopkeeper of Siddhatharnagar Municipality respectively. Sampling can be defined as the process of selecting elements from a population to the represent that population. To determine the characteristic of the population parameter, it is not possible to study each and every unit of the population in all situations. Thus, only the small part of the population is studied to determine the characteristics of the population. The small part of the selection from the entire population is called sample. Thus the characteristics of the sample is used to study the characteristics of the population, In sampling method of data collection information /data are collected only from a part of population (i.e. from sample) and the conclusion is drawn for the entire population. The number of units included in the sample is called the sample size. It is almost impossible to include the total population in the study. In this research, out of total population only 500 consumers and 137 shops were surveyed.

Even though the sample size is very small in the comparison of the total population, sufficient efforts have been made to make the representative of the whole population. The formal questionnaire has attached in the appendix column. Respondent profile are given below:

Respondents Profile (Age & Occupation)

Age Group/ Occupation	15-25 yrs	26-35 yrs	36 and above	Total	Total in %
Students	116	56	14	186	37.2%
Service Holders	68	64	88	220	44%
Shopkeeper	24	38	32	94	18.8%
Total	208	158	134	500	
Total in %	41.6%	31.6%	26.8%		100%

Respondents Profile (Qualification)

Qualification	S.L.C.	+2	Bachelor	Master	Service Holder	Shop Keeper	Total
Respondent	58	47	93	82	153	67	500
Percent	11.6%	9.4%	18.6%	16.4%	30.6%	13.4%	100%

3.6 Data Processing and Analysis

All the questionnaires were distributed and collected by the researcher. So, there was not any delay in collection of questionnaires, which were distributed among the respondents. Every questionnaire was thoroughly checked after the collection and was found correct in style of filling.

The same responses of the collected questionnaires were put into one place under the respective headings and the total responses were counted. The total responses were presented in one master table with the help of the data of the master table. Necessary adjustments have been made for attaining the objectives of the study.

3.7 Data Presentation

The presentation of the data is the basic organization and classification, which are then used for analysis purpose. After data collection is completed, the data will be in raw form which is to be arranged in proper way. The collected information related with objectives of the researcher is systematically analyzed. After then the collected data are presented and interpreted in different heading. Data has been presented clearly and vividly either in table and bar graph according to its nature.

CHAPTER-IV

DATA PRESENTATION AND INTERPRETATION

Before going to field two types of questionnaires were prepared for primary data collection and were randomly distributed to the respondents who were different in age, sex, educational status and social status and differed in religions aspects so that sample could represent the population most effectively. Some of them were distributed and collected by the personal contact and some were visited in their schools campus and other places.

After collection of data the required information was classified and tabulated and presented in the form of various table and bar graph, according to the needs and objectives.

4.1 Consumers' View

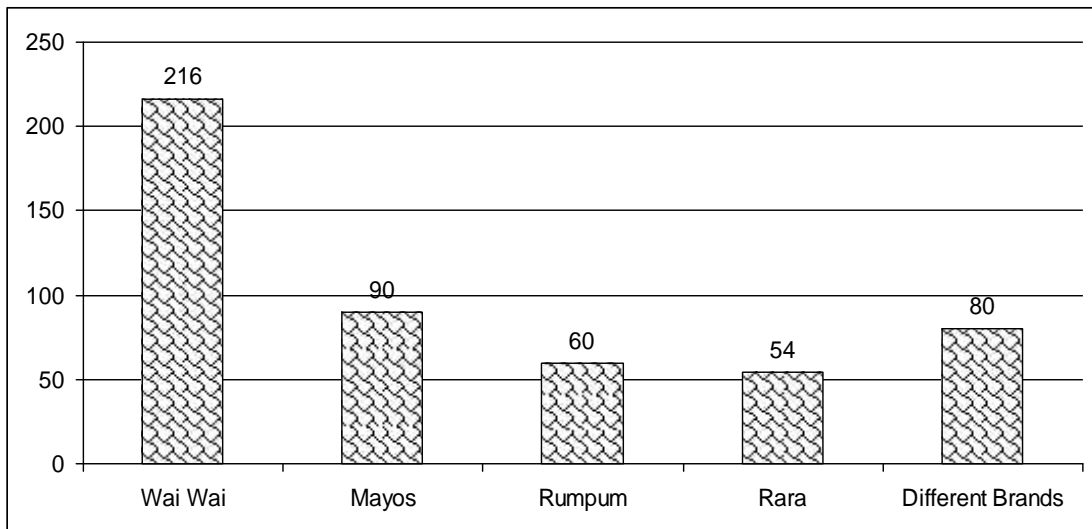
Out of total distribution of 500 questionnaires from the consumers, so the respondents were 100%.

4.1.1 Use of different Brands of Noodles

Table No. 4.1
Use of different Brand of Noodles

Brands	Number of Respondent	Percentage
Wai Wai	216	43.2%
Mayos	90	18%
Rumpum	60	12%
Rara	54	10.8%
Different Brands	80	16%
Total	500	100%

Figure No. 4.1
Use of Different Brands of Noodles



By analyzing the above bar diagram although, availability of different noodles such as WaiWai, Mayos, Rum Pum, Rara and other noodles WaiWai users are maximum. Hence we can conclude that wai wai noodles has occupied the good position in comparison to the other all types of noodles.

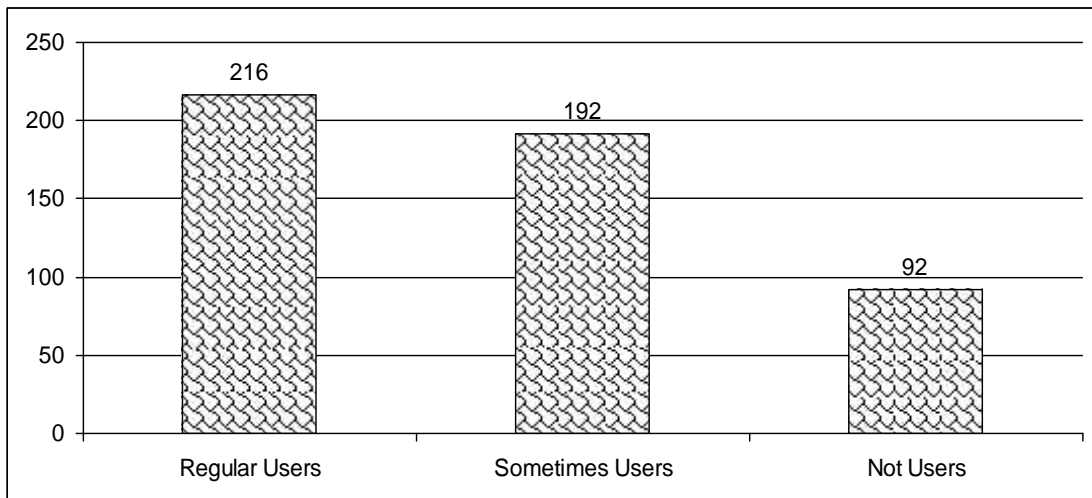
4.1.2 Actual Users of the Wai Wai Brand

Table No. 4.2
Actual users of the WaiWai Brand

User Type	Number	Percentage
Regular Users	216	43.2%
Sometimes Users	192	38.4%
Not Users	92	18.4%
Total	500	100%

Figure No. 4.2

Actual users of the WaiWai Brand



By observing the above table and bar diagram we can conclude that 43.2% respondents are using wai wai regionally. To increase the no. of regular user company should provided special promotional facilities.

4.1.3 Reasons for Preferred WaiWai Brand (Only for Regular Users)

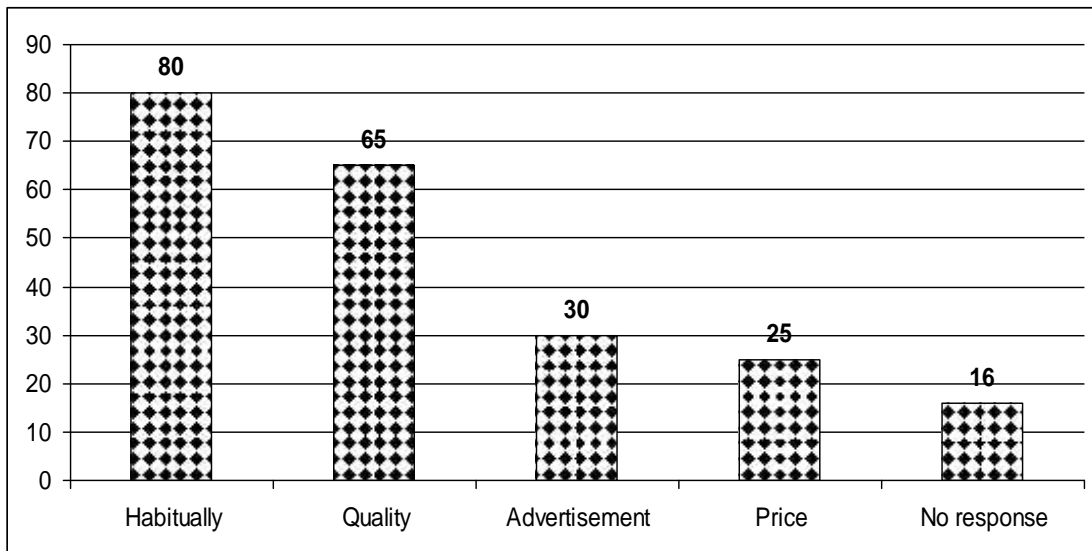
Table No. 4.3

Reasons for Preferred WaiWai Brand

Basis of Preferred	Number	Percentage
Habitually	80	37.04%
Quality	65	30.09%
Advertisement	30	13.88%
Price	25	11.58%
No response	16	7.42%
Total	216	100%

Figure No. 4.3

Reasons for Preferred WaiWai Brand



To find out the reason behind the regular use of wai wai brand among the regular user the prominent factor is previously established habitual tending. Most of the regular consumers of wai wai brand have the good concept of quality? Hence to increase the regular user the company should maintain its quality always in standard level.

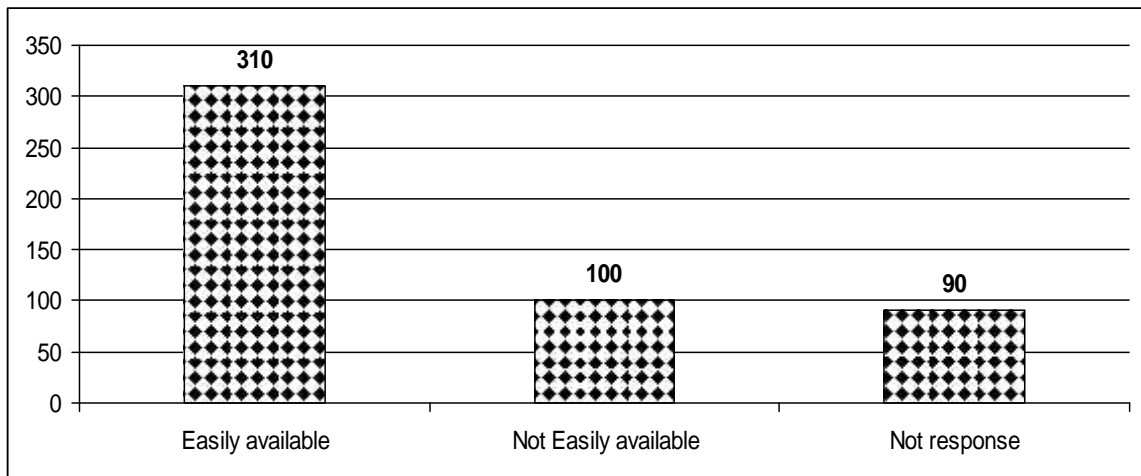
4.1.4 Availability of Wai Wai

Table No. 4.4

Availability of WaiWai

Availability	Number of Respondent	Percentage
Easily available	310	62%
Not Easily available	100	20%
Not response	90	18%
Total	500	100%

Figure No. 4.4
Availability of Wai-Wai



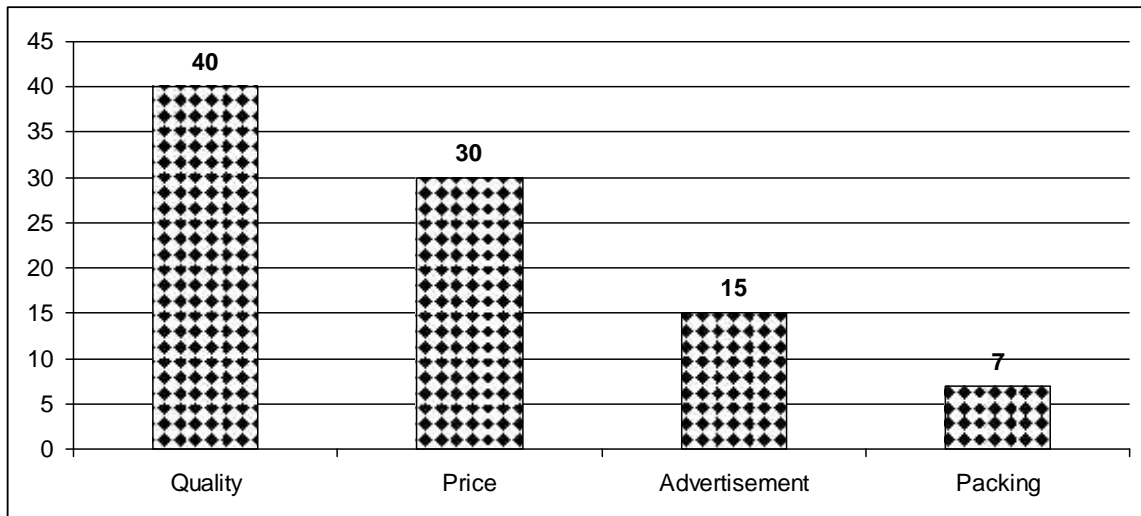
By analyzing condition of availability at the noodle wai-wai most of the respond and answered that wai-wai is easily available in their surrounding. Due to good transportation facility and high purchase rate of wai-wai noodle in comparison to the other noodles most of the local seller's have been stocked this brand in high scale.

4.1.5 Suggestion Taken from Non Users of WaiWai

Table No. 4.5
Suggestion Taken from Non Users of WaiWai

Suggestion in	Number	Percentage
Quality	40	43.48%
Price	30	32.61%
Advertisement	15	16.30%
Packing	7	7.61%
Total	92	100%

Figure No. 4.5
Suggestion Taken from Non Users of WaiWai



The suggestion taken from 92 non- user. It can be concluded that to influence then the wai-wai company should maintain its quality reducing its present price. 30% wai-wai non user’s respondent commented that. The price should be lowered so that they can easily afford it.

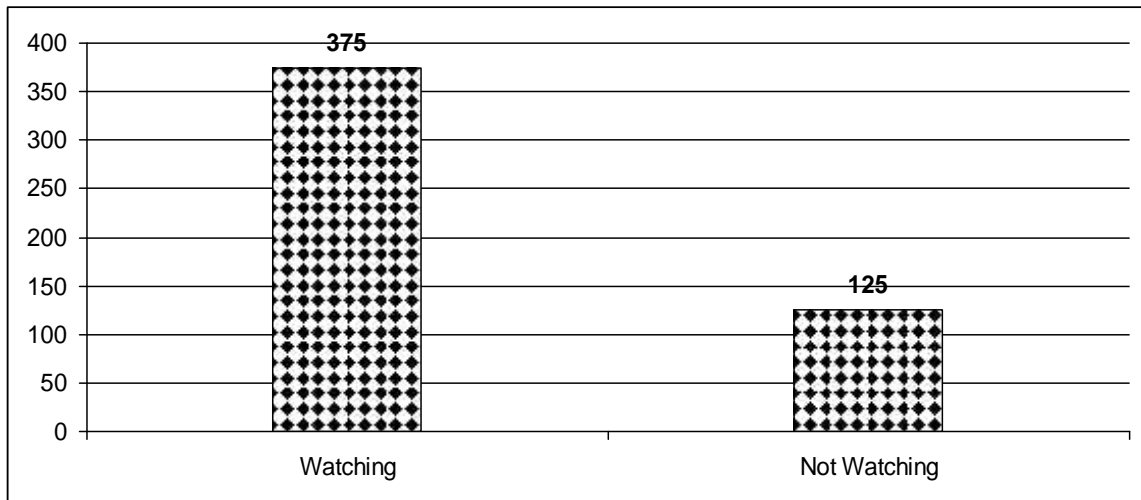
4.1.6 Trends of Watching Advertising of Wai-Wai

Table No. 4.6
Trends of Watching Advertising of WaiWai

Trends	Number	Percentage
Watching	375	75%
Not Watching	125	25%
Total	500	100%

Figure No. 4.6

Trends of Watching Advertising of Wai Wai



By the help of above bar diagram, among the 500 respondents 375 i.e. 75% have been watching the advertisement of wai-wai. Hence we can conclude that the audio-visual advertisement have been playing important role to influence the greater mass of people.

4.1.7 Having T.V. on Respondent Home

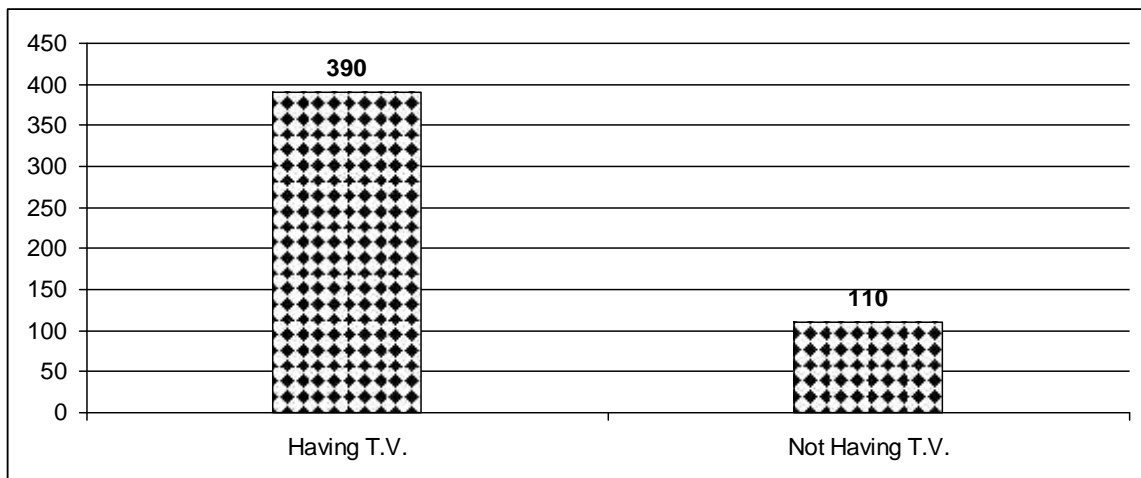
Table No. 4.7

Having T.V. on Respondent Home

Options	Number	Percentage
Having T.V.	390	78%
Not Having T.V.	110	22%
Total	500	100%

By the help of above the data among 500 respondents, 390 respondents have a T.V. at their homes and 110 respondents do not have a T.V. Due to higher demand of T.V. and due to cheap rate of electronic device. We can found that the most of consumers have a T.V. at their homes.

Figure No. 4.7
Having T.V. on Respondent Home



4.1.8 Attraction of Advertisement on T.V.

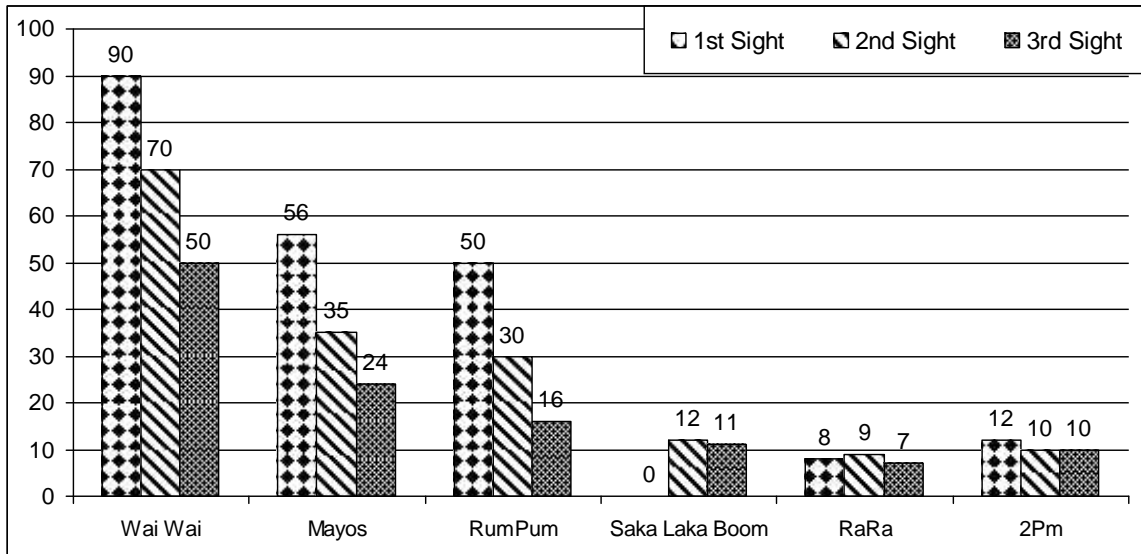
Table No. 4.8
Attraction of advertisement on T.V.

Advertisement on TV	1 st Sight	2 nd Sight	3 rd Sight	Total	Total in %
Wai Wai	90	70	50	210	42%
Mayos	56	35	24	115	23%
RumPum	50	30	16	96	19.2%
Saka Laka Boom	0	12	11	23	4.6%
RaRa	8	9	7	24	4.8%
2Pm	12	10	10	32	6.4%
Total	216	166	118	500	100%

By analyzing the attraction tendency of different brands such as wai-wai, Mayos, Rumpum, Sakalaka boom, Rara, 2pm due to television advertisement the wai-wai brand held's the topmost position.

Figure No. 4.8

Attraction of advertisement on NTV



Similarly the other popular brand such as mayos and Rumpum are occupied the second and third position. The least attraction tendency can be seen towards the advertisement of 2pm noodle and highest attraction tendency can be seen towards wai-wai.

4.1.9 Effective Advertisement from Different Media

Table No. 4.9

Effective Advertisement from Different Media

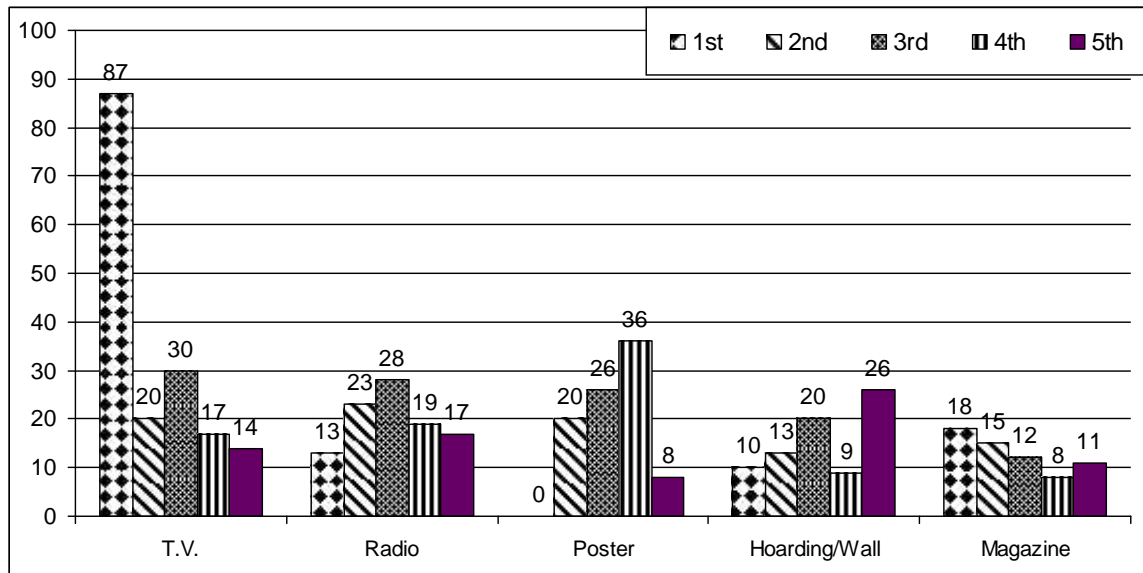
Advertisement	1 st	2 nd	3 rd	4 th	5 th	Total	Total in %
T.V.	87	20	30	17	14	168	33.6%
Radio	13	23	28	19	17	100	20.0%
Poster	0	20	26	36	8	90	18.0%
Hoarding/Wall	10	13	20	9	26	78	15.11%
Magazine	18	15	12	8	11	64	12.85%
Total	128	91	116	89	76	500	100%

By observing the above table and below bar diagram the effective advertisement from different media such as TV, Radio, Poster, Holding board and magazine in five different sights, we can conclude that TV is the highly effective advertising

media. The audio-visual media tools Like TV. It can easily influence the consumers mind.

Figure No. 4.9

Effective Advertisement from Different Media



4.2. Businessman's View

Researcher has visited the research field to accumulate different data that is required for the study. The researcher has selected 137 shops a siddharthanagar. While collecting data some shopkeepers have provided the information by filling the questions, on their own way and some shopkeepers have provided information related with questionnaire orally with researcher.

4.2.1 Types of Shop

Table No. 4.10
Types of Shop

Types of Shop	Quantity	Percent
General Store (Kirana)	64	47%
Cold Store	27	20%
Departmental Store	18	13%
Wholesale	17	12%
Company's Distributor	11	8%
Total	137	100%

Figure No: 4.10
Types of Shop



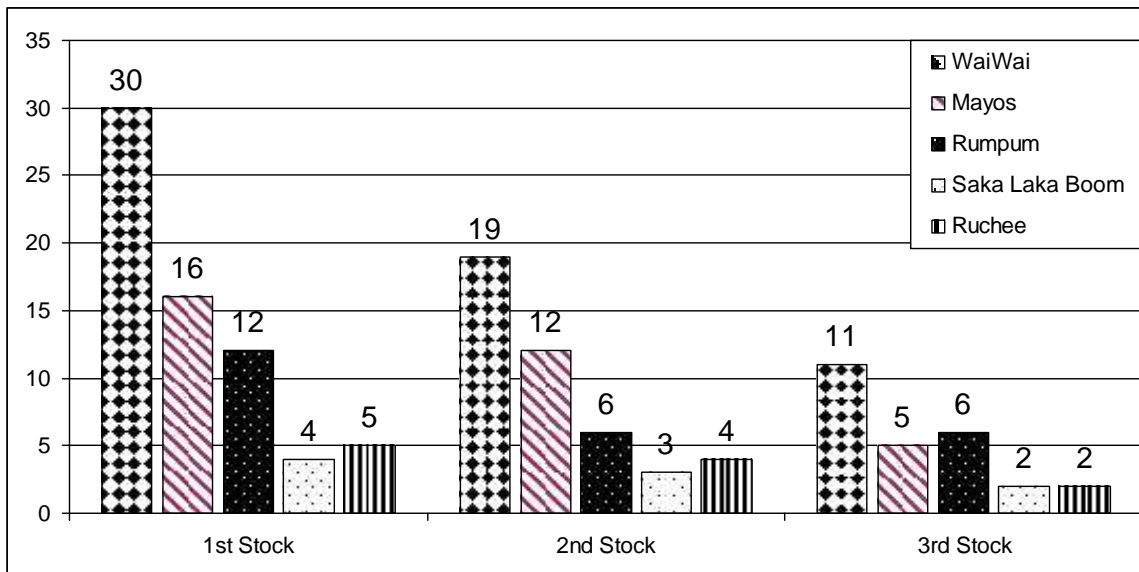
By studying the above table and bar diagram, most of research study have been conducted by concentrating general store because most of the shops available in target market are general store. In that specific market there are some distributors from company side which regularly supply wai-wai through his limited number of wholesalers.

4.2.2 Stock-Wise Situation of Noodles

Table No. 4.11
Stock-Wise Situation of Noodles

Noodles	1 st Stock	2 nd Stock	3 rd Stock	Total	Total in %
WaiWai	30	19	11	60	43.79%
Mayos	16	12	5	33	24.09%
Rumpum	12	6	6	24	17.52%
Saka Laka Boom	4	3	2	9	6.57%
Ruchee	5	4	2	11	8.03%
Total	67	44	26	137	100%

Figure No. 4.11
Stock-Wise Situation of Noodles



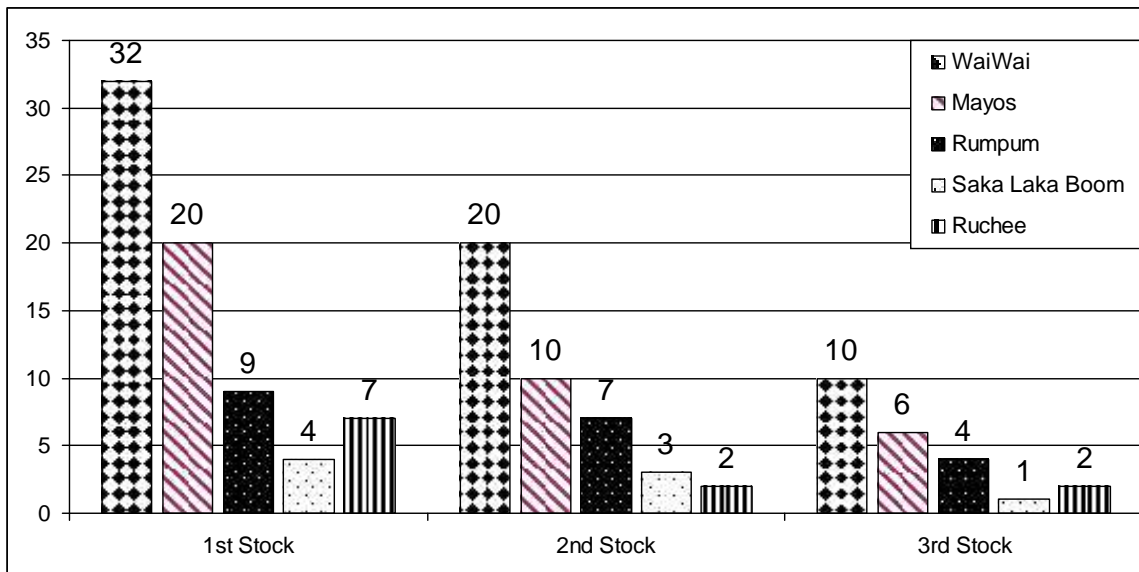
The above bar diagram indicates that among different noodles such as wai-wai, mayos, rumpum, sakalaka, 2pm and ruche is the highest position in stock-wise situation in different shops. The selling position of wai-wai is higher in comparison to the other noodles so that the tending of stocking this noodles is seen automatically high.

4.2.3 Sales Wise Situation of Noodles

Table No. 4.12
Sales Wise Situation of Noodles

Noodles	1 st Stock	2 nd Stock	3 rd Stock	Total	Total in %
WaiWai	32	20	10	62	45.25%
Mayos	20	10	6	36	26.28%
Rumpum	9	7	4	20	14.59%
Saka Laka Boom	4	3	1	8	5.84%
Ruchee	7	2	2	11	8.03
Total	72	42	23	137	100%

Figure No. 4.12
Sales Wise Situation of Noodles



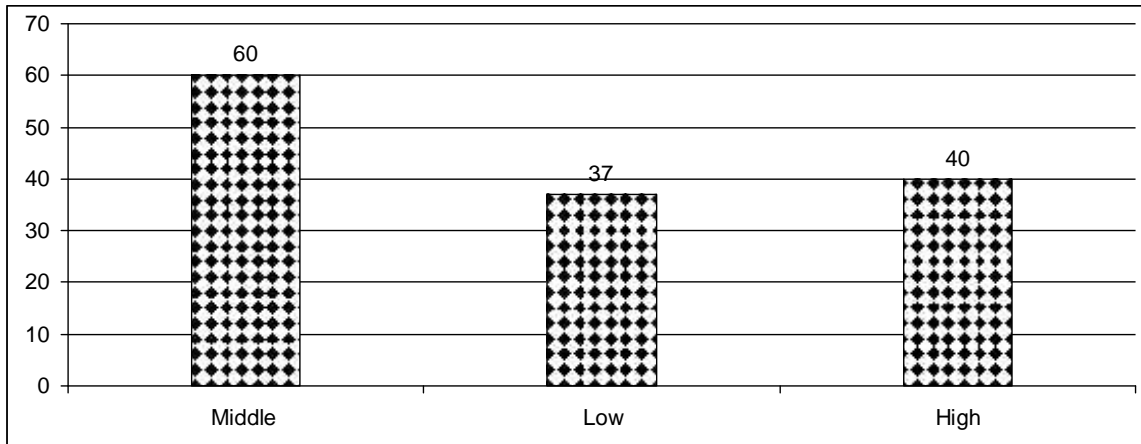
According to information given by respondent and as described in bar diagram the tendency sale-wise situation of noodles, wai-wai occupied the first position and Ruchee is seen in the last position.

4.2.4 Payment Status of WaiWai

Table No. 4.13
Payment Status of Wai Wai

Payment	Number	Percentage
Middle	60	44%
Low	37	27%
High	40	29%
Total	137	100%

Figure No. 4.13
Payment Status of Wai Wai



The Column chart is showing that payment status of WaiWai is middle, which is 44% (60). Where 27% (37), are feeling its payment is loose and 29% (40), are feeling that its payment is hard.

The above column chart describes that middle payment status of wai-wai is 44%. Similarly low and high payment status are 27 and 29% respectively. More over the researcher has done survey about payment vs. sales growth asking questions whether the introduction of additional low payment will increase the sales volume the answers were as follows (shown in the table below).

4.2.5 Payment Vs Sales Growth

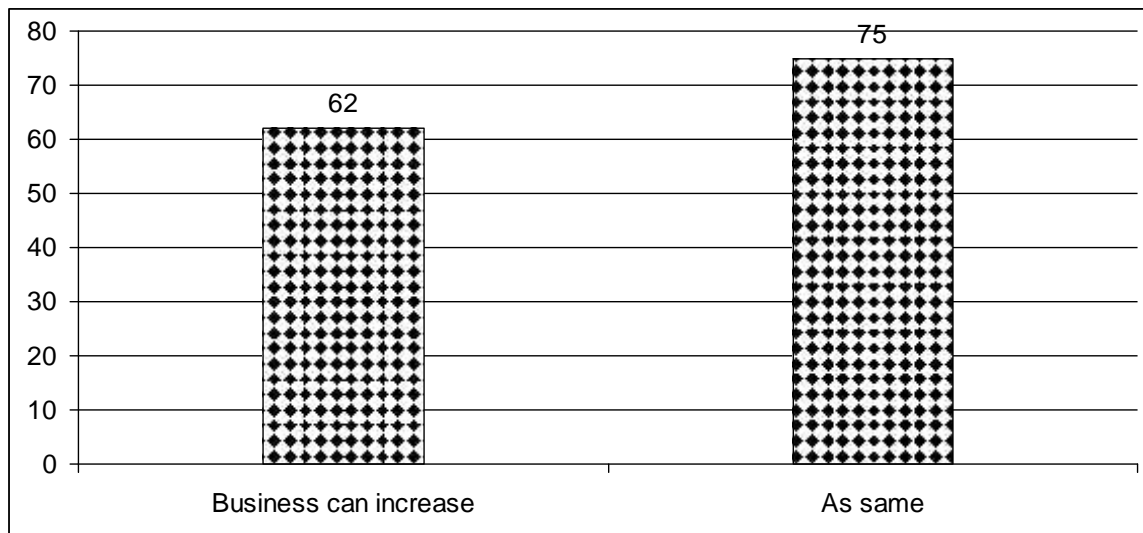
Table No. 4.14
Payment Vs Sales Growth

Reasons	No. of Respondents	Percent
Business can increase	62	45%
As same	75	55%
Total	137	100%

While doing the survey to obtain the figure of payment vs growth. Most of shops i.e. 55% (75) are purchasing noodles even WaiWai by cash and hold the

view that they are selling the maximum packets of noodles, additional facility of credit will not help in increasing sales. On the other hand, there are 45% (62) shops who believe that they will certainly increase the sales if additional facility of credit is provided to them.

Figure No. 4.14
Payment Vs Sales Growth

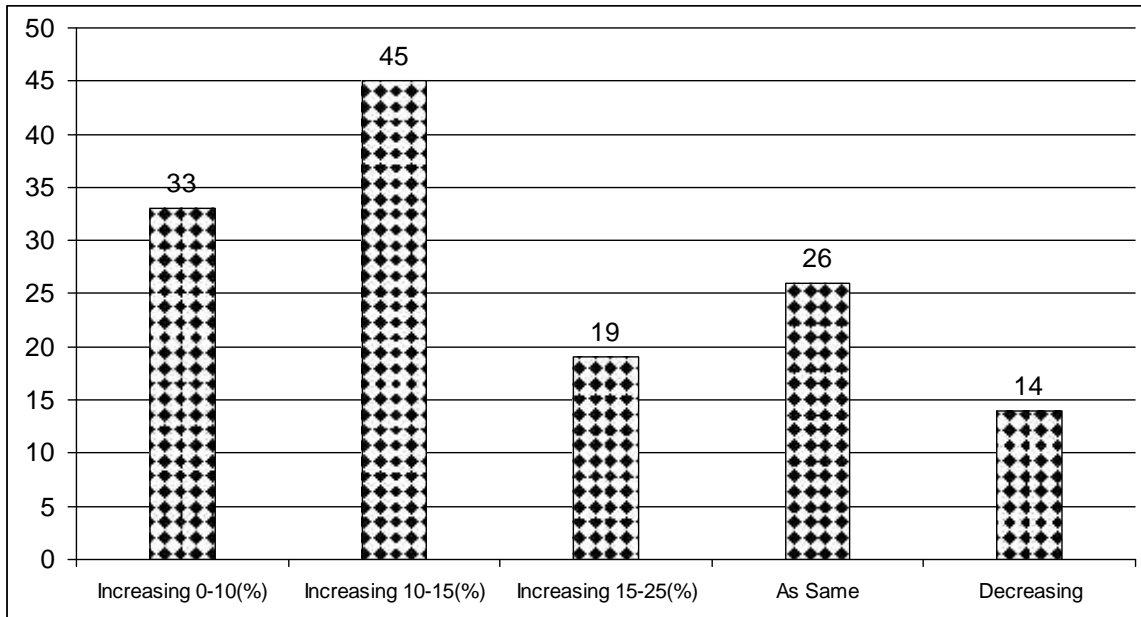


4.2.6 Increasing of Noodles Market

Table No. 4.15
Increasing of Noodles Market

Condition	Respondent	Percent
Increasing 0-10(%)	33	24%
Increasing 10-15(%)	45	33%
Increasing 15-25(%)	19	14%
As Same	26	19%
Decreasing	14	10%
Total	137	100%

Figure No. 4.15
Increasing of Noodles Market



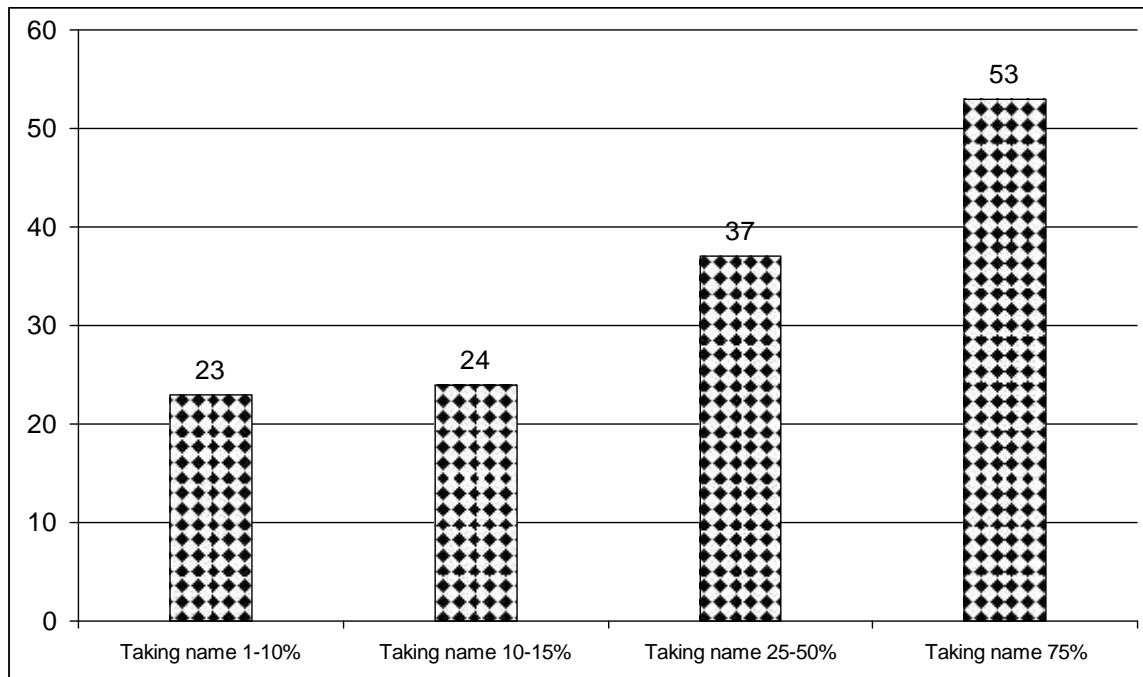
The table and bar diagram above shown refers the fact that out of 13% respondent's 34% respondents' shops has replied that there is 0 to 10% annual increase in noodle market. There are other groups of 33% and 14% respondents are of the opinion on that annual increase in noodle market is 10-15% and 15-25% respectively. On the other hand 19% respondents has responded that there is no increase in sales volume i.e. in the constant rate as it was before while the experience of 40% respondents has given quite different fact i.e. the decreasing rate of noodles in comparison to the past achievement.

4.2.7 Trends of Consumer Taking Brands Name

Table No. 4.16
Trends of Consumer Taking Brands Name

Condition	Respondent	Percent
Taking name 1-10%	23	17%
Taking name 10-15%	24	18%
Taking name 25-50%	37	27%
Taking name 75%	53	38%
Total	137	100%

Figure No. 4.16
Trends of Consumer Taking Brands Name



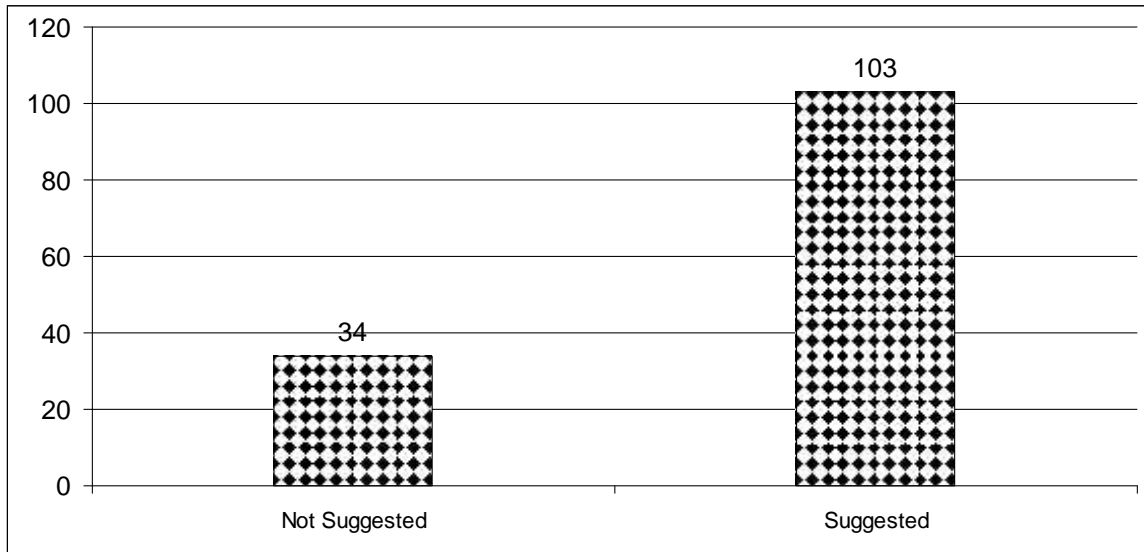
By observing above table, we can conclude that the brand name of noodles is quite familiar with different types of consumers. It is a general tendency that the consumers enter the shop and frankly ask for their respective brand out of 137 respondents 53 shopkeepers have frankly opinioned that more than 50% consumers have their own brand loyalty. Hence, we can summarize that the brand loyalty is very high.

4.2.8 Trends of Suggestion of Consumer

Table No. 4.17
Trends of Suggestion of Consumer

Category	Number	Percentage
Not Suggested	34	25%
Suggested	103	75%
Total	137	100%

Figure No. 4.17
Trends of Suggestion of Consumer



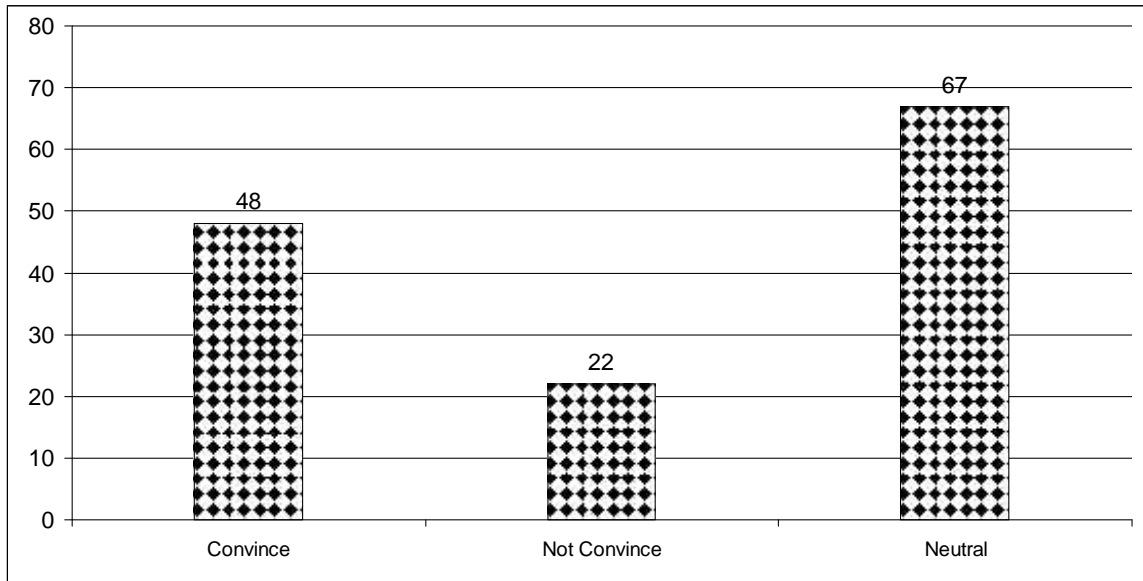
Convincing capacity of Shopkeepers plays a significant role to influence the consumer to words any particular brand. If the consumer does not have their own brand etc there is a probability to suggest another brand by Shopkeepers. By observing the above table, among 137 respondents the Shopkeepers has suggested 103 respondents and only 34 respondents are not suggested by the shopkeeper for alternate brand.

4.2.9. Convincing Capacity of Shopkeeper

Table No. 4.18
Convincing Capacity of Shopkeeper

Category	Number	Percentage
Convince	48	35%
Not Convince	22	16%
Neutral	67	49%
Total	137	100%

Figure No. 4.18
Convincing Capacity of Shopkeeper



The present competitive environment of business, effect selling of goods or services has because a very difficult and challenging. There may be a probability that a consumer may not be in a position acquire his loyal brand in a shop due to some unavoidable reason under such condition the convincing of shopkeepers is of immerse value because he is the man who can influence the consumer to buy some other competitive brand. Sometimes a consumer may not be in a position to acquire his loyal brand in a shop due to some unavoidable reason. Under such circumstances the convincing capacity of shopkeepers is of immense value because he is the man who can influence the buyer to buy some other competitive brands. It is quite natural that he will try to sell an alternate brand that will give him much more profit. The table shown above clearly indicates that 16% shopkeepers (22) shops don't have any capacity to convince the consumers to have an alternate brand while 49% shopkeepers (67) shops are neutral and so are shy in suggesting for a competitive brand. There are only 35% shopkeepers (48) shops take active parts in convincing the consumers for purchasing a competitive brand. The role of such Shop Keepers is very much helpful to increase the sale of the particular brand.

4.3 Major Findings

Quality Marketing is the demand of time. Strategic commitment, involvement of professional marketing personalities, quality materials, new technology improved group efforts are basic requirements for quality marketing. In case of WaiWai noodles most of the above mentioned conditions has been addressed by the company into some extent. In order to maintain the present prestigious position of WaiWai continuously in Nepalese noodle Market, it should aware about all marketing strategies and continuous maintaining of its quality according to the health perspective.

On the basis of the field survey and subsequent analysis, the major findings obtained from research are listed below.

1. Most of consumers purchase Noodles by taking the brand's name. If consumers do not find their own brand most shopkeepers suggest carrying another brand rate of suggestion is 75%.
2. 75% consumers are aware with 'WaiWai' advertisements. Most of consumers have T.V., Wai-Wai, Mayos and Rumpum are respectively attractive advertisement on NTV. Most effective media for advertisement is T.V. where as Radio, Poster, Magazine are also effective.
3. Quality and price are important factors because 49.48% of the consumers suggest increasing quality and 16.67% suggest decreasing price on the basis of 170 sometimes user's consumers.
4. The "Subhakamana Trade Centre" and "Sungabha Trade Centre" are company's Authorized dealer in Siddharthanagar.
5. Distributor themselves go in the market to give the service for concerned. Most of retailer purchases 'WaiWai' by dealers.
6. Stock-wise 'WaiWai' is in first position.
7. Sales-wise 'WaiWai' is in first position.
8. Payment is not very strong of 'WaiWai'. 44% (60) shopkeepers say its payment is middle.
9. Most retailers purchase Noodles even 'WaiWai' in cash. If given credit facilities they have no confidence to increase sales 55% (75) retailers.

10. According to shopkeeper Noodles market is increasing 15 to 25% yearly. Although 19% say that its market is same like previous.
11. 35% consumers are convinced by the shopkeeper suggestion.
12. 43.2% consumers are regular users of 'WaiWai'.
13. Sometimes user's consumers of 'WaiWai' are 38.4%.
14. Most of consumers are preferred WaiWai due to the case of quality.
15. Where 18.4% are not using 'WaiWai' because they are not habituate (in buying WaiWai), are not satisfied with the quality, price, advertisement and packing.
16. Availability of 'WaiWai' is quite well because 62% consumers can easily get it.

CHAPTER-V

SUMMARY, CONCLUSION AND SUGGESTION

5.1 Summary

Nepal is a developing country advancing towards industrialization. Although it has completed different development long-term plan's industrial developments as well as the modern marketing system still in backward position in comparison to other countries. Mainly due to political instability and other minor factors such as ever changing economic policies, corruption etc have been severely affected the business, agriculture industry and other industries. The labor oriented industries have also reached a condition of adopting existence strategy and the capital oriented industries also have not been able to compete in the global market. Only some assembly industries and multinational company have been doing well in Nepal.

In the background of such industrial condition, Nepal has a member of SAFTA and world trade organization (WTO) the pace of development of transport and communication has become fast. This affects the Nepalese entrepreneurs and businessmen have become conscious about market segmentation as well development of good business environment in Nepalese environment. Market research should be carried out for systematic segmentation of market. Generally, Nepalese entrepreneurs and business man use non systematic practices of market segmentation. Among different of non-systematic segmentation competitor's strategy is mostly used in Nepal. Most of noodle companies have adopted this strategy.

Noodle is most a widely used fast food in the world. Although Nepal has no long history of noodle but in the present context it is the most popular food items in Nepalese society.

It is obvious that no business can flourish without the application of appropriate marketing tools and strategies in the competitive market. Marketing plays a key

role to boost up industrial production and attain success. The realization of importance of marketing is to identify customer's requirements and to satisfy them through Nepal is one of the developing countries; it cannot stay away from adopting sound marketing strategies. The enterprise have been forced by the emerging challenges of competition from within and out side country to evaluate and asses their hitherto production oriented policies. Appropriate marketing strategies and policies enable enterprises to mould suitable ways of action to attain predetermined purpose, Globalization initiatives emerging since the eighties has put further impetus for adopting more aggressive marketing strategies in view of substantial growth in level of competition.

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

The topic of this research "Marketing of waiwai in Siddharthanagar Municipality, Rupandehi." was very vast topic to perform in the short duration so the researcher visited selected area of Siddharthanagar. According to sampling and research design before going on the field the specific objectives of the study were set and two types of questionnaire were developed to suit the objective. Out of these two questionnaires one is for the purpose of consumer's reaction whereas another aim at being aware of shopkeepers reaction towards 'WaiWai' brand separately. Specially marketing has 4 ps (Product, Promotion, Price & Place) and this study is conducted on these 4ps activities of Chaudhary Group for 'WaiWai' brand.

It was not possible to visit more consumer and shopkeepers due to many limitations. So, randomly, questionnaires were distributed and collected. Among consumer 90% have response and among shopkeepers 95% have response for questionnaire. Most of consumers are students covering an age group of 15-25 years who are either from school or campus. Others are service

holders from different office. WaiWai, Mayos, Rumpum, 2pm, Rara, Ruchee, Saka Laka Boom, Mama etc. are commonly available brands in Siddharthanagar. The research study reveals that sales position, distribution channel and popularity of WaiWai is very strong in comparison to the other brands.

5.2 Conclusion

We need to fulfill all the necessary condition and conduct all the activities related to the marketing to establish a particular brand very strongly. Basically, this research work has been performed by studying the four components of marketing mix such as product place price and promotion. The revolutionary development of information technology has made possible to make global exchange relation effective. Global partners are working together in supply and distribution system. Besides, they are conducting various business activities in joint ventures. Economic, political-legal, socio-cultural and technological factors are the major elements of marketing environment in Nepal. These elements directly and indirectly affect marketing activities.

Nepal is a backward country in the development of science and technology. As Nepal is economically weak, there is a minimum possibility for Nepal to develop science and technology by itself. So, it has adopted the policy of transferring new technology. The examples of new technology transfer are Coca Cola of Nepal Bottlers, WaiWai noodle of Chaudhary Group, Gold Star Television, Tuborg and Sanmiguel bear etc. The most popular noodle WaiWai has taken a market defence strategy, other noodles such as Mayos, Rumpum etc have taken attack strategy through aggressive advertisement and sales promotion. By the study of the marketing of 'WaiWai' it has been seen that.

In Siddharthanagar 2pm, Rara, Ruchee, Saka Laka Boom, Mama, are also available brands but the top most brands are WaiWai, Mayos & Rumpum respectively. By sales position 'WaiWai' is in first position and Mayos is also aggressively coming behind it. Consumers are brand loyal, most of consumers

suggest to decrease or not to increase the price of 'WaiWai' and maintaining the best quality. Distribution channel of 'WaiWai' is very much effective. According to consumers WaiWai's Advertisement is very effective on T.V. and most of them watch the advertisement. Overall CG has a good market situation in Siddharthanagar.

5.3 Suggestions

Till now marketing strategies and over- all business activity of waiwai is in strong position in comparison to the other brand. To establish and to continue the good position, proper vision, mission and objective should be implemented according to changing business environment. On the basis of research work, most of the consumer suggests that the waiwai company should increase the quality and decrease the price. Most of the retailer commented that they are not getting bonus/discount scheme etc. The most sensitive consumer is the company should not give priority on advertisement but it should maintain the good hygienic condition and quality. Thus the following suggestions based on the finding of the research study are:

1. Extensive Distribution:

From our survey it has been found that on non-availability of main brand on premise, there is a great tendency of consumers switching over to substitute brand. Thus effort should be made to make available waiwai noodles every store.

2. Effective Promotion:

Many consumers are still unaware absent wai-wai consumers are using other brand due to lack of information. So that company should focus on the following points.

-) The advertisement of wai-wai noodle on local paper Medias well as local radio-station must be highly focused.
-) Different kinds of awards and gift hamper will be a really a positive step in motivating consumer about noodle.

-) Different schemes on the wai-wai noodle increase in sales volumes so that new and attractive type of scheme must be introduced to attract consumer.
-) From the survey, it has been found that high percentage of responding take noodles as refreshing as well as fast and convenient food item and it can be promoted in good manner to achieve the maximum sell.

3. Quality Maintenance:

Quality of wai-wai noodle is a most important factor. The company should maintain same level of quality. If the quality of the noodle good then other factor cannot diminish the selling rate of wai-wai.

4. Use of effective advertising media:

Advertisement is one of the best way to establish and promote is one of the best way to establish and promote a particular brand. The management of wai-wai noodle should adopt the policy of using possible media to advertise it.

5. Product Demonstration:

Displaying of products in out lets also plays an important role in sales. This product should be displayed by using large advertising board where consumer spends most of their time.

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APPENDIX

As a MBS student, I am going to conduct a research on marketing of wai-wai. For the partial fulfillment of requirement for the degree course therefore you are kindly requested to fill up the following questionnaires which will be helpful for me to prepare the research. The information will be kept confidential and used for only research purpose. If possible please provide me the required information which is listed in the questionnaires.

Name:

Address:

Age:

Occupation:

Sex (Male/Female):

Marital Status:

QUESTIONNAIRE (For Consumer purpose)

1) Is WaiWai Brand easily available in any shop?

- a) Easily available
- b) Have to ask in two or three shops.

2) If you don't prefer WaiWai, why?

- a) Habituated in another brand
- b) Due to more price
- c) Due to lower quality
- d) other brand's attractive advertisement

3) What factor should be improved so that you could use WaiWai brand?

- a) Advertisement
- b) Price
- c) Quality
- d) Packing
- e) Others

12) Suggestion to make WaiWai Noodle more improved if any?

.....
.....

13) What do you think the most effective advertisement that NTV is producing about the different brand of noodles?

a)..... b).....
c).....

QUESTIONNAIRE (For Shopkeeper Purpose)

1. What brand you prefer to sell most, if a consumer is not loyal to any particular brand?

WaiWai	[]	Mayos	[]
RaRa	[]	Ruchee	[]
Rumpum	[]		

2. How many brands of Noodles do you sell from your shop?

WaiWai	[]	Mayos	[]
RaRa	[]	Ruchee	[]
Rumpum	[]	All Mentioned above	[]

3. Rate these brands on the basis of your daily sales figure.

(Give 1, 2, 3, 4 No).

WaiWai	[]	Mayos	[]
RaRa	[]	Ruchee	[]
Rumpum	[]		

4. Have you any kind of credit facilities in the case of WaiWai brand?

Yes [] No []

5. Mention the Stock Position of the different brands in your shop?

WaiWai [] Mayos []
RaRa [] Ruchee []
Rumpum []

6. What are the reasons for your preference to sell that particular brand?

Door to Door Supply [] More Commission []
Schemes []

7. How Many consumers come to your shop to buy Noodles by using brand name?

1-10% [] 10-15% []
25-50% [] 75% []

8. What are the trends in the noodle sales of your shop ?

- Increase 1 to 10%
- Increase 10 to 15%
- Increase 15to 25%
- No change at all
- Decreasing

9. What types of Consumers Comes to your shop for buying WaiWai Band?

High Level [] Medium Level []
Low Level []

10. What is the payment status of WaiWai Brand?

High [] Middle [] Low []